



For Immediate Release
Contact: Richard Angeloni
Brown & Toland Medical Group
415.972.4307
rangeloni@btmg.com

Brown & Toland to Resume PPO Contract Negotiations

SAN FRANCISCO, CALIF. (April 13, 2005) — Brown & Toland Medical Group received notice from the Federal Trade Commission (FTC) that it may resume negotiations on behalf of its Preferred Provider Organization (PPO) network physicians.

Over the course of the past year, Brown & Toland worked collaboratively with the FTC to demonstrate features of its PPO product that are designed to improve quality and reduce costs to consumers. These features include implementation of a utilization review program, disease and case management programs, and an electronic medical records system.

The FTC's April 5, 2005 notice represents an important change in how the agency views Brown & Toland's PPO product. In July 2003, the FTC challenged in administrative litigation Brown & Toland's PPO contract negotiations with health plans, alleging that the IPA's PPO product was not sufficiently integrated to justify contract negotiations on behalf of network physicians. The FTC and Brown & Toland settled this dispute in January 2004.

Brown & Toland has since enhanced the integrated features of its PPO product and now welcomes the opportunity to introduce this enhanced product to the market. The FTC recognized that Brown & Toland has taken "important steps" to offer an integrated PPO product to the market that will benefit consumers.

"We have continued to enhance clinical integration for our PPO product and we have demonstrated the ability to improve care for our PPO patients," said Gloria Austin, Brown & Toland Medical Group's chief executive officer. "I am very pleased that the FTC recognizes the work that we have done. We believe that the medical group's focus on coordinated medical care for the PPO product will ensure that consumers receive high quality, cost-effective care. This is an important development for physicians, health plans, and consumers and I believe that our clinically integrated physician network will serve as a model of the right way to deliver and manage care for any health care product that consumers select."

Added Jay M. Gellert, chairman of Health Net of California, "Brown & Toland is among the leading medical groups in California because it has combined its strong network of quality physicians with cutting edge technology to benefit its patients in a unique way. We look forward to continuing to work with them to provide a broad range of quality, cost efficient health products for our patients."

About Brown & Toland Medical Group

Brown & Toland Medical Group, based in San Francisco, Calif., has more than 1,500 physicians serving more than 190,000 patients. Brown & Toland is a three-time winner of the prestigious Pacific Business Group on Health (PBGH) Blue Ribbon Award for medical excellence and has earned numerous other awards for quality. For more information, visit our Web site at www.browndtoland.com.