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(860) 257-8445

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Moore Leonhardt & Associates
67 Russ Street
Hartford, CT 06106
(860) 727-8874

March 10, 2008

To Whom It May Concern:

The Connecticut Chiropractic Association ("CCA") has entered into a Stipulated Judgment and Release (the "Judgment") with the Office of the Attorney General of Connecticut ("OAG") to settle allegations that the CCA, acting in combination with the Connecticut Chiropractic Council ("CCC") and Robert L. Hirtle ("Hirtle"), violated the antitrust laws by, among other things, conspiring to fix or increase prices paid for chiropractic services and to boycott third-party payers. The CCA has expressly denied those allegations and has made no admission of liability or wrongdoing. As part of the Judgment, the CCA is required to notify each of its officers and directors, its agents, representatives and employees who have responsibilities with respect to the subject matter of the Judgment, its members, and third party payers of the Judgment, and to provide each such person a copy of the Judgment and the Complaint in this matter.

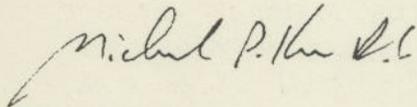
Under the terms of the Judgment, the CCA is prohibited from:

1. Fixing the prices or encouraging others to fix prices for any chiropractic good or services;
2. Organizing, participating in, or enforcing any agreement (a) to negotiate on behalf of any chiropractor or group of chiropractors regarding any term, condition, or requirement of dealing with any payer or provider; or (b) to deal or refuse to deal with, boycott or threaten to boycott, any payer or provider;
3. Advising, recommending, advocating, or attempting to persuade in any way any chiropractor to accept or not accept any aspect, term or condition of any existing or proposed participation agreement;
4. Soliciting or communicating any chiropractor's views, decisions or intentions concerning his or her willingness or intent to enter into any participation agreement;
5. Organizing, sponsoring, facilitating or participating in any meeting or discussion that the CCA expects or reasonably should expect will facilitate communications concerning any chiropractor's intentions with respect to entering into any participation agreement;
6. Encouraging or assisting any person to take any action that, if taken by the CCA would violate this order;

7. Continuing any meeting at which one or more chiropractors has made any statement concerning his or her intentions or decisions with respect to entering into any existing or proposed participation agreement. If one chiropractor expresses his or her intentions or decisions regarding whether to enter into a participation agreement, the CCA is required to eject such person forthwith from the meeting or discussion. If two or more chiropractors express such intentions or decision the CCA is to terminate the meeting forthwith.

In addition, the CCA is required, under the terms of the Judgment, to maintain records, including, but not limited to, retaining copies of all materials distributed at CCA meetings and seminars sponsored by the CCA. The CCA must maintain other records as specified in the Judgment, along with a record of its distribution.

Copies of the Complaint and Judgment are enclosed.



Michael P. Kane, DC
President
Connecticut Chiropractic Association

RETURN DATE: MARCH 25, 2008
STATE OF CONNECTICUT
Plaintiff,

v.

CONNECTICUT CHIROPRACTIC
ASSOCIATION, INC.;
CONNECTICUT CHIROPRACTIC
COUNCIL, INC.; and
ROBERT L. HIRTLE, JR.
Defendants.

: SUPERIOR COURT

:
: HARTFORD JUDICIAL DISTRICT
: AT HARTFORD

:
:
:
:
:
:
: MARCH 5, 2008

**STIPULATED JUDGMENT AND RELEASE AS TO THE
DEFENDANT CONNECTICUT CHIROPRACTIC ASSOCIATION, INC.**

The Office of the Attorney General ("OAG") and the Connecticut Chiropractic Association, Inc. ("CCA") hereby stipulate, agree and enter into the following Stipulated Judgment and Release (the "Judgment") as follows:

Section A: Preamble

1. The CCA is a corporation organized under the laws of the State of Connecticut, and has its principal place of business in Rocky Hill, Connecticut.
2. Pursuant to Conn. Gen. Stat. § 35-32, Richard Blumenthal, Attorney General of the State of Connecticut, conducted an antitrust investigation into allegations that CCA and Connecticut Chiropractic Council, Inc. ("CCC") members conspired among themselves and conspired with others, including Robert L. Hirtle, Jr. ("Hirtle"), an

individual in Hartford, Connecticut who is a practicing attorney, to restrain competition by, among other things, encouraging, facilitating, entering into, and implementing agreements, express or implied, among its members and others to fix or increase the prices paid for chiropractic services, and to boycott third-party payers to obtain higher reimbursement for chiropractic services (hereinafter, the "OAG's Investigation").

