

secondary, and cumulative impacts related to valley fills and associated mining practices is difficult.

This EIS will complement recent efforts to address the issues of mountaintop mining and valley fills. The OSM recently completed and issued a draft oversight report entitled "An Evaluation of Approximate Original Contour and Postmining Land Use in West Virginia". During 1998, the Governor of West Virginia established a Governor's Task Force, which held public inquiries and evaluated the impacts of mountaintop mining operations on the economy, the environment, and the people of that State. Its report was issued in December 1998.

To address the concerns about mountaintop mining and valley fills, the agencies will consider potential revisions to relevant regulations, policies, and guidance that would minimize the potential for adverse individual and cumulative impacts of mining operations. The EIS will provide information that will help the agencies improve the permitting process to protect water quality and minimize impacts to other environmental resources. The EIS will also examine how regulations of the agencies can be better coordinated. The EIS may consider information on the following: the cumulative environmental impacts of mountaintop mining; the efficacy of stream restoration; the viability of reclaimed streams compared to natural waters; the impact that filled valleys have on aquatic life, wildlife and nearby residents; biological and habitat analyses that should be done before mining begins; practicable alternatives for in-stream placement of excess overburden; measures to minimize stream filling to the maximum extent practicable; and the effectiveness of mitigation and reclamation measures. The EIS is expected to take two years to complete.

Dated: February 2, 1999.

**Mary Josie Blanchard,**  
Assistant Director, Program Support.

[FR Doc. 99-2814 Filed 2-4-99; 8:45 am]

BILLING CODE 4310-05-M

## DEPARTMENT OF JUSTICE

### Notice of Lodging of Partial Consent Decree Pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as Amended

In accordance with Department of Justice policy, 28 CFR 50.7, notice is

hereby given that a proposed partial consent decree in the consolidated action entitled *United States of America v. Western Publishing Co., Inc., et al.*, Civil Action No. 94-CV-1247 (LEK/DNH) and *State of New York v. F.I.C.A. a/k/a Dutchess Sanitation Services, Inc., et al.*, Civil Action No. 86-CV-1136 (LEK/DNH) (N.D.N.Y.), was lodged on January 22, 1999, with the United States District Court for the Northern District of New York. The proposed partial consent decree resolves claims of the United States, on behalf of the U.S. Environmental Protection Agency, and the State of New York against defendants Golden Books Publishing Co., Inc. (formerly known as Western Publishing Co., Inc.), Hudson Valley Environmental Services, Inc., third-party defendant and fourth-party plaintiff Ford Motor Company, and fourth-party defendants Alfa Laval, Inc., Frye Tech, Inc., International Business Machines Corp., Kem Plastic Playing Cards, Inc. (who is participating in the settlement based upon a documented limited ability to pay), Poughkeepsie Newspaper Division of Gannett Satellite Information Network, Inc., the City of Poughkeepsie, and tesa tape inc., under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C 9601-9675 ("CERCLA"). These claims are for recovery of response costs incurred and to be incurred by the United States in connection with the Hertel Landfill Superfund Site ("Site"), located in the Hamlet of Clintondale, Town of Plattekill, Ulster County, New York.

Under the terms of the proposed partial consent decree, the settling defendants will pay to the United States \$453,500 in reimbursement of past response costs and \$125,000 in reimbursement of interim response costs incurred by the United States, and up to \$300,000 in future oversight and all future non-oversight costs to be incurred by the United States with respect to the Site. Settling defendants also will pay to the State \$3,814 toward reimbursement of the State's response costs. Pursuant to the proposed partial consent decree, the settling defendants also are required to implement the remedial design and remedial action set forth in the September 27, 1991 Record of Decision for the Site, including construction and operation and maintenance of a multi-layer cap over the landfill. The proposed partial consent decree provides the settling defendants with releases for civil liability under Sections 106 and 107(a) of CERCLA relating to the Site as consideration for the

payments to be made and the work to be performed.

The Department of Justice will receive, for a period of thirty (30) days from the date of this publication, comments relating to the proposed partial consent decree. Comments should be addressed to the Assistant Attorney General, Environment and Natural Resources Division, U.S. Department of Justice, Washington, DC 20530, and should refer to *United States of America v. Western Publishing Co., Inc., et al.*, Civil Action No. 94-CV-1247 (LEK/DNH) and *State of New York v. F.I.C.A. a/k/a Dutchess Sanitation Services, Inc., et al.*, Civil Action No. 86-CV-1136 (LEK/DNH) (N.D.N.Y.), DOJ Ref. No. 90-11-2-767A.

The proposed partial consent decree may be examined at the Office of the United States Attorney, 445 Broadway, Room 231, Albany, New York 12207; the Region II Office of the Environmental Protection Agency, 290 Broadway, New York, New York 10007-1866; and the Consent Decree Library, 1120 G Street, NW, 3rd Floor, Washington, DC 20005, telephone (202) 624-0892. A copy of the proposed partial consent decree may be obtained in person or by mail from the Consent Decree Library. In requesting a copy, please refer to the referenced case and enclose a check in the amount of \$36.75 (25 cents per page reproduction costs) made payable to Consent Decree Library.

