

**UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION**

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In the Matter of)	
)	
PIEDMONT HEALTH ALLIANCE, INC.,)	Docket No. 9314
a corporation,)	
)	
and)	
)	
PETER H. BRADSHAW, M.D.,)	
S. ANDREWS DEEKENS, M.D.,)	
DANIEL C. DILLON, M.D.,)	
SANFORD D. GUTTLER, M.D.,)	
DAVID L. HARVEY, M.D.,)	
JOHN W. KESSEL, M.D.,)	
A. GREGORY ROSENFELD, M.D.,)	
JAMES R. THOMPSON, M.D.,)	
ROBERT A. YAPUNDICH, M.D.,)	
and WILLIAM LEE YOUNG III, M.D.,)	
individually.)	
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COMPLAINT COUNSEL'S PRELIMINARY WITNESS LIST

Pursuant to Administrative Law Judge Chappell's scheduling order in this matter, complaint counsel hereby provides our preliminary witness list. We reserve the right:

- A. to present testimony, by deposition or orally by live witness, from any other person who has been or may be identified by respondents as a potential witness in this matter and any person from whom discovery is sought;
- B. to further supplement this witness list as circumstances may warrant, in accordance with Administrative Law Judge Chappell's scheduling order;
- C. to identify rebuttal witnesses as soon as we have had an opportunity to depose the respondent's witnesses (and other representatives), and once we have received the respondent's expert reports; and
- D. not to call any of the persons listed below to testify at the hearing, as circumstances may warrant.

Subject to these reservations of rights, our preliminary list of witnesses is as follows:

THIRD PARTY WITNESSES

1. John Aman and Valerie Leach, MAMSI

Mr. Aman is Director of Network Development and Ms. Leach is Manager of Contract Administration for MAMSI. We expect them to testify about:

- different types of health insurance, including HMO, POS, and PPO products;
- utilization review, case management, disease management, claims processing , quality assurance, and credentialing;
- Piedmont Health Alliance, Inc. ("PHA"), and its physician members;
- physician and health plan competition;
- communications, contract negotiations, and contract terms with PHA;
- the cost of physician services, and types of physician reimbursement; and
- health care industry practices, and experiences with health care providers, including but not limited to PHA.

2. Anita Bachman, Alan Hanssen, James Kubic, and Jack Shields, United Healthcare of North Carolina, Inc.

Ms. Bachman is a Vice President, Mr. Hanssen is the COO, Mr. Kubic is Director of Network Management, and Mr. Shields is the CFO of United Health Networks for United Healthcare. We expect them and/or other representatives or agents of United Healthcare to testify about:

- different types of health insurance, including HMO, POS, and PPO products;
- utilization review, case management, disease management, claims processing , quality assurance, and credentialing;
- PHA and its physician members;
- physician and health plan competition;
- communications, contract negotiations, and contract terms with PHA;
- the cost of physician services, and types of physician reimbursement; and
- health care industry practices and experiences with health care providers, including but not limited to PHA.

3. Jefferson Kaiser

Mr. Kaiser is the former Director of Network Management for United Healthcare of North Carolina. We expect him to testify about:

- different types of health insurance, including HMO, POS, and PPO products;

- utilization review, case management, disease management, claims processing , quality assurance, and credentialing;
- PHA and its physician members;
- physician and health plan competition;
- communications, contract negotiations, and contract terms with PHA;
- the cost of physician services, and types of physician reimbursement; and
- health care industry practices and experiences with health care providers, including but not limited to PHA.

4. William Howard, III, Bernhardt Furniture

Mr. Howard is Vice President of Human Resources for Bernhardt Furniture. We expect him to testify about:

- PHA and its physician members;
- physician and health plan competition;
- using PHA as a network to provide physician services to Bernhardt Furniture employees;
- communications, contract negotiations, and contract terms with PHA;
- the cost of physician services, and types of physician reimbursement;
- effects on Bernhardt Furniture employees and dependents due to PHA providers refusing to honor United coverage during the PHA-United contract renegotiation process in 2001; and
- effects on Bernhardt Furniture employees and dependents due to PHA terminating its contract with Aetna.