3. As a result of the OAG's Investigation, the OAG has reason to believe that the CCA, by and through its officers, members, counsel and employees, violated the Connecticut Antitrust Act, Conn. Gen. Stat. § 35-24, *et seq.* Specifically, the OAG has reason to believe that the CCA, acting in concert with co-conspirators Connecticut Chiropractic Council ("CCC") and Robert L. Hirtle ("Hirtle"), restrained competition by, among other things, encouraging, facilitating, entering into, and implementing agreements, express or implied, among the CCA's members and Hirtle, to coordinate a group boycott of American Specialty Health ("ASH") in order to obtain higher reimbursement for chiropractic services.

4. For the purposes of this Judgment, the following definitions shall apply:

a. "Connecticut Chiropractic Association, Inc." or the "CCA" means the Connecticut Chiropractic Association, its directors, officers, employees, agents and representatives, predecessors, successors, and assigns; its subsidiaries, divisions, groups, and affiliates, controlled by the CCA, and the respective directors, officers, employees, agents and representatives, successors, and assigns of each. This definition expressly excludes the CCA's members.

b. "Connecticut Chiropractic Council" or "CCC" means the Connecticut Chiropractic Council, its directors, officers, employees, agents and representatives,

predecessors, successors, and assigns; its subsidiaries, divisions, groups, and affiliates, controlled by the CCC, and the respective directors, officers, employees, agents and representatives, successors, and assigns of each. This definition expressly excludes the CCC's members.

c. "Robert L. Hirtle" or "Hirtle" was the CCA's legal counsel at all times relevant herein. His principal address is 185 Asylum Street, Hartford, CT 06103.

d. "Chiropractor" means a person licensed to engage in that branch of the healing arts as defined in Conn. Gen. Stat. § 20-24.

e. "Panel" means the list or group of providers that have entered into a participation agreement with the payer to deliver health care services to enrollees of the health service, benefit plan, or payer.

f. "Participation agreement" means any agreement between a payer and a provider in which the payer agrees to pay the provider for the provision of health care services, and in which the provider agrees to accept payment from the payer for the provision of health care services.

g. "Payer" means any person that purchases, reimburses for, or otherwise pays for all or part of any health care services, including, but not limited to, chiropractic services, for itself or for any other person. "Payer" includes, but is not limited to, any health insurance company; preferred provider organization; prepaid hospital, medical, or other health service plan; health maintenance organization; government health benefits program; employer or other person providing or administering self-insured health benefits programs; and patients who purchase health care for themselves.

h. "Person" means both natural persons and artificial persons, including, but not limited to, corporations, unincorporated entities, partnerships, and governments.

i. "Preferred provider network" is an entity that pays claims for the delivery of health care services, accepts financial risk for the delivery of health care services and establishes, operates or maintains an arrangement or contract with providers relating to (1) the health care services rendered by the providers, and (2) the amounts to be paid to the providers for such services. A preferred provider network is not a managed care network.

j. "Provider" means any person including, but not limited to, chiropractors, physicians, and hospitals, that supplies health care services to any other person.

k. "Reimbursement" means any payment, whether cash or non-cash, or other benefit received for the provision of chiropractic goods and services.

Section B: Investigation

1. Based upon the OAG's Investigation, including a thorough review of the documents provided by the parties, the OAG has filed a complaint against co-conspirators CCA, CCC, and Hirtle, in which allegations of violations of the antitrust law uncovered through the OAG's Investigation are set forth, (hereinafter "the Complaint"). The Complaint is attached as Appendix A hereto.

2. The CCA denies all of the OAG's allegations, including those made in the Complaint and those made in this Stipulated Judgment and Release.