**Joel M. Gross,**

Chief, Environmental Enforcement Section,  
Environment and Natural Resources Division.  
[FR Doc. 99-2716 Filed 2-4-99; 8:45 am]

BILLING CODE 4410-15-M

## DEPARTMENT OF JUSTICE

### Antitrust Division

[Civil No. 99-167-CIV-T-17F]

### United States of America v. Federation of Certified Surgeons and Specialists, Incorporated and Pershing Yoakley & Associates, P.C.

Notice is hereby given pursuant to the Antitrust Procedures and Penalties Act, 15 U.S.C. 16(b)-(h), that a proposed Final Judgment, Stipulations, and a Competitive Impact Statement have been filed with the United States District Court for the Middle District of Florida, Tampa Division, in *United States of America v. Federation of Certified Surgeons and Specialists, Inc., and Pershing Yoakley & Associates, P.C.*

The Complaint alleges that defendants entered into an agreement with the

purpose and effect of restraining price competition, in violation of Section 1 of the Sherman Act, 15 U.S.C. 1, by limiting competition among general vascular surgeons in Tampa. The proposed Final Judgment enjoins the continuance or resumption of this practice. Copies of the Complaint, proposed Final Judgment, and Competitive Impact Statement are available for inspections in Room 215, 325 Seventh Street, N.W., United States Department of Justice, Washington, D.C. and at the Office of the Clerk of the United States District Court for the Middle District of Florida, Tampa Division, Tampa, Florida.

Public comment on the proposed Final Judgment is invited within 60 days of the date of this notice. Such comments and responses thereto will be published in the **Federal Register** and filed with the Court. Comments should be directed to Gail Kursh, Chief, Health Care Task Force, United States Department of Justice, Antitrust Division, 325 Seventh Street, N.W., Room 400, Washington, D.C. 20530 (telephone: (202) 307-5799).

**Rebecca P. Dick,**

*Director of Civil Non-Merger Enforcement, Antitrust Division.*

#### **Notice of Filing a Proposed Final Judgment Pursuant to the Antitrust Procedures and Penalties Act**

The United States submits this Notice summarizing the procedures regarding the Court's entry of the proposed Final Judgment. The proposed Final Judgment would settle this case pursuant to the Antitrust Procedures and Penalties Act ("Act"), 15 U.S.C. 16(b)-(h), which applies to civil antitrust cases brought and settled by the United States. Under the Act, the Final Judgment is not to be entered until the United States certifies compliance with the requirements of the Act and the Court concludes that entry of the Final Judgment is in the public interest.

Today, the United States has filed a civil antitrust Complaint charging the Federation of Certified Surgeons and Specialists, Inc., and Pershing Yoakley & Associates, P.C., with violating Section 1 of the Sherman Act. Also filed with the Complaint are a proposed Final Judgment, a Competitive Impact Statement, and Stipulations between the parties by which the defendants agree to the Court's entry of the proposed Final Judgment following compliance with the Act. The Competitive Impact Statement reflects the Act's requirement of filing a competitive impact statement

explaining the nature of the case and the proposed relief.

Under the Act, the United States must publish the proposed Final Judgment and the Competitive Impact Statement in the **Federal Register** and publish for 7 days over a period of 2 weeks a summary of these pleadings in newspapers of general circulation in the Middle District of Florida and the District of Columbia. The Act provides for a 60-day period after publication for the public to submit comments to the Department of Justice regarding the proposed Final Judgment. The Act provides that the Department shall publish in the **Federal Register**, and file with the Court, any comments received and the Department's response to such comments. The defendants are required to file a description of certain communications with the government within 10 days after a proposed final judgment is filed. See 15 U.S.C. § 16(g).

Once all of the Act's requirements have been met, the United States will promptly file with the Court a Certificate of Compliance with the Act and a Motion for Entry of the Final Judgment (unless the United States decides to withdraw its consent to entry of the Final Judgment, as permitted by Paragraph 2 of the Stipulations). At that time, pursuant to Section 16(e)-(f) of the Act, the Court may enter the Final Judgment without a hearing, if it finds the Final Judgment is in the public interest.

Dated January 26, 1999.

For Plaintiff  
United States of America  
Charles R. Wilson,  
*United States Attorney.*

By:

Whitney Schmidt,  
*Affirmative Civil Enforcement Coordinator,  
Assistant United States Attorney, Florida Bar  
No. 285706, 400 North Tampa Street, Suite  
3200, Tampa, FL 33602, Tel: (813) 274-6332,  
Facsimile: (813) 274-6198*

Denise E. Biehn,  
*Trial Counsel.*  
Steven Kramer,  
Edward D. Eliasberg, Jr.,  
*Florida Bar No. 005725, Attorneys, Antitrust  
Division, U.S. Dept. of Justice, 325 Seventh  
St. N.W., Room 409, Washington, D.C. 20530,  
Tel: (202) 307-0808, Facsimile: (202) 514-  
1517.*

#### **Stipulation as to Defendant Federation of Certified Surgeons and Specialists, Inc.**

It is stipulated by and between the undersigned parties, by their respective attorneys, that:

1. The Court has jurisdiction over the subject matter of this action and over each of the undersigned parties hereto, and venue of this action is proper in the Middle District of Florida;

