

94 F.T.C.

HASTINGS MANUFACTURING COMPANY

REDUCTION OF

Manufacturing Company's

will conduct any necessary evidentiary hearing
#0635, 40637 (July 12, 1979).

² predecessor rule, 16 CFR 3.72(b)(2)(1979), prior to

IN THE MATTER OF
THE AMERICAN MEDICAL ASSOCIATION, ET AL.

FINAL ORDER, OPINION, ETC., IN REGARD TO ALLEGED
VIOLATION OF THE FEDERAL TRADE COMMISSION ACT

Docket 9064. Complaint, Dec. 19, 1975 — Final Order, Oct. 12, 1979

This order, among other things, requires a Chicago, Ill. medical association to cease engaging in any action that would restrict its members' solicitation of patients by advertising, submission of bids, or otherwise; interfere with the amount or form of compensation exchanged for a member's professional services; characterize as unethical the use of close panel or other health care delivery plans that limit patient's choice of a physician; or characterize as unethical the participation by non-physicians in the ownership or management of health care organizations that provide physical services. The American Medical Association ("AMA") is further required to mail to each of its members a letter setting forth the terms of the order; amend its *Principles of Medical Ethics* and the Judicial Council's *Opinions and Reports* to conform with those terms; and publish the revised documents in specified medical journals. Additionally, AMA is required to terminate, for one year, all ties with any medical society that engages in prohibited conduct.

Appearances

For the Commission: *L. Barry Costilo, George J. Wright, Daniel R. Barney, Arthur N. Lerner and Ann Malester.*

For the respondents: *Newton N. Minow, Jack R. Bierig and Robert E. Youle, Sidley & Austin, Chicago, Ill. for respondent The American Medical Association, Bernard D. Hirsh and B.J. Anderson, Chicago, Ill., Of Counsel, American Medical Association and Grant N. Nickerson, William J. Doyle and Linda L. Randell, Wiggin & Dana, New Haven, Conn. for respondents The Connecticut State Medical Society and The New Haven County Medical Association, Inc.*

COMPLAINT

The Federal Trade Commission, having reason to believe that respondents The American Medical Association, The Connecticut State Medical Society, and The New Haven County Medical Association, ("AMA", "CSMS", and "NHCMA", respectively), have violated and are violating Section 5 of the Federal Trade Commission Act, and that this proceeding is in the public interest, issues this complaint.

PARAGRAPH 1. Respondent American Medical Association ("AMA") is a non-profit Illinois corporation with its principal place of business at 535 North Dearborn St., Chicago, Illinois. Its member-