



STATE OF CONNECTICUT
ATTORNEY GENERAL'S OFFICE



[ABOUT US](#) [CONTACT US](#) [HOME](#)

Attorney General Search:
[Advanced Search](#)

Connecticut Attorney General's Office

Press Release

Attorney General Announces Antitrust Settlement With Chiropractors For Illegal Statewide Insurance Boycott

March 5, 2008

Attorney General Richard Blumenthal today announced antitrust settlements with two Connecticut chiropractic trade groups and an attorney who allegedly orchestrated an illegal, anticompetitive statewide boycott of a Connecticut health insurer.

The Connecticut Chiropractic Association, Inc. (CCA) and Connecticut Chiropractic Council, Inc. (CCC) are non-profit chiropractic trade groups having hundreds of state-licensed chiropractor members. Hartford attorney Robert Hirtle is CCA's long-time counsel.

A joint investigation by Blumenthal's office and the Federal Trade Commission (FTC) found that members of both trade groups, spurred on by their leadership, illegally agreed to boycott Anthem Health Plans, Inc.'s intention to form a new network for chiropractic services that would be administered by American Speciality Health Networks, Inc. (ASH).

Hirtle facilitated the conspiracy by aggressively urging chiropractors to opt out of the proposed network. Chiropractors feared that the ASH contract would lower reimbursement rates for chiropractic services.

Blumenthal said the illegal boycott improperly influenced the rates paid to chiropractors; raised chiropractic costs for Anthem; and deprived Anthem, ASH and consumers of the benefits of competition among chiropractors.

Under today's settlements, the CCA, CCC and Hirtle have agreed to pay civil penalties to the state, as well as adopt several measures to prevent future anticompetitive practices.

"I am sympathetic to the plight of professional health care providers seeking fair compensation from powerful insurance companies, but the law forbids anticompetitive agreements and collusive boycotts," Blumenthal said. "No one can conspire to cripple competition. No matter what the motives, agreements that restrain competition violate the antitrust laws. These chiropractic groups and their counsel orchestrated a collective boycott, refusing to deal with Anthem unless it was on their terms.

"The state's two chiropractic trade groups aggressively persuaded and pressured all chiropractors to join in an illegal collusive boycott that ultimately destroyed a large health plan contract. Anticompetitive boycotts are plainly prohibited by state law, and undermine efforts to lower health plan expenses. The effect of boycotts is to raise prices, which ultimately hit consumers with higher health care costs and premiums.

- >> ABOUT THE ATTORNEY GENERAL
- >> DEPARTMENTS
- >> CONSUMERS
- >> CHILDREN
- >> SENIORS
- >> INDIAN
- >> CHARITIES
- >> HEALTH
- >> OPINIONS
- >> PRESS RELEASES
- >> RFP'S
- >> LEGAL RESOURCES
- >> EMPLOYMENT
- >> HELPFUL INFORMATION

Mailing Address:
Office of the
Attorney General
55 Elm Street
Hartford, Connecticut
06106

Telephone:
(860) 808-5318

E-ALERTS

Receive Attorney General news updates by e-mail.

>> [Subscribe now or update your e-Alerts](#)

>> [LOGIN](#)

"Hardworking professionals were misled by trade groups and misadvised by their attorney, who was hired to help avoid lawbreaking, not enable or encourage it."

Blumenthal thanked the chiropractic groups and Hirtle for their cooperation in the investigation.

In July 2006, chiropractors were notified that, beginning on Nov. 1, 2006, ASH would administer chiropractic benefits for certain Anthem health plans, which serve a large share of insured chiropractic patients in the state.

ASH administers chiropractic benefits for managed care organizations, establishing the fee schedules for chiropractic services and determining levels of utilization generally deemed medically appropriate, including the number of visits and the types of treatment. Under the ASH contract with Anthem, ASH proposed paying lower fees than Anthem had paid in previous years.

CCA invited all Connecticut chiropractors to an Aug. 10, 2006 meeting, the first of several called by CCA, to discuss the proposed Anthem/ASH contract. Members of CCA, the CCC, and unaffiliated chiropractors, along with Hirtle, attended.

At the meeting, the chiropractors, who are all direct competitors, discussed their concerns about their reimbursement under the proposed ASH contract and schemed to "unite" and "band together" to opt out of the ASH panel, noting that the ASH/Anthem panel would not be viable if a large number of chiropractors decided to opt out.

Chiropractors attending the Aug. 10 meeting allegedly openly solicited one another to agree to join the boycott, despite a clear understanding that such conduct might violate antitrust laws. Attendees even discussed potential legal sanctions that the membership could face, if they engaged in such conduct.

In the time period following the initial meeting, Hirtle continued to track the number of chiropractors who opted out and disseminated this information to the group. An Aug. 15, 2006 email by Hirtle said, "as of Tues 8/15 I have received copies of 10 ASH resignation letters. The list (of chiropractors) has shrunk from 198 to 188. There need to be 60 more resignations to cripple the ASH provider list."

The evidence revealed that senior officers of both the CCA and CCC worked jointly to prepare memos and correspondence intended to urge their membership and others to opt out of the ASH network. The correspondence specified the number of chiropractors who had agreed to opt out and served to pressure those who remained undecided.

By Oct. 19, 2006, the boycott achieved its objective. As one chiropractor stated in an email to Hirtle, "I have heard through the vine that we have beaten them again! Imagine the chiropractic unity, is at an all time high. What is the next step and what do you see in the future, how are they going to hit us. What will it take to have ASH leave or are they here to stay..." Hirtle replied, "ASH has been defeated again..."

As a result of the illegal boycott, the ASH/Anthem plan never materialized.

The CCA, CCC and Hirtle have agreed to pay civil penalties to the state totaling \$87,000 (CCA paying \$50,000; CCC paying \$20,000; and Hirtle paying \$17,000). Both chiropractic trade groups have also agreed not to conspire in any form whatsoever to refuse to deal or threaten to refuse to deal with any health insurer. The groups will also establish and maintain antitrust training and

compliance programs that will be required of all officers, members and employees.

Blumenthal thanked the FTC for its cooperation in the investigation and those in his office who worked on the investigation - Assistant Attorneys General Rachel O. Davis and Antonia Conti, Paralegal Lori Measer Turner, under the direction of Assistant Attorney General Michael Cole, Chief of the Attorney General's Antitrust Department.

View the complaint and stipulations below:

- [Chiropractic Complaint](#) - (PDF-38KB)
- [Connecticut Chiropractic Association Stipulation](#) - (PDF-58KB)
- [Connecticut Chiropractic Council Stipulation](#) - (PDF-59KB)
- [Robert L. Hirtle Stipulation](#) - (PDF- 43KB)

Content Last Modified on 3/5/2008 11:54:24 AM

[Printable Version](#)

[Home](#) | [Technical Questions](#) | [Email the Attorney General](#)

State of Connecticut [Disclaimer](#) and [Privacy Policy](#) Copyright © 2002 - 2008 State of Connecticut