2. The undersigned parties consent that a Final Judgment in the form hereto attached may be filed and entered by the Court, upon the motion of either party, or upon the Court's own motion, at any time after compliance with the requirements of the Antitrust Procedures and Penalties Act, 15 U.S.C. § 16, and without further notice to either party or other proceedings, provided that plaintiff has not withdrawn its consent, which it may do at any time before the entry of the proposed Final Judgment by serving notice thereof on defendant and by filing that notice with the Court;

3. Federation of Certified Surgeons and Specialists, Inc. ("FCSSI") agrees to be bound by the provisions of this proposed Final Judgment pending its approval by the Court. Within ten days from the execution of this Stipulation, defendant FCSSI agrees to provide to all FCSSI physicians, as that term is defined in the proposed Final Judgment, copies of the proposed Final Judgment; and

4. If plaintiff withdraws its consent, or if the proposed Final Judgment is not entered pursuant to the terms of this Stipulation, this Stipulation shall be of no effect whatsoever, and the making of this Stipulation shall be without prejudice to any party in this or in any other proceeding.

Dated: January 15, 1998.

For Plaintiff  
United States of America:

Joel I. Klein,  
*Assistant Attorney General.*

Donna Patterson,  
*Deputy Assistant Attorney General.*

Rebecca P. Dick,  
*Director of Civil, Non-Merger Enforcement.*

Gail Kursh,  
*Chief,  
Health Care Task Force.*

David C. Jordan,  
Ass't Chief, Health Care Task Force.

Denise E. Biehn,  
Steven Kramer,  
Edward D. Eliasberg, Jr.,  
Attorneys, U.S. Dept. of Justice, 325 7th Street,  
N.W., Room 400, Liberty Place Bldg.,  
Washington, D.C. 20530, (202) 305-2738.

For Defendant Federation of Certified  
Surgeons and Specialists, Inc.:  
David A. Ettinger, Esquire,  
Honigman, Miller, Schwartz and Cohen, 2290  
First National Building, Detroit, MI 48226.

Emil Marquardt, Jr., Esquire,  
MacFarlane Ferguson & McMullen, P.A., 625  
Court Street, Clearwater, FL 33757.

#### **Stipulation as to Defendant Pershing, Yoakley & Associates, P.C.**

It is stipulated by and between the undersigned parties, by their respective attorneys, that:

1. The Court has jurisdiction over the subject matter of this action and over each of the undersigned parties hereto, and venue of this action is proper in the Middle District of Florida;

2. The undersigned parties consent that a Final Judgment in the form hereto attached may be filed and entered by the Court, upon the motion of either party, or upon the Court's own motion, at any time after compliance with the requirements of the Antitrust Procedures and Penalties Act, 15 U.S.C. § 16, and without further motive to either party or other proceedings, provided that plaintiff has not withdrawn its consent, which it may do at any time before the entry of the proposed Final Judgment by serving notice thereof on defendant and by filing that notice with the Court; and

3. Pershing, Yoakley & Associates, P.C. ("PYA"), agrees to be bound by the provisions of this proposed Final Judgment pending its approval by the Court. Within ten days from the execution for this Stipulation, defendant PYA agrees to provide to all of its shareholders, its agents, representatives, employees, officers, and directors (in such capacities only) who provides, or supervises the provision of, services to competing physicians with offices in Hillsborough, Pinellas or Pasco County, Florida, copies of the proposed Final Judgment; and

4. If plaintiff withdraws its consent, or if the proposed Final Judgment is not entered pursuant to the terms of the Stipulation, this Stipulation shall be of no effect whatsoever, and the making of

this Stipulation shall be without prejudice to either party in this or in any other proceeding.

Dated: January 21, 1999.

For Plaintiff  
United States of America:  
Joel I. Klein,  
Assistant Attorney General.

Donna Patterson,  
Deputy Assistant Attorney General.

Rebecca P. Dick,  
Deputy Director of Civil, Non-Merger  
Enforcement.

Gail Kursh,  
Chief, Health Care Task Force.

David C. Jordan,  
Ass't Chief, Health Care Task Force.

Denise E. Biehn,  
Steven Kramer,  
Edward D. Eliasberg,  
Attorneys, U.S. Dept. of Justice, 325 7th Street,  
N.W., Room 400, Liberty Place Bldg.,  
Washington, D.C. 20530, (202) 305-2738.

For Defendant Pershing, Yoakley &  
Associates, P.C.:

John J. Miles,  
E. John Steren,  
Ober, Kaler, Grimes & Shriver, 1401 H Street,  
N.W., 5th Floor, Washington, D.C. 20005-  
2110.

#### **Final Judgment**

Plaintiff, the United States of America, having filed its Complaint on \_\_\_\_\_ 1999, and plaintiff and defendant Federation of Certified Surgeons and Specialists, Inc., ("FCSSI") and defendant Pershing Yoakley & Associates, P.C. ("PYA"), by their respective attorneys, having consented to the entry of this Final Judgment without trial or adjudication of any issue of fact or law, and without this Final Judgment constituting any evidence against or an admission by any party with respect to any issue of fact or law;

And whereas defendants have agreed to be bound by the provisions of this Final Judgment;

Now, therefore, before the taking of any testimony, and without trial or adjudication of any issue of fact or law, and upon consent of the plaintiff and defendants, it is hereby **ordered, adjudged, and decreed:**

#### **I. Jurisdiction**

This Court has jurisdiction over the subject matter of and over the plaintiff and defendants to this action. The Complaint states a claim upon which

relief may be granted against defendants under Section 1 of the Sherman Act, 15 U.S.C. § 1.