Section C: Terms and Conditions

NOW THEREFORE, for and in consideration of the representations in the Preamble set forth above, Section A, supra, and the mutual promises, covenants and

obligations set forth below, and for the good and valuable consideration as stated herein, the receipt and sufficiency of which is hereby acknowledged, the OAG and the CCA agree as follows:

The Settlement Payment

1. The CCA agrees to pay the State of Connecticut the total sum of Fifty Thousand Dollars (\$50,000) as a civil penalty in full and final settlement of all allegations and potential claims related to the OAG's Investigation (the "Settlement Amount"). The CCA shall make payment of the Settlement Amount by certified check or bank teller check made payable to "Treasurer of the State of Connecticut" and delivered to Michael Cole, Chief, Antitrust Department, Office of the Attorney General, 55 Elm Street, Hartford, CT 06106. The CCA shall make its payment in two equal installments, the first no later than five (5) business days from the Effective Date of this Judgment, and the second twelve (12) months after the Effective Date of this Judgment.

The CCA's Assurances

2. The CCA commits that it shall not engage or attempt to engage in violations of Conn. Gen. Stat. §§ 35-24 *et seq.* (the Connecticut Antitrust Act). Specifically it agrees that it will cease and desist from:

a. Entering into, adhering to, participating in, maintaining, organizing, implementing, enforcing, or otherwise facilitating any combination, conspiracy, agreement, or understanding between or among any chiropractors:

i. To negotiate on behalf of any chiropractor with any payer regarding any term, condition, or requirement upon which any chiropractor deals, or is willing to deal, with any payer, including, but not limited to, price terms; or

- ii. To deal, refuse to deal, or threaten to refuse to deal with any payer.
 - b. Requesting, proposing, urging, advising, recommending, advocating, or attempting to persuade in any way any chiropractor to deal or not deal with a payer, or accept or not accept the terms or conditions, including, but not limited to, price terms, on which the chiropractor is willing to deal with a payer;
 - c. Exchanging or facilitating in any manner the exchange or transfer of information among chiropractors concerning any chiropractor's willingness to deal with a payer, or the terms or conditions, including price terms, on which the chiropractor is willing to deal with a payer;
 - d. Organizing, sponsoring, facilitating or participating in any meeting or discussion that the CCA expects or reasonably should expect will facilitate communications concerning one or more chiropractors' intentions or decisions with respect to entering into, refusing to enter into, threatening to refuse to enter into, participating in, threatening to withdraw from, or withdrawing from any existing or proposed participation agreement;
 - e. Continuing a formal or informal meeting that the CCA expects or reasonably should expect will facilitate communications concerning one or more chiropractors' intentions or decisions with respect to entering into, refusing to enter into, threatening to refuse to enter into, participating in, threatening to withdraw from, or withdrawing from any existing or proposed participation agreement;
 - f. Continuing a formal or informal meeting of chiropractors after any person makes any statement concerning one or more chiropractors' intentions or decisions,

that if agreed to would violate this Judgment, unless the CCA immediately ejects such person from the meeting;

g. Continuing a formal or informal meeting where the CCA knows or reasonably should know that two or more persons are communicating concerning one or more chiropractors' intentions or decisions with respect to entering into, refusing to enter into, threatening to refuse to enter into, participating in, threatening to withdraw from, or withdrawing from any existing or proposed participation agreement; or

h. Attempting to engage in any action prohibited by this Judgment; and

i. Encouraging, suggesting, advising, pressuring, inducing, or attempting to induce any person to engage in any action that, if taken by the CCA, would be prohibited by this Judgment.

3. The CCA agrees that it will establish and maintain an antitrust training and education program, completion of which will be required for all officers, members, and employees of the CCA. Within thirty (30) days of the effective date of this Judgment, the CCA shall submit to the OAG a draft of the intended training and education program for review and approval by OAG prior to implementation.

4. The training and education program shall be designed to cover, at a minimum, compliance with federal and state antitrust laws.

5. The CCA agrees that for a period of five (5) years from the date of this Judgment, the CCA shall:

a. Maintain a copy of each document distributed at each meeting of the CCA's board of directors, the CCA district meeting, or seminar or training session sponsored in whole or in part by the CCA for a period of five (5) years from the date of

distribution, along with records showing the date of the meeting or seminar at which the document was distributed; and

b. Maintain a copy of each document relating to the CCA's compliance with the antitrust training and education program required by this Judgment and which is distributed to any CCA member or members for a period of five (5) years from the last date of its distribution, along with records showing the date(s) of distribution and each person to whom the document was distributed.