5. Joseph Bauers, Milo Brunick, and Pam Ikerd, Blue Cross and Blue Shield of North Carolina

Mr. Bowers is a Director of Contracting in the Asheville/Hickory area, Mr. Brunick is the Vice President of Network Management, and Ms. Ikerd is a Manager of Contracting in the Asheville/Hickory area for Blue Cross and Blue Shield of North Carolina. We expect them to testify about:

- different types of health insurance, including HMO, POS, and PPO products;
- utilization review, case management, disease management, claims processing , quality assurance, and credentialing;
- PHA and its physician members;
- physician and health plan competition;
- communications, contract negotiations, and contract terms with PHA;
- the cost of physician services, and types of physician reimbursement; and
- health care industry practices and experiences with health care providers, including but not limited to PHA.

6. Mary Boyd, Aetna

Ms. Boyd is a Director of Provider Relations for Aetna. We expect her and/or other representatives of Aetna to testify about:

- different types of health insurance, including HMO, POS, and PPO products;
- utilization review, case management, disease management, claims processing , quality assurance, and credentialing;
- PHA and its physician members;
- physician and health plan competition;
- communications, contract negotiations, and contract terms with PHA;
- the cost of physician services, and types of physician reimbursement;
- health care industry practices and experiences with health care providers, including but not limited to PHA; and
- PHA terminating its contract with Aetna, and the results of that termination.

7. Peter Chauncey, Tammy Mapes-Skinner, and Matthew Ungs, Wellpath Community Health Plans

Mr. Chauncey is the COO, Ms. Mapes-Skinner is a Director of Network Development, and Mr. Ungs is the Vice President of Network Management for Wellpath Community Health Plans. We expect them to testify about:

- different types of health insurance, including HMO, POS, and PPO products;
- utilization review, case management, disease management, claims processing , quality assurance, and credentialing;
- PHA and its physician members;
- physician and health plan competition;
- communications, contract negotiations, and contract terms with PHA;
- the cost of physician services, and types of physician reimbursement; and
- health care industry practices and experiences with health care providers, including but not limited to PHA.

8. The Dana Corporation

We expect to call one or more representatives or agents of the Dana Corporation to testify about:

- using PHA as a network to provide physician services to The Dana Corporation employees;
- PHA and its physician members;
- physician and health plan competition;
- communications, contract negotiations, and contract terms with PHA; and

- the cost of physician services, and types of physician reimbursement.

9. Everett Chevrolet

We expect to call one or more representatives or agents of Everett Chevrolet to testify about:

- PHA and its physician members;
- physician and health plan competition;
- using PHA as a network to provide physician services to Everett Chevrolet employees;
- communications, contract negotiations, and contract terms with PHA; and
- the cost of physician services, and types of physician reimbursement.

10. Paxar

We expect to call one or more representatives or agents of Paxar to testify about:

- PHA and its physician members;
- physician and health plan competition;
- using PHA as a network to provide physician services to Paxar employees;
- communications, contract negotiations, and contract terms with PHA; and
- the cost of physician services, and types of physician reimbursement.

11. HK Research

We expect to call one or more representatives or agents of HK Research to testify about:

- PHA and its physician members;
- physician and health plan competition;
- using PHA as a network to provide physician services to HK Research employees;
- communications, contract negotiations, and contract terms with PHA; and
- the cost of physician services, and types of physician reimbursement.

12. Tom Fannin, Alex Lee Corporation

Mr. Fannin is the Director of Compensation, Benefits, and Human Resource for Information Systems for Alex Lee. We expect him to testify about:

- using PHA as a network to provide physician services to Alex Lee's employees;
- PHA and its physician members;
- physician and health plan competition;
- communications, contract negotiations, and contract terms with PHA;
- the cost of physician services, and types of physician reimbursement;

- health care industry practices and experiences with health care providers, including but not limited to PHA; and
- Cigna's 2002 contract negotiations with PHA.

13. Tammy Guess, Klingspor Abrasives

Ms. Guess is a Human Resources Manager for Klingspor Abrasives. We expect her and/or other representatives or agents of Klingspor Abrasives to testify about:

- PHA and its physician members;
- physician and health plan competition;
- using PHA as a network to provide physician services to Klingspor Abrasives employees;
- communications, contract negotiations, and contract terms with PHA; and
- the cost of physician services, and types of physician reimbursement.

14. CIGNA HealthCare of North Carolina, Inc.

We expect to call one or more representatives or agents of the CIGNA to testify about:

- different types of health insurance, including HMO, POS, and PPO products;
- utilization review, case management, disease management, claims processing , quality assurance, and credentialing;
- PHA and its physician members;
- physician and health plan competition;
- communications, contract negotiations, and contract terms with PHA;
- the cost of physician services, and types of physician reimbursement; and
- health care industry practices and experiences with health care providers, including but not limited to PHA.