#### **II. Definitions**

As used in this Final Judgment:

(A) "Communicate" means to discuss, disclose, transfer, disseminate, or exchange information or opinion, formally or informally, in any manner;

(B) "Competing physicians" means two or more physicians in separate medical practices in the same county in the same specialty;

(C) "Competitively sensitive information" means

(1) Any participating physician's actual or possible view, intention, or position concerning the negotiation or acceptability of any proposed or existing payer contract or contract term, including the physician's negotiating or contracting status with any payer or the physician's response to a payer contract or contract term; or

(2) Any proposed or existing term of a payer contract that affects:

(a) The amount of fees or payment, however determined, that a participating physician charges, contracts for, or accepts from or considers charging, contracting for, or accepting from any payer for providing physician services;

(b) The duration, amendment, or termination of the payer contract;

(c) Utilization review; or

(d) The manner of resolving fee disputes between the participating physician and the payer,

(D) "FCSSI" means the Federation of Certified Surgeons and Specialists, Inc., located in Tampa, Florida; each of its present and former members, shareholders, directors, officers, agents, representatives, and employees (all such persons only in such capacities with FCSSI or with any successors or assigns of FCSSI); its successors and assigns, including any group organized directly or indirectly by two or more competing physicians (who serve or have served as a director or officer of FCSSI) for the purpose of negotiating with payers; and each entity over which it has control;

(E) "FCSSI physician" means all present and former physician shareholders and physician members of FCSSI;

(F) "Messenger" means a person that communicates to a payer any competitively sensitive information it obtains, individually, from a

participating physician or communicates, individually, to a participating physician any competitively sensitive information it obtains from a payer;

(G) "Objective information" or "objective comparison" means empirical data that are capable of being verified or a comparison of such data;

(H) "Participating physician" means a physician who is either in solo practice or a group practice, and who participates in a messenger arrangement, and any employee of such physician or group practice acting on the physician's or group practice's behalf in connection with a messenger arrangement.

(I) "Payer" means any person that purchases or pays for all or part of a physician's services for itself or any other person and includes but is not limited to independent practice associations, individuals, health insurance companies, health maintenance organizations, preferred provider organizations, and employers;

(J) "Payer contract" means a contract between a payer and a physician by which that physician agrees to provide physician services to persons designated by the payer;

(K) "Person" means any natural person, corporation, firm, company, sole proprietorship, partnership, joint venture, association, institute, governmental unit, or other legal entity; and

(L) "PYA" means Pershing Yoakley & Associates, P.C. with offices in Clearwater Florida; each of its shareholders, its agents, representatives, employees, officers, and directors (in such capacities only); its successors and assigns; and each entity it controls.

### III. Applicability

Except where expressly limited to one defendant, this Final Judgment applies to:

(A) FCSSI;

(B) PYA, when providing, or supervising the provision of, services to any competing physicians in Hillsborough, Pinellas, or Pasco County, Florida; and

(C) All other persons who receive actual notice of this Final Judgment by personal service or otherwise and then act or participate in active concert with any of the above persons.

### IV. Injunctive Relief

(A) FCSSI is enjoined, directly or indirectly, from:

(1) Participating in, encouraging, or facilitating any agreement or understanding between competing

physicians about any competitively sensitive information;

(2) Acting as, or facilitating the use of, a messenger or any other agent or representative for any FCSSI physician for the purpose of negotiating or communicating with any payer on behalf of such FCSSI physician;

(3) Participating in, encouraging, or facilitating any agreement or understanding among competing physicians about using a messenger;

(4) Negotiating with any payer on behalf of any FCSSI physician;

(5) Communicating or facilitating the communication of any competitively sensitive information to, or in the presence of, competing physicians; and

(5) Participating in, encouraging, or facilitating any agreement or understanding among any competing physicians that FCSSI physicians will deal with a payer only through a messenger or other agent or representative.

(B) PYA is enjoined, directly or indirectly, from:

(1) Participating in, encouraging, or facilitating any agreement or understanding between competing physicians with offices in Hillsborough, Pinellas, or Pasco County, Florida, about any competitively sensitive information;

(2) Participating in, encouraging, or facilitating any agreement or understanding between competing physicians with offices in Hillsborough, Pinellas, or Pasco County, Florida, to deal with any payer exclusively through a messenger rather than individually or through other channels;

(3) Negotiating, collectively or individually, on behalf of competing physicians with offices in Hillsborough, Pinellas, or Pasco County, Florida, any actual or proposed payer contract or contract term with any payer;

(4) Making any recommendation to competing physicians with offices in Hillsborough, Pinellas, or Pasco County, Florida, about any actual or proposed payer contract or contract term or whether to accept or reject any such payer contract or contract term;