6. The CCA agrees that within thirty (30) days of this Judgment it will provide a dated and signed notification letter in the form set forth in Appendix B of this Judgment along with a copy of the Complaint and Judgment in this matter to each of the following:

a. Current officers and directors, and to each other agent, representative, or employee of the CCA whose activities are affected by this Judgment, or who has responsibilities with respect to the subject matter of this Judgment;

b. Current members; and

c. The payers listed on Appendix C.

7. The CCA agrees that for a period of five (5) years after the date of this Judgment, and within thirty (30) days of the date that the person assumes such position, it will distribute a dated and signed notification letter in the form set forth in Appendix B of this Judgment, along with a copy of the Complaint and Judgment in this matter, to each new officer and director of the CCA, and to each other new agent, representative, or employee of the CCA whose activities are affected by this Judgment, or who has responsibilities with respect to the subject matter of this Judgment.

8. The CCA agrees that for a period of five (5) years after the date that this Judgment becomes final, it will provide each new member with a dated and signed notification letter in the form set forth in Appendix B of this Judgment, along with a copy of the Judgment and attached Complaint in this matter, within thirty (30) days of the new member's admission to the CCA

9. The CCA agrees that it will publish a notification letter in the form set forth in Appendix B of this Judgment, along with a copy of this Judgment and the attached Complaint, on the CCA website no later than fourteen (14) days after the date of this Judgment and such letter shall remain on the website for a period of five (5) years.

10. The CCA agrees that it shall notify the OAG at least thirty (30) days prior to any proposed material change in the CCA, such as a petition for bankruptcy commenced by CCA, dissolution, assignment, sales resulting in the emergence of a successor corporation, or the creation or dissolution of subsidiaries. The CCA agrees that it shall notify the OAG as soon as reasonable, no later than five (5) business days after a petition for bankruptcy filed against CCA.

11. For ten (10) years after the Effective Date of this Judgment, on or before its anniversary date, the CCA shall certify to the OAG:

a. Whether it has complied with each term and condition set forth in Sections C .1 and C.2 of this Judgment;

b. Whether it has complied with the provisions of Sections C.3 through C.10 herein regarding notification of this Judgment and regarding antitrust compliance training; and

c. The names of the current officers, directors, and key employees of the CCA.

The OAG's Release of the CCA

12. The OAG does hereby fully and finally release the CCA and its members, who were members during the period August 1, 2006 through the Effective Date of this Judgment, from any civil claim, action, suit or proceeding the OAG has asserted for the antitrust violations alleged in the Complaint filed by OAG and attached hereto as Appendix A. The payment of the civil penalty required by this Judgment fully discharges the CCA from any obligation to pay restitution, additional civil penalties, and costs and expenses of litigation, including attorneys' fees, to the State of Connecticut pursuant to the antitrust violations alleged in the Complaint attached hereto as Appendix A.

Notice to Parties

13. Unless otherwise stated in writing subsequent to the Effective Date of this Judgment, all notifications and communications made pursuant to this Judgment shall be submitted to the persons listed below:

a. For the OAG:

Michael Cole, Assistant Attorney General
Chief, Antitrust Department
Office of the Attorney General
55 Elm Street
Hartford, CT 06106
(860) 808-5040
fax (860) 808-5033
Michael.Cole@po.state.ct.us

b. For the CCA:

Michael P. Shea, Esq.
Day, Pitney LLC
242 Trumbull Street
Hartford, CT 06103
(860) 275-0146
fax (860) 275-0343
mpshea@daypitney.com

President
Connecticut Chiropractic Association
2257 Silas Deane Highway
Rocky Hill, CT 06067

Cooperation with the OAG

14. The CCA commits that the CCA and its parent corporation(s), subsidiaries and affiliates, predecessors, successors and assigns shall fully and promptly cooperate with the OAG with regard to the OAG's Investigations, and related proceedings and actions, of any other person, corporation or entity. The CCA commits that the CCA and any subsidiaries and affiliates, predecessors, successors or assigns shall use their reasonable best efforts to ensure that all its officers, directors, members, employees, and agents also fully and promptly cooperate with the OAG's Investigation and related proceedings and actions, except to the extent any such persons are represented by separate counsel.