15. Ronald Howrigan

Mr. Howrigan is the former Assistant Vice President of Network Management for Cigna. We expect him to testify about:

- different types of health insurance, including HMO, POS, and PPO products;
- utilization review, case management, disease management, claims processing , quality assurance, and credentialing;
- PHA and its physician members;
- physician and health plan competition;
- communications, contract negotiations, and contract terms with PHA;
- the cost of physician services, and types of physician reimbursement; and

- health care industry practices, and experiences with health care providers, including but not limited to PHA.

16. Clark Slipher, James McCullough, and Stacey Muller, Milliman USA

Mr. Slipher, Mr. McCullough, and Ms. Muller are consulting actuaries for Milliman USA. We expect them to testify about consulting projects that Milliman USA has performed for PHA, including about PHA's and payors' fee schedules.

17. Dennis Phillips

Mr. Phillips is the CEO of Frye Regional Medical Center. We expect him to testify about:

- the formation, structure and operations of PHA;
- contract negotiations between PHA and payors; and
- physician and health plan competition.

18. Todd Roscoe

Mr. Roscoe is the Director of Managed Care in the Southern States Region at Tenet Healthcare Corporation. We expect him to testify about:

- PHA and its physician members;
- contract negotiations between PHA and payors; and
- physician and health plan competition.

19. Edward Rush

Mr. Rush is the COO of Frye Regional Medical Center. We expect him to testify about:

- the formation, structure and operations of PHA;
- contract negotiations between PHA and payors; and
- physician and health plan competition.

20. Physicians Who Are Not Affiliated with PHA

We expect to call some physicians who practice in the Unifour area, but are not affiliated with PHA. We expect them to testify about:

- different types of health insurance, including HMO, POS, and PPO products;
- direct contracting with payors;

- utilization review, case management, disease management, claims processing , quality assurance, and credentialing;
- PHA and its physician members;
- structure and operations of PHA;
- the purpose of PHA; and
- physician and health plan competition.

RESPONDENT WITNESSES

1. Sharon Alvis

Ms. Alvis is the CEO of PHA. We expect her to testify about:

- PHA and its members;
- different types of health insurance, including HMO, POS, and PPO products;
- utilization review, case management, disease management, claims processing , quality assurance, and credentialing;
- physician and health plan competition;
- structure and operations of PHA;
- the purpose of PHA;
- negotiations, contract discussions, and communications with payors;
- statements made orally or in writing to the FTC;
- PHA's modified messenger model system;
- PHA's finances;
- PHA's information systems;
- PHA's Board of Directors and Contracts Committee; and
- communications with Milliman USA or other actuarial firms.

2. Cathie Pettit

Ms. Pettit is the COO of PHA. We expect her to testify about:

- PHA and its members;
- different types of health insurance, including HMO, POS, and PPO products;
- utilization review, case management, disease management, claims processing , quality assurance, and credentialing;
- physician and health plan competition;
- the structure and operations of PHA;
- the purpose of PHA;
- negotiations, contract discussions, and communications with payors;
- statements made orally or in writing to the FTC;
- PHA's modified messenger model system;

- PHA's Board of Directors and Contracts Committee; and
- communications with Milliman USA or other actuarial firms.

3. Kim Auten

Ms. Auten is the Director of Clinical and Quality Management for PHA. We expect her to testify about:

- PHA and its members;
- different types of health insurance, including HMO, POS, and PPO products;
- utilization review, case management, disease management, claims processing, quality assurance, and credentialing;
- structure and operations of PHA; and
- PHA's information systems.

4. Ira Bloomfield, M.D.

Dr. Bloomfield is the Chief Medical Information Officer of PHA. We expect him to testify about:

- PHA and its members;
- different types of health insurance, including HMO, POS, and PPO products;
- utilization review, case management, disease management, claims processing, quality assurance, and credentialing;
- the structure and operations of PHA;
- the purpose of PHA;
- statements made orally or in writing to the FTC;
- PHA's modified messenger model system;
- PHA's information systems; and
- PHA's Board of Directors and Contracts Committee.

