

**UNITED STATES OF AMERICA  
BEFORE THE FEDERAL TRADE COMMISSION**

**COMMISSIONERS:**                    **Jon Leibowitz, Chairman**  
   **William E. Kovacic**  
   **J. Thomas Rosch**  
   **Edith Ramirez**  
   **Julie Brill**

\_\_\_\_\_ )  
**In the Matter of**                    )  
   )  
**Minnesota Rural Health Cooperative,**    )

**DECISION AND ORDER**

The Federal Trade Commission (“Commission”), having initiated an investigation of the Minnesota Rural Health Cooperative (“MRHC”), hereinafter sometimes collectively referred to as “Respondent,” and Respondent having been furnished thereafter with a copy of the draft Complaint that counsel for the Commission proposed to present to the Commission for its consideration and which, if issued, would charge Respondent with violations of Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45; and

Respondent, its attorney, and counsel for the Commission having thereafter executed an Agree



**II.**

**IT IS FURTHER ORDERED** that MRHC, directly or indirectly, or through any corporate or other device, in connection with the provision of Physician, Hospital, or Pharmacy services in or aff

2. Send by first-class mail, with return receipt requested, with the letter attached as the Appendix, to the chief executive officer of each Payor with which MRHC has contracted at any time since January 1, 2005.

B. Terminate, without penalty or charge, and in compliance with any applicable laws, any Preexisting Contract with any Payor, at the earlier of: (1) receipt by MRHC of a written request from a Payor to terminate such contract, or (2) the earliest termination or renewal date (including any automatic renewal date) of such contract.

**PROVIDED, HOWEVER,** a Preexisting Contract for Physician services or Hospital services may extend beyond any such termination or renewal date no later than one (1) year from the date that the Order becomes final if, prior to such termination or renewal date:

(1) the Payor submits to MRHC a written request to extend such contract to a specific date no later than one (1) year from the date that this Order becomes final, and

(2) MRHC has determined not to exercise any right to terminate.

**PROVIDED FURTHER,** that any Payor making such request to extend a contract retains the right, pursuant to Paragraph III.B of this Order, to terminate the Preexisting Contract at any time.

C. Within ten (10) days of receiving notification from a Payor to terminate, pursuant to Paragraph III.B of the Order, notify in writing, by first class mail with return receipt requested, each Physician, Hospital, or Pharmacy that provides services through that contract to be terminated.

D. For three (3) years after the date on which this Order becomes final:

1. Distribute this Order and the Complaint to each person who becomes an officer, director, member, or employee of MRHC, and who did not previously receive a copy of this Order and the Complaint, within thirty (30) days of the time that he or she becomes an officer, director, member, or employee;

2. send by first class mail, return receipt requested, a copy of this Order and the Complaint to each Payor who contracts with MRHC for the provision of Physician services or Hospital services and who did not previously receive a copy of this Order and the Complaint, within thirty (30) days of the time that such Payor enters into such contract; and

3. annually publish in the MRHC Newsletter, or any successor publication sent to all Physician and Hospital members of MRHC, this Order and the Complaint with such prominence as is given to regularly featured articles.

#### IV.

**IT IS FURTHER ORDERED** that MRHC shall file a verified written report within sixty (60) days a from the date this Order becomes final, annually thereafter for three (3) years on the anniversary of the date this Order becomes final, and at such other times as the Commission may by written notice require.

A. Each report shall include, among other information that may be necessary:

1. a detailed description of the manner and form in which MRHC hadic the ma

- A. Access, during office hours of MRHC and in the presence of counsel, to all facilities and access to inspect and copy all books, ledgers, accounts, correspondence, memoranda, and all other r

## APPENDIX

[letterhead of MRHC]

[name of Payor's CEO]  
[address]

Dear \_\_\_\_\_:

Enclosed is a copy of a complaint and a consent order ("Order" ) issued by the Federal Trade Commission against Minnesota Rural Health Cooperative ("MRHC").

Pursuant to Paragraph III.B. of the Order, MRHC must allow you to terminate, upon your written request, without any penalty or charge, any contracts with MRHC that are in effect as of the date you receive this letter.

If you do not make a written request to terminate the contract, Paragraph III.B. further provides that the contract will terminate on the earlier of the contract's termination date, renewal date (including any automatic renewal date), or anniversary date, which is [date].

You may, however, ask MRHC to extend the contract beyond [date], the termination, renewal, or anniversary date, to any date no later than [date], one (1) year after the date the Order becomes final.

If you choose to extend the term of the contract, you may later terminate the contract at any time.

Any request either to terminate or to extend the contract should be made in writing, and sent to me at the following address: [address].

Sincerely,

[MRHC to fill in information in brackets]