15. Cooperation with the OAG's Investigation shall include without limitation, the following:

a. The CCA shall accept service of subpoena(s) and shall produce pursuant thereto any information and all documents or tangible evidence reasonably requested

by the OAG and any compilation or summaries of information or data that the OAG reasonably requests be prepared;

b. Except to the extent such persons are represented by separate counsel, the CCA shall use reasonable best efforts to cause its officers, directors, employees and agents to attend any proceedings at which the presence of any such persons is reasonably requested by the OAG and use its reasonable best efforts to have such persons answer any and all inquiries that may be put by the OAG (or any of the OAG's deputies, assistants or agents) to any of them at any proceedings or otherwise ("proceedings" include but are not limited to any meetings, interviews, depositions, hearings, trial or other proceedings);

c. The CCA shall fully, fairly and truthfully disclose all information and produce all records and other evidence in its possession relevant to all inquiries reasonably made by the OAG concerning the OAG's Investigation;

d. In the event any document is withheld or redacted on grounds of privilege, a written statement shall be submitted to the OAG by the CCA indicating:

- i. The type of document;
- ii. The date of the document;
- iii. The author and recipient of the document;
- iv. The general subject matter of the document;
- v. The reason for withholding the document; and
- vi. The number of pages of the document, with their Bates numbers or range of Bates numbers.

16. Nothing herein shall prevent the CCA and its successors and assigns from providing such evidence to other regulators, or as otherwise required by law.

Miscellaneous Provisions

17. This Judgment shall be governed by the laws of the State of Connecticut. The Court has jurisdiction over the subject matter of this Judgment and over each of the parties.

18. Nothing in this Judgment shall be construed to create a waiver of the State of Connecticut's sovereign immunity.

19. The exclusive jurisdiction for resolving any disputes under this Judgment shall be the Superior Court of the State of Connecticut, Judicial District of Hartford.

20. This Judgment constitutes the complete agreement between the OAG and the CCA and may not be amended except by a writing signed by the OAG and the CCA and entered by the Court.

21. The bold-faced paragraph captions in this Judgment are for convenience only and do not add to, detract from or change the substantive language or terms of this Judgment.

22. The undersigned individuals signing this Judgment on behalf of the CCA represent and warrant that they are duly authorized by the CCA to execute this Judgment.

23. The undersigned individual signing this Judgment on behalf of the OAG represents that he is signing this Judgment in his official capacity and that he is duly authorized to execute this Judgment..

24. The OAG and the CCA agree that should any nonmaterial portion or portions of this Judgment be found to be void, unenforceable or otherwise invalid by any court of competent jurisdiction after the exhaustion of all rights to appeal, the entire Judgment shall not be nullified and such invalid portion or portions shall be severed from the remainder of the Judgment as if they had never been entered into and the remainder of the Judgment shall be enforced.

25. This Judgment may be executed in counterparts, each of which shall constitute an original and all of which shall be deemed to constitute one and the same agreement.

26. The Effective Date of this Judgment shall be the date upon which all of the Parties below have executed this Judgment.

27. The CCA is entering into this Judgment without trial or adjudication of any issue of fact or law. No part of this Judgment shall constitute evidence against the CCA

with respect to any issue of law or fact. No part of this Judgment shall be treated or construed as an admission of liability or wrongdoing by the CCA.

28. Nothing in this Judgment is intended to or shall be construed to restrict the CCA's exercise of its rights under the Noerr-Pennington doctrine and the First Amendment.

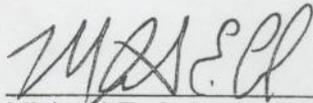
29. The terms of this Judgment shall terminate on ^{March 5}~~February~~ __, 2028.

IN WITNESS WHEREOF, the OAG and the CCA set their hands and seals on the dates set forth below:

The Office of the Attorney General

RICHARD BLUMENTHAL
Attorney General
State of Connecticut

By



Michael E. Cole, Assistant Attorney General
Chief, Antitrust Department
Office of the Attorney General

Date: March 5, 2008

Connecticut Chiropractic Association, Inc.

