

Statement in Response to the FTC Suing Private Equity Backed Anesthesia Staffing Firm

On September 21, 2023, The Federal Trade Commission (FTC) announced that they filed suit against private-equity backed, physician-staffing company U.S. Anesthesia Partners, Inc. (USAP) in Texas.

The [FTC's complaint](#) alleges that USAP and Welsh Carson's "multi-year anticompetitive scheme to consolidate anesthesia practices in Texas, drive up the price of anesthesia services provided to Texas patients, and increase their own profits." Welsh Carson is the same firm which funded US Acute Care Solutions (USACS) and now staffs over 200 emergency departments.

The complaint also cites "In other words, thanks to its anticompetitive conduct, USAP has been able to extract monopoly profits while simultaneously growing its monopoly power. Defendants' scheme was so successful that Welsh Carson has already begun 'deploying a similar strategy to consolidate' multiple other physician practice specialties."

The FTC has been meeting with leaders of AAEM and they are well aware of the [corporate practice of medicine](#) in emergency medicine. AAEM is the EM organization that speaks and acts against the harmful influences of the corporate practice of medicine.

The American Academy of Emergency Medicine Physician Group (AAEM-PG) similarly filed a suit on December 20, 2021 against Envision Healthcare Corporation, a private-equity physician staffing company. AAEM-PG alleges that Envision, as a lay entity owned by the private equity firm Kravis, Kohlberg and Roberts, was in violation of the CA prohibitions on lay ownership of medical practices as embodied in the Business and Professions Code §§ 2400 and 2052.

Issues at stake include lay influence over the patient-physician relationship, as well as control of the fees charged, prohibited remuneration for referrals, and unfair restraint of the practice of a profession. AAEM-PG and its parent organization, the American Academy of Emergency Medicine, believes this arrangement is not in the public interest.

"A physician's first duty is to the patient," says AAEM-PG Chief Medical Officer, Robert McNamara, MD. "This duty is heightened in the emergency department where physicians care for society's most vulnerable patients. Corporations who owe their first duty to the investors have no place at the bedside. Doctors must be free to treat each patient without the pressure to maximize profits."

AAEM, AAEM/RSA, and AAEM-PG have been advocating against the corporate practice of medicine since inception and will not stop until the unlawful practice of private equity backed staffing firms is eliminated.

Private equity is bad for medicine, each and every specialty. It is bad for patients. We know it and it is clear the FTC knows it. The Academy is proud to support the FTC in this mission.

Support the fight by donating to the [AAEM Foundation](#)!