



# Potvin v. Metropolitan Life Insurance Co., 997 P.2d 1153 (Cal. 2000)

Topics Covered: Termination of Physician Participation in Provider Networks, Due Process and Economic Credentialing

**Outcome: Very Favorable**

## **Issue**

The issue in this case was whether a managed care organization could properly terminate without cause a physician's participation in its physician-provider networks without cause, notwithstanding an "at will" termination provision in the provider contract.

## **AMA Interest**

The AMA supports fairness in the relationship between managed care organizations and the physicians participating in their provider networks.

## **Case Summary**

Dr. Potvin sued MetLife, alleging a violation of statutory and common-law rights to "fair procedure," when it terminated him without cause from participation in its physician networks. The trial court entered summary judgment against Dr. Potvin. However, the California Court of Appeal reversed, holding that Dr. Potvin had a right under California common law to fair procedure, notwithstanding an "at-will" termination provision in the contract.

On May 8, 2000, by a 4-3 decision, the California Supreme Court affirmed the Court of Appeal.

## **Litigation Center Involvement**

The Litigation Center paid a portion of Dr. Potvin's legal fees. Additionally, the Litigation Center, along with the California Medical Association, filed an amicus curiae brief with the California Supreme Court to uphold the appellate court's ruling.