By



Michael P. Kane, D.C.
President

(Seal) Date: 2/14/08

APPENDIX A

RETURN DATE: MARCH 25, 2008

STATE OF CONNECTICUT	:	SUPERIOR COURT
<i>Plaintiff,</i>	:	
	:	
v.	:	HARTFORD JUDICIAL DISTRICT
	:	AT HARTFORD
	:	
CONNECTICUT CHIROPRACTIC	:	
ASSOCIATION, INC.;	:	
CONNECTICUT CHIROPRACTIC	:	
COUNCIL, INC.; and	:	
ROBERT L. HIRTLE, JR.	:	
<i>Defendants.</i>	:	MARCH 5, 2008

COMPLAINT

This is an action by Richard Blumenthal, Attorney General, State of Connecticut, pursuant to the Connecticut Antitrust Act, Conn. Gen. Stat. § 35-24 *et seq.*, to secure civil penalties and appropriate injunctive relief flowing from the unlawful refusal to deal perpetrated by the defendants regarding the provision of chiropractic services in the State of Connecticut, as more fully set forth below.

This action seeks redress for the defendants' unlawful boycott and refusal to deal which occurred in the State of Connecticut beginning in August of 2006. Each of the defendants used considerable influence to persuade chiropractors in the state to opt out of the Anthem Health Plans, Inc. d/b/a Anthem Blue Cross Blue Shield of Connecticut, Inc. ("Anthem") panel of providers in order to prevent Anthem from contracting with American Specialty Health Network, Inc. ("ASH") to administer chiropractic services to patients within the state. In pursuing these illegal practices, the

defendants conspired with each other to unreasonably restrain trade by engaging in an illegal boycott, and violated the Connecticut Antitrust Act Sections 35-26 and 35-28.

THE PARTIES

1. Pursuant to Conn. Gen. Stat. § 35-32(a), Richard Blumenthal, Attorney General of the State of Connecticut (the "Attorney General"), brings this action on behalf of the State of Connecticut and the People of the State of Connecticut for violations of the Connecticut Antitrust Act.

2. The State has an interest in the economic health and well-being of those that reside or transact business within its boundaries. The State also has an interest in ensuring the presence of an honest marketplace in which economic activity is conducted in a competitive manner for the benefit of consumers and other marketplace participants – without collusion, fraud or deception.

3. Defendant Connecticut Chiropractic Association, Inc. ("CCA") is a non-profit corporation established in the State of Connecticut. The CCA's principal place of business is Rocky Hill, Connecticut, and it is a trade association whose membership consists of chiropractors licensed in the State of Connecticut. During the relevant time period, the CCA had approximately 327 chiropractors as its members.

4. Defendant Connecticut Chiropractic Council, Inc. ("CCC") is a non-profit corporation established in the State of Connecticut. The CCC's principal place of

business is Branford, Connecticut, and it is a trade association whose membership consists of chiropractors licensed in the State of Connecticut. During the relevant time period, the CCC had approximately 116 chiropractors as its members.

5. Both the CCA and the CCC are trade organizations and engage in a number of activities and services such as lobbying, advocacy before administrative agencies, and continuing education for their members.

6. Defendant Robert L. Hirtle is an attorney practicing in the State of Connecticut. Defendant Hirtle's principal place of business is in Hartford, Connecticut.

7. Whenever reference is made in this Complaint to any representation, act or transaction of Defendants CCA or CCC or any other legal or commercial entity, such allegation shall be deemed to mean that their principals, officers, directors, employees, agents or representatives, while acting within their actual or apparent authority, whether they were acting on their own behalf or for their own benefit, did or authorized such representations on behalf of Defendants CCA or CCC or such other legal or commercial entity.

FACTS

8. Since at least July, 2006, the defendants combined and conspired with each other and with other chiropractors in Connecticut to:

(a) Fix, stabilize or affect the compensation that chiropractors in Connecticut receive for chiropractic services provided to people insured by certain Anthem contracts; and

(b) Restrict, regulate, impede or interfere with the reimbursement policies of Anthem and ASH.

9. In furtherance of the alleged combination and conspiracy, the defendants exerted coercive pressure, both directly and indirectly, against Anthem and ASH, by organizing a group boycott designed to defeat ASH's ability to effectively contract with Anthem and administer the chiropractic benefits provided by Anthem.

10. Throughout the course of the conspiracy alleged herein, each defendant provided support to, and advised their client or member chiropractors of, the actions undertaken in furtherance of the combination and conspiracy to refuse to deal with ASH.

11. ASH is a company that administers the chiropractic benefit for managed care organizations such as Anthem. Were ASH the administrator, chiropractors would submit their claims to ASH, rather than Anthem. ASH would establish the fee schedules for chiropractic services and determine levels of utilization generally deemed medically appropriate, including the number of visits and the types of treatment. ASH, rather than Anthem, would also review the chiropractors' credentials and provide customer service.

