



# Little Rock Cardiology Clinic v. Baptist Health, 130 S.Ct. 3506 (2010)

591 F.3d 591 (8th Cir. 2009)

Topics Covered: Antitrust

**Outcome: Very Unfavorable**

## Issue

The issue in this case was whether a hospital and its insurance carrier had violated the Sherman Antitrust Act by entering into a contract under which a cardiology clinic and its principals would be excluded from the insurance company's provider network.

## AMA Interest

The AMA opposes discrimination against physicians who have ownership interest in specialty hospitals.

## Case Summary

Little Rock Cardiology Clinic (LRCC), whose principals also owned an interest in the Arkansas Heart Hospital, sued Baptist Health for violating the Sherman Antitrust Act. The plaintiffs alleged that Baptist Health had entered into a contract with Blue Cross Blue Shield of Arkansas, under which the insurance company would not allow LRCC or its principals to participate in its health care provider network. The complaint asserted that the exclusive contract threatened to monopolize the market for cardiac care services.

The trial court dismissed the case on the pleadings, finding that the complaint failed to allege a cognizable geographic or product/service market. Such market is a necessary predicate for a finding of monopolization. The plaintiffs appealed to the Eighth Circuit, which affirmed.

LRCC then petitioned for *certiorari* in the United States Supreme Court, but the Supreme Court denied the petition.

## Litigation Center Involvement

The AMA filed an *amicus curiae* brief to support the *certiorari* petition. The brief argued that the broadly worded holding in this case, if allowed to stand, would not only allow hospitals to monopolize markets for medical services but would also lead to insurance company monopolies.

United States Supreme Court brief