

UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION

<p style="text-align: center;">In the Matter of</p> <p style="text-align: center;">SOUTHWEST HEALTH ALLIANCES, INC., dba</p> <p style="text-align: center;">BSA PROVIDER NETWORK,</p> <p style="text-align: center;">a Texas corporation.</p>	<p>)</p> <p>)</p> <p>) DOCKET NO. C-</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p>
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COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, as amended, 15 U.S.C. § 41 *et seq.* ("FTC Act"), and by virtue of the authority vested in it by said Act, the Federal Trade Commission ("Commission"), having reason to believe that Respondent Southwest Health Alliances, Inc., dba BSA Provider Network ("BSAPN"), hereinafter sometimes referred to as "Respondent," has violated Section 5 of the FTC Act, 15 U.S.C. § 45, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues this Complaint stating its charges in that respect as follows:

NATURE OF THE CASE

1. This matter concerns horizontal agreements among competing physicians, acting through Respondent, to fix prices charged to those offering coverage for health care services ("payers") in the Amarillo, Texas, area.

RESPONDENT

2. BSAPN, a physician hospital organization ("PHO"), is a for-profit corporation, organized, existin

4. Except to the extent that competition has been restrained as alleged herein, BSAPN's physician members have been, and are now, in competition with each other for the provision of physician services in the Amarillo, Texas, area.

5. Respondent is a "person," "partnership," or "corporation" within the meaning of Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 44.

6. Respondent's general business practices, including the acts and practices herein alleged, are in or affecting "commerce" as defined in the Federal Trade Commission Act, as amended, 15 U.S.C. § 44.

OVERVIEW OF PHYSICIAN CONTRACTING WITH PAYERS

7. Individual physicians and physician group practices contract with payers of healthcare services and benefits, health maintenance organizations (HMOs), preferred provider organizations (PPOs), self-insured employers, and others, to establish the terms and conditions, including price terms, under which the physicians will render their professional medical services to the payers' subscribers or covered employees and dependents.

8. Physicians and physician group practices sometimes form or participate in financially-integrated or clinically-integrated joint ventures to provide physician services under agreements with payers willingly seeking such arrangements. Under such arrangements, the physicians and physician group practices may share financial risks and rewards based on their collective success in achieving pre-established targets or goals regarding aggregate utilization and costs of the services provided to covered individuals or they may engage in other behavior to obtain efficiencies.

9. A PHO that employs physicians may, if it is financially-integrated or clinically-integrated, organize and operate its own HMO or PPO by contracting with its non-employed members, as well as with other hospitals and physician group practices.

Alternatively, the messenger may receive authority from the individual physicians to accept contract offers that meet certain criteria.

12. Other than through their participation in integrated joint ventures, and absent anticompetitive agreements among them, otherwise competing physicians and physician g