12. In July 2006, notice of the proposed contract between Anthem and ASH was delivered to Connecticut chiropractors. The notice stated that beginning on

November 1, 2006, ASH would administer chiropractic benefits for certain Anthem health plans.

13. Under the terms of the contract, chiropractors who became part of the ASH panel agreed to submit to the rules, procedures and reimbursement rates as determined by ASH. The fee schedule for chiropractic services that ASH proposed was lower than the reimbursement that Anthem had paid in previous years.

14. Anthem health plan members represent a large share of insured chiropractic patients in Connecticut.

15. On August 4, 2006 the CCA invited all Connecticut chiropractors to a CCA General Membership meeting to be held on Thursday August 10, 2006 at the Four Points Sheraton in Meriden, Connecticut to discuss the proposed Anthem/ASH contract. In its invitation, the CCA leadership indicated that it would be in a position to discuss at the meeting the questions that many chiropractors had about the upcoming ASH contract.

16. The August 10, 2006 meeting was the first of several meetings that was called by the CCA to discuss the proposed contract. The meeting was led by a CCA member (and former officer), and by the CCA's attorney Robert L. Hirtle ("Hirtle"). Members of the CCA, the CCC, and unaffiliated chiropractors attended the meeting.

17. A principal topic at the meeting was whether the chiropractors, who are direct competitors, would be able to earn as much compensation under the proposed ASH participation agreement as they had under their previous Anthem contract.

18. At the meeting Hirtle stated that ASH, a preferred provider network ("PPN"), already maintained another network in Connecticut due to their participation agreement with CIGNA Corporation ("CIGNA"). He stated that the ASH/Anthem panel would not be viable if a large number of chiropractors decided to opt out.

19. At the meeting, Hirtle sought to influence the attending chiropractors to opt out of the ASH panel in order to avoid the low rates of reimbursement offered by ASH. Hirtle discussed the economic issues raised by the ASH contract.

20. The chiropractors attending the August 10 meeting understood that their conduct might violate the antitrust laws. For instance, Hirtle was asked by a meeting attendee about the penalties that may be applicable if the membership's activities violated the antitrust laws. Moreover, the group also discussed an antitrust investigation of the Maine Chiropractic Association conducted in 1999 by the Attorney General for the State of Maine. Nevertheless, the chiropractors spoke in favor of opting out of the panel and openly solicited one another to agree to join the boycott.

21. Hirtle engaged in additional conduct at the meeting to facilitate the chiropractors' boycott of ASH. Hirtle requested that any chiropractor who opted out of the network provide him with a copy of their opt out letter.

22. In the time period following the August 10th meeting, Hirtle continued to track the number of chiropractors who opted out and disseminated this information to the group. An August 15, 2006 email sent by Hirtle stated, “[a]s of Tues 8/15 I have received copies of 10 ASH resignation letters. The list has shrunk from 198 to 188. There need to be 60 more resignations to cripple the ASH provider list.”

23. As the boycott effort took root, senior officers of both the CCA and the CCC, including the presidents of the respective associations, worked jointly to prepare memoranda and correspondence intended to urge their respective membership and others to opt out of the ASH network. The correspondence disseminated by the CCA and CCC to their membership specified the number of chiropractors who had agreed to opt out and served to pressure those chiropractors who remained undecided.

24. On Tuesday August 29, 2006 the CCC’s president sent an email to officers and directors of both the CCC and the CCA, as well as other chiropractors, advising them, “[a]fter reading this, pass it along to as many colleagues ASAP.” The email beseeched the recipients to join together because, “[t]he only way to stop them [ASH] from ruining chiropractic care in Connecticut is to ensure that there are not enough providers to allow [ASH] to contract with [Anthem]...You are not alone in this fight. There are almost 700 practicing chiropractors in this state and over the next 2 weeks, myself or another doctor will contact you to discuss this situation and to answer any questions you may have...”

25. Upon information and belief, chiropractors disseminated information, including a model opt-out letter to send to ASH, in order to convince their competitors to join the boycott.

26. On September 12, 2006 a chiropractor wrote to Hirtle, "I understand through the vine that we are doing very well with the UNITY issue to fight ASH. Who are the doctors [still on the panel]?"