(5) Communicating competitively sensitive information in the presence of competing physicians with offices in Hillsborough, Pinellas, or Pasco County, Florida;

(6) Communicating to competing physicians with offices in Hillsborough, Pinellas, or Pasco County, Florida, any subjective opinion or subjective analysis, evaluation, or assessment about competitively sensitive information;

(7) Precluding or discouraging any competing physicians with offices in Hillsborough, Pinellas, or Pasco County,

Florida, from exercising his, her, or their own independent business judgment in determining whether to negotiate, contract, or deal directly with any payer;

(8) Acting as, or using, a messenger on behalf of defendant FCSSI or any other group or groups of competing physicians with offices in Hillsborough, Pinellas, or Pasco County, Florida if present or former members of FCSSI constitute more than twenty percent of any individual group's membership or of all groups' total membership; and

(9) Acting as, or using, a messenger for any competing physicians with offices in Hillsborough, Pinellas, or Pasco County, Florida, unless:

(a) At the outset of its involvement with any payer as a messenger (or within 30 days of the entry of this Final Judgment for any ongoing involvement with a payer), and annually thereafter, it informs the payer in writing that, at any time, (i) the payer is free to decline to communicate with any participating physician through it, and (ii) any participating physician is free to communicate with the payer individually without its involvement;

(b) When first designated by any participating physician as a messenger (or within 30 days of the entry of this Final Judgment for any ongoing involvement, on behalf of a participating physician, with a payer), and annually thereafter, it informs the participating physician in writing that he or she is free at any time to communicate with any payer individually without its involvement;

(c) When first designated by any participating physician as a messenger and at the outset of its involvement with any payer as a messenger (or within 30 days of the entry of this Final Judgment for any ongoing involvement, on behalf of a participating physician, with a payer), and annually thereafter, it informs the participating physician and any payer with whom it communicates as a messenger on behalf of the participating physician in writing that it cannot negotiate, collectively or individually, for any participating physician any payer contract or contract term but can act only as a messenger as permitted by this Final Judgment;

(d) It informs the participating physician of any payer's decision not to communicate or to discontinue communicating with any participating physician through PYA;

(e) It communicates all competitively sensitive information that it receives from any payer separately to each participating physician designated by the payer;

(f) It does not communicate any competitively sensitive information obtained from any participating physician to anyone other than to payers;

(g) It ensures that (i) any oral communications between it and any payer or any participating physician is contemporaneously memorialized in writing and shows the date, participants to, and substance of the communication, and the person making the record; (ii) such memorialization and any written communications between it and any payer or participating physician are preserved for two years; (iii) any correspondence between it and a participating physician is addressed individually to that participating physician only; and (iv) no correspondence between it and a payer that includes the competitively sensitive information of a participating physician is sent to any other competing physician; and

(h) It does not violate any of the provisions of Section IV (B)(1)–(8) of this Final Judgment.

#### V. Notifications

(A) Within 30 days from the entry of this Final Judgment, FCSSI shall notify, in writing, each payer (1) with which FCSSI negotiated any contract or currently is attempting to negotiate any contract or (2) that FCSSI approaches on behalf of any FCSSI physician, that FCSSI will no longer represent any FCSSI physician in any manner relating to payer contracts or contract terms.

(B) Within 30 days from the entry of this Final Judgment, FCSSI shall notify, in writing, each payer with which FCSSI has negotiated a contract that any contract between FCSSI and the payer may be terminated by the payer upon written notice to FCSSI given within 30 days following FCSSI's written notification.

(C) After entry of this Final Judgment, FCSSI shall notify each payer that inquires about contracting through or with FCSSI that FCSSI does not represent any FCSSI physician in any manner relating to payer contracts or contract terms.

(D) FCSSI shall notify plaintiff at least 30 days prior to any proposed (1) dissolution of FCSSI, (2) sale or assignment of claims or assets of FCSSI resulting in the emergence of a successor corporation, or (3) change in corporate structure of FCSSI that may affect compliance obligations arising out of Section VII of this Final Judgment.

#### VI. Permitted Conduct

Notwithstanding any other provision of this Final Judgment, PYA may:

(A) At a participating physician's request, communicate to the participating physician accurate, factual, and objective information about a proposed payer contract offer or contract terms, including, if requested, objective comparisons with terms offered to that participating physician by other payers; and

(B) Engage in activities reasonably necessary to facilitate lawful activities by physician network joint ventures and multiprovider networks as those terms are used in Statements 8 and 9 of the 1996 Statements of Antitrust Enforcement Policy in Health Care, 4 Trade Reg. Rep. (CCH) ¶ 13,153.

#### VII. Compliance Program

(A) FCSSI shall maintain an antitrust compliance program (unless FCSSI dissolves without any successors or assigns) that shall include:

(1) Distributing, within 60 days from the entry of this Final Judgment, a copy of the Final Judgment and Competitive Impact Statement to all FCSSI physicians and distributing in a timely manner a copy of the Final Judgment and Competitive Impact Statement to any physician who subsequently joins FCSSI;

(2) Obtaining, within 120 days from the entry of this Final Judgment, and annually thereafter, and retaining for the duration of this Final Judgment, a certificate from each then current FCSSI physician that he or she has received, read, understands, and agrees to comply with the Final Judgment and understands that he or she may be held in civil or criminal contempt for failing to do so.

