

UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION

In the matter of)
)
)

Evanston Northwestern Healthcare)
Corporation,)
a corporation, and)

ENH Medical Group, Inc.,)
a corporation.)
)
)
)

Docket No. 9315

PUBLIC VERSION

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MATERIAL FACTS AS TO WHICH THERE IS NO GENUINE ISSUE

Philip M. Eisenstat

Thomas H. Brock

Richard J. Nolan

Pursuant to Section 3.24 of the Commission's Rules of Practice, in connection with its

as to which there is no genuine issue.

Respondents

1. Evanston Northwestern Healthcare ("ENH") is a non-profit corporation organized,

within the meaning of the Federal Trade Commission Act. Stipulation Regarding Interstate Commerce at ¶ 1 (Tab 2).

Health Care Industry

7. Most people in the United States, not covered by government programs, partici-

ate in health insurance plans, generally through their employer. Insurance companies develop

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71) Jodi Levine was Vice President of ENH Medical Group, L.P. et al.

74) The ENH Doctors and the Independent Doctors meeting in close cooperation:

business with insurance companies.

20 In October 1998, the Highland Park IPA's annual report about the state of

“competition” observed that [REDACTED] by acquiring nearby sites, the “consequences” of which was that the Highland Park IPA’s [REDACTED]

[REDACTED] CX 1347 at 7 (Tab 25).

21 In June 1997, Highland Park Healthcare's Board noted that among the factors

The Participating Agreements signed by the Independent Doctors are substantially similar to CX 1503 and CX 1504, including with regard to Sections 2.9, 3.3, 5.8, and Exhibit C. Spriggs-Hutchinson Decl. at ¶ 3 (Tab 52).

35. Pursuant to the Participating Agreement, [REDACTED]

E.g., CX 1503 at 7 (Provision 2.9), 9 (Provision 3.3) and 22 (Exhibit C)(Tab 33).

36. The Participating Agreement [REDACTED]

CX 1503 - 100 (Tab 33)

CX 1510 (Tab 35) - 100 (Tab 35) - 100 (Tab 35) - 100 (Tab 35) - 100 (Tab 35)

39. ENH Medical Group also asked the Independent Doctors from Highland Park

Hospital to sign a standardized letter (addressed "To Whom It May Concern") CX 1710 et al

(Tab 37) CX 1714 (Tab 38) CX 1745 (Tab 40)

40. In the standardized letter, each doctor who signed the letter stated that he or she

from Terry Chan to ENH Medical Group management stated: [REDACTED]

CX 450 at 1 (Tab 12).

46. As Terry Chan noted in a memo to ENH Medical Group management, having

designed participate in individual contracts with an insurance company [REDACTED]

[REDACTED] CX 440 at 1 (Tab 11).

[REDACTED]

doctor revenues by about [REDACTED] per year. CX 27 at 6 (Tab 4); CX 28 (Tab 5); CX 416 (Tab 9).

51. At the conclusion of contract negotiations with [REDACTED], ENH Medical Group reported to its doctors on its success in obtaining [REDACTED] [REDACTED] CX 1385 at 1 (Tab 27).

52. In addition to the [REDACTED] contract, ENH Medical Group successfully renegotiated more contracts throughout the year 2000. CX 27 at 6 (Tab 4); CX 28 (Tab 5); CX 2206 (Tab 44); CX 2211 (Tab 46).

53. In 2000, the fee for service increased over contracts negotiated by ENH Medical

Group continued price increases that moved from [REDACTED] to [REDACTED] for contracts based on Medicare

63. ENH Medical Group refers to fee-for-service contracts as [REDACTED] contracts.

CX 1113 at 2, (Tab 18): Golbus Dep. Tr. at 114 (July 8, 2004) (Tab 53): Mittleman Dep. Tr. at

172-73 (Tab 57).

70. It was not until November of 2002 that ENH Medical Group's management first urged the development of an [REDACTED] including estimates of number of affiliates willing to clinically integrate." CX 1500 at 2 (Tab 32).

71. In December of 2002, an [REDACTED] was introduced to management, but the memo states that ENH Medical Group did [REDACTED]

CX 1457 at 1 (Tab 30).

72. It was not until March of 2002 that the Participating Agreement with the [REDACTED]

[REDACTED] CX 1433 (Tab 28); CX 1456 (Tab 29); CX 1457 (Tab 30).

77. [REDACTED]

[REDACTED] Golbus IH Tr. at 193-96 (Tab 70).

Respondents' Knowledge of the Investigation

78. On approximately [REDACTED] the Federal Trade Commission sent a letter to Evanston Northwestern Healthcare informing the hospital that the Commission was conduct-

Hospital. CX 2213 (Tab 48).

79. On approximately [REDACTED] the Federal Trade Commission faxed an

CERTIFICATE OF SERVICE

respondents by electronic mail and first class mail delivery:

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