Statement 8 – DOJ and FTC Guidelines on Physician Network Joint Ventures: Examples of Clinical Integration

- Implementation of systems to establish goals relating to quality and appropriate utilization of services by physicians;

- Regular evaluation of both individual physician’s and the whole group’s aggregate performance with respect to those goals;

- Modification of individual participant’s actual practices, where necessary, based on those evaluations;

- Case management, pre-authorization (at least of some services), and concurrent and retrospective review of inpatient stays;

- Development of practice standards and protocols to govern treatment and utilization of services, and active review of the care rendered by each doctor in light of those standards and protocols;

- Significant investment of capital to: (1) purchase information systems necessary to gather aggregate and individual data on the cost, quantity and nature of services provided or ordered by physicians; (2) measure performance of the group and the individual doctors against cost and quality benchmarks; and (3) monitor patient satisfaction;

- Provided payers with detailed reports on the cost and quantity of services provided, and the group’s success in meeting its goals;

- Hire a medical director and support staff to handle the above functions and to coordinate patient care in specific cases;

- Appreciable investment of time by physicians in developing practice standards and protocols, and physicians continue to monitor care provided through the group; and

- Physicians who fail to adhere to the standards and protocols will be subject to remedial action, including the possibility of expulsion/termination.