5. David Johnson

Mr. Johnson is a Clinical Data Analyst at PHA. We expect him to testify about:

- PHA and its members;
- utilization review, case management, disease management, claims processing, quality assurance, and credentialing;
- structure and operations of PHA;
- the purpose of PHA;
- negotiations, contract discussions, and communications with payors;
- statements made orally or in writing to the FTC;
- PHA's modified messenger model system;

- PHA's information systems; and
- communications with Milliman USA or other actuarial firms.

6. James Hughes

Mr. Hughes is the Director of Financial Services for PHA. We expect him to testify about:

- PHA and its members;
- structure and operations of PHA;
- the purpose of PHA;
- statements made orally or in writing to the FTC;
- PHA's finances; and
- PHA's information systems.

7. Robert Fritts

Mr. Fritts is the current CFO of Blue Ridge Healthcare System, and the former CFO of Frye Regional Medical System. We expect him to testify about:

- the formation, structure and operations of PHA;
- PHA and its physician members;
- physician and health plan competition in the Unifour area;
- using PHA as a network to provide physician services to Tenet employees;
- using PHA as a network to provide physician services to Blue Ridge Healthcare System employees;
- communications, contract negotiations, and contract terms with PHA;
- the cost of physician services, and types of physician reimbursement; and
- contract negotiations between PHA and payors in the Unifour area.

8. Blue Ridge Healthcare System

We expect one or more representatives of Blue Ridge Healthcare System to testify about:

- the formation, structure and operations of PHA;
- PHA and its physician members;
- physician and health plan competition;
- using PHA as a network to provide physician services to Blue Ridge Healthcare System employees;
- communications, contract negotiations, and contract terms with PHA;
- the cost of physician services, and types of physician reimbursement; and
- contract negotiations between PHA and payors in the Unifour area.

9. Donald Gardner, and Frederick Soule, Caldwell Memorial Hospital

Mr. Gardner is the CFO and Mr. Soule is the CEO of Caldwell Memorial Hospital. We expect them and/or other representatives of Caldwell Memorial Hospital to testify about:

- the formation, structure and operations of PHA;
- PHA and its physician members;
- physician and health plan competition;
- using PHA as a network to provide physician services to Caldwell Memorial Hospital employees;
- communications, contract negotiations, and contract terms with PHA;
- the cost of physician services, and types of physician reimbursement; and
- contract negotiations between PHA and payors.

10. Peter H. Bradshaw, M.D.

Dr. Bradshaw, a Respondent, is a member of PHA. We expect him to testify about:

- PHA and its members;
- physician and health plan competition;
- the structure and operations of PHA;
- the purpose of PHA;
- negotiations, contract discussions, and communications with payors;
- statements made orally or in writing to the FTC;
- PHA's modified messenger model system;
- PHA's Board of Directors and Contracts Committee;
- contracting with payors through PHA; and
- direct contracting with payors.

11. S. Andrews Deekens, M.D.

Dr. Deekens, a Respondent, is a member of PHA. We expect him to testify about:

- PHA and its members;
- physician and health plan competition;
- the structure and operations of PHA;
- the purpose of PHA;
- negotiations, contract discussions, and communications with payors;
- statements made orally or in writing to the FTC;
- PHA's modified messenger model system;
- PHA's Board of Directors and Contracts Committee;
- contracting with payors through PHA; and
- direct contracting with payors.

12. Daniel Dillon, M.D.

Dr. Dillon, a Respondent, is a member of PHA. We expect him to testify about:

- PHA and its members;
- physician and health plan competition;
- the structure and operations of PHA;
- the purpose of PHA;
- negotiations, contract discussions, and communications with payors;
- statements made orally or in writing to the FTC;
- PHA's modified messenger model system;
- PHA's Board of Directors and Contracts Committee;
- contracting with payors through PHA; and
- direct contracting with payors.

13. Sanford Guttler, M.D.

Dr. Guttler, a Respondent, is a member of PHA. We expect him to testify about:

- PHA and its members;
- physician and health plan competition;
- the structure and operations of PHA;
- the purpose of PHA;
- negotiations, contract discussions, and communications with payors;
- statements made orally or in writing to the FTC;
- PHA's modified messenger model system;
- PHA's Board of Directors and Contracts Committee;
- contracting with payors through PHA; and
- direct contracting with payors.

14. David Harvey, M.D.

Dr. Harvey, a Respondent, is a member of PHA. We expect him to testify about:

- PHA and its members;
- physician and health plan competition;
- the structure and operations of PHA;
- the purpose of PHA;
- negotiations, contract discussions, and communications with payors;
- statements made orally or in writing to the FTC;
- PHA's modified messenger model system;
- PHA's Board of Directors and Contracts Committee;
- contracting with payors through PHA; and

- direct contracting with payors.