(B) PYA shall maintain an antitrust compliance program, which shall include:

(1) Distributing within 60 days from the entry of this Final Judgment, a copy of the Final Judgment and Competitive Impact Statement to all of its shareholders, agents, representatives, employees, officers, and directors (in such capacity only) who provide, or supervise the provision of, services to competing physicians;

(2) Distributing in a timely manner a copy of the Final Judgment and Competitive Impact Statement to any person who succeeds to a position described in Paragraph VII (B)(1);

(3) Holding an annual seminar explaining to all of its shareholders, agents, representatives, employees, officers, and directors (in such capacity only) who provide, or supervise the provision of, services to competing physicians, the antitrust principles applicable to their work, the restrictions contained in this Final Judgment, and

the implications of violating the Final Judgment;

(4) Maintaining an internal mechanism by which questions from any of its shareholders, agents, representatives, employees, officers, and directors (in such capacity only) about the application of the antitrust laws to the presentation of competing physicians, whether as a messenger or as some other representative, can be answered by counsel as the need arises;

(5) Obtaining, within 120 days from the entry of this Final Judgment, and retaining for the duration of this Final Judgment a certificate from each of its shareholders, agents, representatives, employees, officers, and directors (in such capacity only) who provide, or supervise the provision of, services to competing physicians with offices in Hillsborough, Pinellas, or Pasco County, Florida, that he or she has received, read, and understands this Final Judgment, and that he or she has been advised and understands that he or she must comply with the Final Judgment and may be held in civil or criminal contempt for failing to do so.

(C) FCSSI and PYA shall maintain for inspection by plaintiff a record of recipients to whom this Final Judgment and Competitive Impact Statement have been distributed and from whom annual written certifications have been received.

#### VIII. Certification

(A) Within 75 days after entry of this Final Judgment, FCSSI and PYA shall certify to plaintiff that it has distributed the Final Judgment and Competitive Impact Statement as respectively required by Paragraph VII (A)(1) and VII (B)(1);

(B) For a period of ten years following the date of entry of this Final Judgment, unless they dissolve without any successors or assigns, FCSSI and PYA shall certify annually to plaintiff that they have complied with the provisions of this Final Judgment; and

(C) Within 75 days after entry of this Final Judgment, FCSSI shall certify to plaintiff that it has made the notifications required by Section V.

#### IX. Plaintiff's Access

(A) For the purposes of determining or securing compliance with this Final Judgment or determining whether this Final Judgment should be modified or terminated, and subject to any legally recognized privilege, authorized representatives of the Antitrust Division of the United States Department of Justice, shall upon written request of the Assistant Attorney General in charge of

the Antitrust Division and on reasonable notice to FCSSI or PYA, be permitted:

(1) Access during regular business hours to inspect and copy all records and documents in the possession, custody, or under the control of FCSSI or PYA, which may have counsel present, relating to any matters contained in this Final Judgment;

(2) To interview FCSSI's or PYA's members, shareholders, partners, officers, directors, employees, agents, and representatives, who may have counsel present, concerning such matters; and

(3) To obtain written reports from FCSSI or PYA under oath if requested, relating to any matters contained in this Final Judgment.

(B) FCSSI and PYA shall have the right to be represented by counsel in any process under this Section.

(C) No information or documents obtained by the means provided in this Section shall be divulged by the plaintiff to any person other than duly authorized representatives of the Executive Branch of the United States, except in the course of legal proceedings to which the United States is a party (including grand jury proceedings), or for the purpose of securing compliance with this Final Judgment, or as otherwise required by law.

(D) If, at the time information or documents are furnished by defendant to plaintiff, defendant represents and identifies, in writing, the material in any such information or documents to which a claim of protection may be asserted under Rule 26(c)(7) of the Federal Rules of Civil Procedure, and defendant will mark each pertinent page of such material, "subject to claim of protection under Rule 26(c)(7) of the Federal Rules of Civil Procedure," then 10-days notice shall be given by plaintiff to defendant prior to divulging such material in any legal proceeding (other than a grand jury proceeding) to which defendant is not a party.

#### *X. Jurisdiction Retained*

This Court retains jurisdiction to enable any party to this Final Judgment, but no other person, to apply to this Court at any time for further orders and directions as may be necessary or appropriate to carry out or construe this Final Judgment, to modify or terminate any of its provisions, to enforce compliance, and to punish violations of its provisions.

#### *XI. Expiration of Final Judgment*

This Final Judgment shall expire ten (10) years from the date of entry.

#### *XII. Public Interest Determination*

Entry of this Final Judgment is in the public interest.

Court approval subject to procedures of the Antitrust Procedures and Penalties Act, 15 U.S.C. 16.

United States District Judge

#### **Competitive Impact Statement**

Pursuant to Section 2(b) of the Antitrust Procedures and Penalties Act, 15 U.S.C. § 16(b) ("APPA"), the United States files this Competitive Impact Statement relating to the proposed Final Judgment submitted for entry in this civil antitrust proceeding.

