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Antitrust investigation targets Idaho doctors

Feds subpoena records from the state medical association, whose CEO has no details about what prompted the inquiry.

The U.S. Justice Department is investigating whether some Idaho doctors violated federal antitrust laws through fees, contracts and refusal to treat some patients. The investigation involves unnamed orthopedic surgeons and the Idaho Industrial Commission, according to a Sept. 11 memo from the Idaho Medical Association to its physician members that was obtained by the Idaho Statesman. The commission pays doctors to treat patients as part of its worker's compensation program.

A civil investigative demand, or subpoena, ordered the association to turn over certain records dating to January 2005. The association memo doesn't detail what prompted the investigation, and the association's chief executive officer said she didn't know. The U.S. attorney's office in Boise would not comment, and the Industrial Commission did not return telephone calls Wednesday and Thursday.

Federal antitrust law is designed to protect the public by prohibiting price-fixing and other collusion by businesses to raise their prices and circumvent free-market competition. "We take the fact that the federal government gave us a subpoena very seriously, and we are doing everything in our effort to reply," association CEO Susie Pouliot said. "A lot of things are unclear right now, and we have a lot of questions about what this means."

The medical association routinely offers its members contract review and support on reimbursement issues, Pouliot said. "It is the nature of our business," she said. Pouliot does not believe the association is a target of the investigation. The government requested documents from "any governmental entity," but let the medical association leave out the biggest government health programs - Medicare and Medicaid - at least for now. The government also demanded records from the Idaho Orthopaedic Society, an organization representing orthopedic doctors, the memo says. Orthopedic doctors treat bones, joints and muscles, including back injuries.

Calls to Orthopaedic Associates, Boise Orthopedic Clinic, Intermountain Orthopedics, and the Idaho Sports Medicine Institute in the Boise area were not returned Wednesday or Thursday. Those orthopedic practices are not mentioned by name in the memo, but doctors in each practice are listed as members of the Idaho Orthopaedic Society on the group's Web site. Efforts to reach officers were unsuccessful.

Orthopedic surgeons in practices across Idaho published newspaper advertisements last spring airing a dispute with Blue Cross of Idaho. The surgeons said the company wanted to pay them too little to treat Blue Cross patients. Those contract disputes have been settled, and all but one of the doctors signed new contracts, Blue Cross spokeswoman Karen Early said. "However, we worked with the orthopedists on future rate changes over the next several years," she said. Blue Cross did not ask for the investigation of the physicians, Early said. The company received its own demand and is fully complying, Early said.

The company is assuming it is not a target of the investigation. "We have simply been told to provide information, and we are providing that information and cooperating fully," Early said.