15. John Kessel, M.D.

Dr. Kessel, a Respondent, is a member of PHA. We expect him to testify about:

- PHA and its members;
- physician and health plan competition;
- the structure and operations of PHA;
- the purpose of PHA;
- negotiations, contract discussions, and communications with payors;
- statements made orally or in writing to the FTC;
- PHA's modified messenger model system;
- PHA's Board of Directors and Contracts Committee;
- contracting with payors through PHA; and
- direct contracting with payors.

16. Gregory Rosenfeld, M.D.

Dr. Rosenfeld, a Respondent, is a member of PHA. We expect him to testify about:

- PHA and its members;
- physician and health plan competition;
- the structure and operations of PHA;
- the purpose of PHA;
- negotiations, contract discussions, and communications with payors;
- statements made orally or in writing to the FTC;
- PHA's modified messenger model system;
- PHA's Board of Directors and Contracts Committee;
- contracting with payors through PHA; and
- direct contracting with payors.

17. James Thompson, M.D.

Dr. Thompson, a Respondent, is a member of PHA. We expect him to testify about:

- PHA and its members;
- physician and health plan competition;
- the structure and operations of PHA;
- the purpose of PHA;
- negotiations, contract discussions, and communications with payors;
- statements made orally or in writing to the FTC;
- PHA's modified messenger model system;

- PHA's Board of Directors and Contracts Committee;
- contracting with payors through PHA; and
- direct contracting with payors.

18. Robert Yapundich, M.D.

Dr. Yapundich, a Respondent, is a member of PHA. We expect him to testify about:

- PHA and its members;
- physician and health plan competition;
- the structure and operations of PHA;
- the purpose of PHA;
- negotiations, contract discussions, and communications with payors;
- statements made orally or in writing to the FTC;
- PHA's modified messenger model system;
- PHA's Board of Directors and Contracts Committee;
- contracting with payors through PHA; and
- direct contracting with payors.

19. William Lee Young, III, M.D.

Dr. Young, a Respondent, is a member of PHA. We expect him to testify about:

- PHA and its members;
- physician and health plan competition;
- the structure and operations of PHA;
- the purpose of PHA;
- negotiations, contract discussions, and communications with payors;
- statements made orally or in writing to the FTC;
- PHA's modified messenger model system;
- PHA's Board of Directors and Contracts Committee;
- contracting with payors through PHA; and
- direct contracting with payors.

20. PHA Physician Members and/or their Office Managers

- different types of health insurance, including HMO, POS, and PPO products;
- direct contracting with payors;
- utilization review, case management, disease management, claims processing, quality assurance, and credentialing;
- PHA and its physician members;
- formation, structure, and operations of PHA;
- the purpose of PHA;

- physician and health plan competition; and
- the administration of their offices.

CERTIFICATE OF SERVICE

I, Christi J. Braun, hereby certify that on February 24, 2004:

I caused two copies of Complaint Counsel's Preliminary Witness List to be served by hand delivery upon the following person:

Hon. D. Michael Chappell
Administrative Law Judge
Federal Trade Commission
Room H-104
600 Pennsylvania Avenue, N.W.
Washington, D.C. 20580

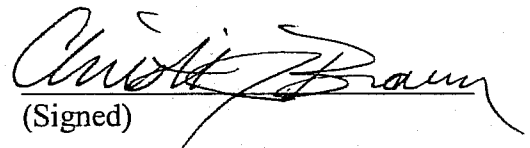
I caused the original and two copies of Complaint Counsel's Preliminary Witness List to be served by hand delivery upon the following person:

Office of the Secretary
Federal Trade Commission
Room H-159
600 Pennsylvania Avenue, N.W.
Washington, D.C. 20580

I caused copies of Complaint Counsel's Preliminary Witness List to be served via electronic mail and followed by U.S. mail delivery to the following persons:

Nicholas R. Koberstein, Esq.
Linda M. Holleran, Esq.
McDermott, Will & Emery
600 Thirteenth Street, N.W.
Washington, D.C. 20005-3096

Paul L. Yde, Esq.
Mary Jean Moltenbrey, Esq.
Freshfields Bruckhaus Deringer LLP
701 Pennsylvania Ave., N.W., Suite 600
Washington, D.C. 20004-2692


(Signed)