#### *I. Nature and Purpose of the Proceeding*

On \_\_\_\_\_, the United States filed a civil antitrust Complaint alleging that defendants, the Federation of Certified Surgeons and Specialists, Inc. ("FCSSI") and Pershing Yoakley & Associates, P.C. ("PYA"), participated in an agreement to negotiate jointly with managed care plans ("MCPs") to obtain higher fees for FCSSI's otherwise competing general and vascular surgeons in violation of Section 1 of the Sherman Act, 15 U.S.C. 1. The Complaint seeks injunctive relief to enjoin continuance or resumption of the violation.

The United States filed with the Complaint a proposed Final Judgment intended to resolve this matter. The Court's entry of the proposed Final Judgment will terminate this action, except that the Court will retain jurisdiction over the matter for any further proceedings that may be required to interpret, enforce, or modify the Final Judgment, or to punish violations of any of its provisions.

Plaintiff and defendants have stipulated that the Court may enter the proposed Final Judgment after compliance with the APPA unless, prior to entry, plaintiff withdraws its consent. In the Stipulations to the proposed Final Judgment, defendants have agreed to be bound by the provisions of the proposed Final Judgment pending its entry by the Court. The proposed Final Judgment provides that its entry does not constitute any evidence against, or admission by, any party concerning any issue of fact or law. The present proceeding is designed to ensure full compliance with the public notice and other requirements of the APPA.

#### *II. Practices Giving Rise to the Alleged Violations*

##### *A. Defendants*

Defendant FCSSI is a Florida corporation with its principal place of

business in Tampa, Florida. FCSSI comprises 29 competing general and vascular surgeons in Tampa and is controlled by its member surgeons. In 1997, FCSSI's surgeons performed 87% of all general and vascular surgeries, and constituted over 83% of all general and vascular surgeons having operating privileges, at five of the seven hospitals in Tampa that provide general and vascular surgery services.

Defendant PYA, an accounting and consulting firm, is a Tennessee professional corporation with its principal place of business in Knoxville, Tennessee and with additional offices in Chattanooga and Nashville, Tennessee; Atlanta, Georgia; Washington, D.C.; and Clearwater, Florida

##### *B. Defendants' Unlawful Activities*

In May, 1997, FCSSI was formed to negotiate jointly on behalf of its member physicians with MCPs and to use their collective strength to improve "overall managed care reimbursement" to FCSSI surgeons, including "[o]btaining contract terms more favorable than if each physician contracted separately." FCSSI retained PYA to coordinate FCSSI surgeons' MCP contracting activities. For these services, each FCSSI surgeon paid PYA \$75 per month as a retainer and a set amount per MCP contract negotiated by PYA, providing for higher payments to PYA for higher contractual fee levels.

In July, 1997, PYA contacted United HealthCare ("United") and made clear to United that it was representing FCSSI surgeons "as a group." United made an offer to FCSSI surgeons through PYA. PYA recommended to FCSSI's board that it not accept United's contract offer and either make a counter offer or "have all members terminate their [United contracts]." FCSSI's board instructed PYA to make a counteroffer to United. PYA then informed United that unless United agreed to its demands, it would recommend that FCSSI surgeons terminate their United contracts. United agreed to PYA's contract demands, and FCSSI's board voted to accepted the revised contract. The jointly negotiated contracts paid FCSSI surgeons 30% more than United's first offer and represented an average annual increase in revenue of \$5,013 for each FCSSI physician.

In September, 1997, PYA attempted to renegotiate FCSSI surgeons' existing contracts with Aetna US Healthcare ("Aetna"). PYA advised Aetna that if Aetna met PYA's proposed financial and contractual terms, PYA would recommend that FCSSI surgeons accept the Aetna contract. Aetna subsequently offered FCSSI surgeons a contract that

PYA viewed as "no improvement" and without "concessions." PYA recommended that all FCSSI surgeons notify Aetna of their intent to terminate their contracts in order to allow PYA to negotiate higher fees. FCSSI's board of directors voted to accept PYA's recommendation and, on September 26, 1997, PYA notified each FCSSI surgeon of the board's decision and directed the surgeon to write a termination letter to Aetna. Twenty-eight of the twenty-nine FCSSI surgeons terminated their Aetna contracts. As a result of this group boycott, Aetna proposed increased payment levels for FCSSI surgeons.

By December 8, 1997, PYA had contacted four other MCPs on behalf of FCSSI surgeons. Upon learning of the Department of Justice's investigation of FCSSI's activities in December, 1997, however, FCSSI and PYA ceased negotiating contracts with those MCPs. Without the proposed relief, these negotiations would likely resume.

By contracting on behalf of all of its member surgeons or none at all, FCSSI forced some MCPs to pay FCSSI surgeons substantially higher fees and to contract with a greater number of general and vascular surgeons than the MCP had previously contracted with to service its members. According to the President of FCSSI, FCSSI's joint negotiating efforts "produced extraordinary results," amounting to an increase in revenues of \$14,097 on average for each FCSSI surgeon. As a result of FCSSI's and PYA's concerted actions, MCPs, employees, and individual consumers faced significantly higher healthcare costs and were deprived of the benefits of free and open competition among Tampa general and vascular surgeons in the purchase of their services.