27. Rather than advising the chiropractor that he was mistaken about a group effort to defeat the ASH contract, or even try to clarify any misunderstanding, Hirtle instead simply replied, "I'll send you a list."

28. Throughout the late summer and fall of 2006, chiropractors sought continuous updates from Hirtle on those who had opted out and those who had not. Not only did Hirtle supply the number of chiropractors that had opted out, he also solicited additional chiropractors to join, writing at one point: "We need 50 more to destroy the panel," and on another day replying to a chiropractor that, "It would be nice to get 100% out in Hartford and New Haven Counties tomorrow."

29. During these months the chiropractors repeatedly incited each other to unite in their fight to defeat the ASH program through communications that include: "We all need to unite on this issue," "We must band together," and "Get [ASH] out of this state!"

30. By October 19, 2006 it was apparent that the boycott had achieved its objective. As one chiropractor succinctly stated in an email to Hirtle, "I have heard through the vine that we have beaten them again! Imagine the chiropractic unity, is at an all time high. What is the next step and what do you see in the future, how are they going to hit us. What will it take to have ASH leave or are they here to stay..." Hirtle replied, "ASH has been defeated again..."

31. On November 15, 2006 Hirtle wrote, "The list is now 18 [chiropractors]. 5 Counties out 100%. A great victory for Chiropractic!"

32. As a result of the illegal agreement among the chiropractors, the ASH/Anthem contract never went forward.

33. The Defendants entered into illegal agreements and engaged in an anticompetitive conspiracy to boycott insurers and managed care organizations residing in the State of Connecticut.

34. The Defendants' unlawful conspiracy had the purpose or effect, or the tendency or capacity, to unreasonably restrain and injure competition by, among other things:

- (a) Restraining competition among chiropractors;
- (b) Fixing, stabilizing, or otherwise affecting the reimbursement paid to chiropractors who provide chiropractic services;
- (c) Raising the costs to insurers for chiropractic services;

(d) Depriving insurers and ASH of the benefits of competition among chiropractors; and

(e) Depriving consumers of the benefits of competition among chiropractors.

35. The Defendants' actions as alleged herein have caused loss and damage, and threaten to cause loss and damage, to persons residing in the State of Connecticut.

CAUSE OF ACTION

Breach of Connecticut Antitrust Act (Conn. Gen. Stat. § 35-24 et seq.)

36. The Defendants' actions as alleged herein violate Conn. Gen. Stat. § 35-26 and § 35-28 because the illegal agreements were entered into or effectuated within the State of Connecticut and have the purpose or the effect of unreasonably restraining trade and commerce within the State of Connecticut.

DEMAND FOR RELIEF

WHEREFORE, the State of Connecticut requests the following relief:

1. A finding that the Defendants have engaged in trade or commerce in Connecticut;
2. A finding that the Defendants have entered into a contract, combination or conspiracy in Connecticut to unlawfully fix, control or maintain prices, rates or fees in the provision of chiropractic services;

3. A finding that by the acts alleged herein the Defendants engaged in a boycott that was an unreasonable and anticompetitive restraint of trade or commerce in violation of the Connecticut Antitrust Act;

4. An injunction pursuant to Conn. Gen. Stat. § 35-32(a) and 35-34 enjoining the Defendants from engaging in any acts that violated the Connecticut Antitrust Act, including, but not limited to, the unlawful and anticompetitive acts alleged herein;

5. Civil penalties of up to \$25,000 for Defendant Hirtle pursuant to Conn. Gen. Stat. § 35-38 for each violation of the Connecticut Antitrust Act;

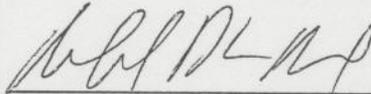
6. Civil penalties of up to \$250,000 for Defendants CCA and CCC pursuant to Conn. Gen. Stat. § 35-38 for each violation of the Connecticut Antitrust Act;

7. Reasonable attorneys' fees and costs pursuant to Conn. Gen. Stat. § 35-35; and

8. Such other relief as the Court deems just and equitable.

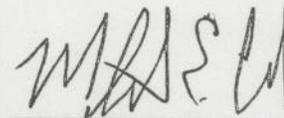
Dated at Hartford, Connecticut this 5 day of March, 2008.

**PLAINTIFF
STATE OF CONNECTICUT**



RICHARD BLUMENTHAL
ATTORNEY GENERAL

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