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AID TO FTC:

To stop consolidation, level the playing field

AID co-founders Tommy Thomas and Carol Zurcher, both CPAs, met with attorneys from the Federal Trade Commission's Bureau of Competition recently in Washington DC, to discuss the harmful impact that the consolidation of hospitals and medical groups was having on America.

At the hour-and-a-half meeting, seven FTC attorneys stayed well after work hours, to hear what AID had to say, which was a lot.

"Ask insurance companies why they pay so much more to the big health systems and less to the little groups for the same procedures," Thomas said, as he laid out the issues.

"The hospitals are using the higher reimbursements to leverage buying up practices," Thomas told the group. "If you can monopolize a market, and charge two times the market price, that is a violation of antitrust law. If you really want to stop consolidation, level the playing field."

AID and the FTC are on good terms. This summer, AID wrote two amicus briefs backing the FTC in a pair of hospital consolidation cases the agency is trying to block. One involves the merger of Hershey Medical Center and Pinnacle HealthSystems, in Central Pennsylvania, and the other involves the attempted merger of Advocate and NorthShore Health Systems, in Northern Illinois.

AID filed its amicus in the Pennsylvania case June 8, and in the Illinois case July 22. Both cases are with their respective appeals courts in the Third and Seventh circuits.

"Having a seat at the table with the FTC marks a milestone for AID," said Executive Director Marni Jameson Carey. "Our mission is to give independent doctors a collective voice on the national stage. You could ask for no better representation than from Tommy and Carol face to face with the FTC."

"It was the most attentive group I have ever talked to," said Thomas, who showed the attorneys example after example of larger hospital-owned groups getting paid more than smaller practices. He left them with a stack of documents.

Calling the meeting "eye-opening" and "very helpful," the attorneys promised they would work to come up with a solution.

