

## Federal Trade Commission – September 14

Good morning. I'm Sue Sedory, Executive Director and CEO at the American College of Emergency Physicians.

On behalf of our 40,000 members, we are very concerned about the high rate of acquisitions occurring with hospitals, health systems, insurers and other corporate entities and its impact on the practice of emergency medicine, individual physicians and their patients.

An example still unfolding is the collapse of American Physician Partners. On July 16th, private equity-backed APP provided physician staffing to more than 130 emergency departments across 18 states. The next day they announced they would close operations in 2 weeks. While thousands of disrupted physicians continued serving patients, hospitals scrambled to sign new contracts with other physician groups or opted to hire directly. Our members, loyal to their facilities and their communities, had to decide in a matter of days to sign new contracts or go elsewhere. Many are fine but many are not -- still not getting paid for shifts already worked or struggling to buy costly gap medical malpractice coverage on their own. APP spent 8x multiples on practice acquisitions then walked away from almost \$500M accumulated debt, leaving a devastating wake – like others before and no doubt, others after.

We appreciate and believe the FTC's recent actions, including its proposed merger guideline updates, are an important first step in reining in healthcare consolidation. Corporately-motivated abdications like APP don't give small practices the chance to organize and step in; they simply lead to further consolidation, horizontally and vertically. And with growing insurer strength, especially in taking over physician practices for themselves, physician groups of all sizes are finding it impossible to compete financially and losing leverage to ensure patients and physicians are appropriately cared for.

We also appreciate the FTC's recent proposed rule to ban non-compete clauses, especially for physicians and other health care workers. Unlike many other specialties, emergency physicians don't take their patients with them to a new group, so their leaving has little to no anti-competitive impact on their previous employer, except the need to do better and rehire. It is ACEP's hope that the rule can be finalized as proposed so that these detrimental clauses affecting emergency physicians' interests and well-being finally become a thing of the past.

Thank you for this opportunity.