

By the Center for Media and Democracy www.prwatch.org

## ALEC EXPOSED

"ALEC" has long been a secretive collaboration between Big Business and "conservative" politicians. Behind closed doors, they ghostwrite "model" bills to be introduced in state capitols across the country. This agenda-underwritten by global corporationsincludes major tax loopholes for big industries and the super rich, proposals to offshore U.S. jobs and gut minimum wage, and efforts to weaken public health, safety, and environmental protections. Although many of these bills have become law, until now, their origin has been largely unknown. With ALEC EXPOSED, the Center for Media and Democracy hopes more Americans will study the bills to understand the depth and breadth of how big corporations are changing the legal rules and undermining democracy across the nation.

**ALEC's Corporate Board** 

## --in recent past or present

- AT&T Services, Inc.
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- Johnson & JohnsonCoca-Cola Company
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- Kraft Foods, Inc.
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- Pfizer Inc.Reed Elsevier, Inc.
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- Reynolds American Inc.
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- Altria Client Services, Inc.
- American Bail Coalition
- State Farm Insurance

For more on these corporations, search at www.**SourceWatch.org**.

**DID YOU KNOW?** Corporations VOTED to adopt this. Through ALEC, global companies work as "equals" in "unison" with politicians to write laws to govern your life. Big Business has "a VOICE and a VOTE," according to newly exposed documents. **DO YOU?** 

Home → Model Legislation → Health and Human Services

Resolution on Anti-Trust Exemption for Physician Cartels

Did you know that global pharmaceutical company Bayer Healthcare was the corporate co-chair in 2011?

## Summary

This Resolution urges states to reject legislation that would exempt independent, competing health care professionals from anti-trust laws and allow them to form cartels, and raises concern our Congress' misguided attempts to pass similar physician antitrust exemption legislation.

## **Model Resolution**

**WHEREAS,** competition benefits consumers because it results in more products and services at lower prices and of higher quality, and

**WHEREAS,** under current antitrust law, independent physicians are able to form legitimate joint ventures and multi-provider networks in order to collectively negotiate or actively compete with health plans, and

**WHEREAS,** exempting physicians from existing antitrust laws could result in such anti-competitive behavior by physicians as price-fixing, boycotts or other refusals to deal that are currently unlawful, and

**WHEREAS,** a physician antitrust exemption would authorize anti-competitive joint conduct by physicians that could seriously harm consumers and undermine efforts to promote high quality care and greater choice of products and services, and

**WHEREAS,** the US Department of Justice has found that "when health care professionals jointly negotiate with health insurers, without regard to antitrust laws, they typically seek to significantly increase their fees, sometimes by as much as 20-40%", and

**WHEREAS,** higher health care costs resulting from such an exemption will be shouldered by employers and consumers and will threaten to increase the number of uninsured and reduce access to care, and

**WHEREAS**, the Federal Trade Commission, the US Department of Justice and the Consumer Federation of America explicitly oppose a physician antitrust exemption for its potential harm to consumer welfare, and

**WHEREAS,** health plans already have a variety of mechanisms in place to allow a physician to discuss concerns about actions taken by the plan, and to contribute to efforts to improve efficiency and quality of care, and

**WHEREAS,** a physician antitrust exemption would give health care providers special treatment available to no other workers in the health care arena.

**NOW THEREFORE BE IT RESOLVED,** that the legislature of the state of [insert state] rejects any proposal to exempt independent health care professionals from antitrust laws that could permit them to collude, form cartels, price fix and engage in other collective activity that would otherwise be illegal, and also urges Congress not to enact legislation that provides for a similar physician antitrust exemption.

**BE IT FURTHER RESOLVED,** that copies of this resolution will be distributed to all Governors and members of the U.S. Senate and the U.S. House of Representatives.

Adopted by the HHS Task Force at the States and Nation Policy Summit in December, 1999. Approved by the ALEC Board of Directors January, 2000.

**About Us and ALEC EXPOSED.** The Center for Media and Democracy reports on corporate spin and government propaganda. We are located in Madison, Wisconsin, and publish www.PRWatch.org, www.SourceWatch.org, and now www.ALECexposed.org. For more information contact: editor@prwatch.org or 608-260-9713.