#### C. FCSSI's and PYA's Improper Use of the "Messenger Model"

While engaging in the unlawful conduct outlined above, FCSSI and PYA representatives attempted to cloak their illegal activities as those of a legitimate "third-party messenger," which are described in the *Department of Justice and Federal Trade Commission Statements of Antitrust Enforcement Policy in Healthcare*, 4 Trade Reg. Rep. (CCH) ¶13,153 at 20,831 (August 28, 1996). However, defendant's illegal conduct is inconsonant with that of a legitimate messenger model. A legitimate messenger does not coordinate or engage in collective pricing activity for competing independent physicians, enhance their bargaining power, or facilitate the sharing of price and other competitively sensitive information among them.

#### III. Explanation of the Proposed Final Judgment

The proposed Final Judgment is intended to prevent FCSSI and PYA from restraining competition in the future among general and vascular surgeons in Tampa.

##### A. Scope of the Proposed Final Judgment

Section III of the proposed Final Judgment provides that the Final Judgment shall apply to FCSSI, including its member physicians; to PYA, when providing, or supervising the provision of, services to any competing physicians in Hillsborough, Pinellas, or Pasco County, Florida; and to all other persons who receive actual notice of the proposed Final Judgment by personal service or otherwise and then act or participate in active concert with any of the above persons.

##### B. Prohibitions and Obligations

Section IV of the proposed Final Judgment sets forth the substantive injunctive provisions. Section IV(A) is designed to prevent FCSSI from collectively negotiating or acting as a messenger or agent with any payer on behalf of any FCSSI or other competing physicians or in any way enhancing their bargaining power.<sup>1</sup> Thus, Sections IV(A)(1) and (5) prohibit FCSSI from facilitating an agreement between competing physicians about "competitively sensitive information" (as that term is defined in the Final Judgment) or communicating or facilitating the communication of "competitively sensitive information" to, or in the presence of, competing physicians. Sections IV(A)(2) and (3) prohibit FCSSI from acting as or using a messenger or agent to represent FCSSI surgeons in negotiations or communications with payers or from facilitating an agreement among competing physicians about the use of a messenger or about dealing only through a messenger. In addition, Section IV(A)(4) enjoins FCSSI from negotiating with any payer on behalf of any FCSSI physicians. Finally, Section IV(A)(6) prohibits FCSSI from facilitating any agreement among competing physicians that FCSSI will deal with a payer only through a particular agent.

Section IV(B) is designed to ensure that PYA does not engage in joint

negotiations on behalf of competing physicians in the three counties around Tampa, Hillsborough, Pinellas, or Pasco Counties (the "Tampa area"), where PYA has been active in seeking physician clients, and does not act as a messenger or agent for more than twenty percent of FCSSI's surgeons. Accordingly, Sections IV(B)(1) and (2) prohibit PYA from facilitating any agreement between competing physicians in the Tampa area about any competitively sensitive information or exclusively using a messenger. Sections IV(B)(3) and (4) prohibit PYA, in the Tampa area, from negotiating payer contracts on behalf of competing physicians and from making any recommendations to competing physicians about any payer contract or contract term. Moreover, pursuant to Sections IV(B)(5)–(7), PYA may not communicate competitively sensitive information in the presence of competing physicians in the Tampa area or communicate to competing Tampa area physicians any subjective opinion or analysis about competitively sensitive information or discourage any competing physician in the Tampa area from exercising his or her own business judgment in determining whether to negotiate, contract, or deal directly with any payer.

Section IV(B)(8) enjoins PYA from acting as or using a messenger on behalf of FCSSI or any group of competing physicians in the Tampa area if past or present members of FCSSI constitute more than twenty percent of any individual group's membership or all groups' total membership. Further, PYA may act as a messenger only if it complies with the provisions of Section IV(B)(9). Pursuant to Sections IV(B)(9)(a)–(c), PYA must (a) notify all payers with which it communicates as a messenger that the payer may communicate directly with the physicians; (b) inform all physicians for whom it acts as a messenger that he or she may communicate with any payer (without PYA) at any time; and (c) inform each physician and payer involved that it cannot negotiate collectively or individually for any physician who uses PYA as a messenger. Section IV(B)(9)(d) requires PYA to inform physicians of a payer's decision not to communicate through PYA. Under Sections IV(B)(9)(e) and (f), PYA must communicate all competitively sensitive information from a payer separately to each individual physician, and if a physician discloses competitively sensitive information to PYA, then PYA may disclose that information to payers only.

<sup>1</sup> Section II(F) defines a messenger to mean a person that communicates to a payer any competitively sensitive information it obtains, individually, from a participating physician or communicates, individually, to a participating physician any competitively sensitive information it obtains from a payer.



Finally, Section IV(B)(9)(g) requires PYA to memorialize in writing all oral communications between it and any payer and physician, preserve such records for two years, address all physician correspondence individually, and not send any correspondence that contains a physician's competitively sensitive information to any other physician.

Sections V(A)–(C) require FCSSI to notify each payer with which FCSSI negotiated or is negotiating a contract, that FCSSI approached on behalf of any FCSSI physician, or that inquires about contracting through FCSSI, that FCSSI will no longer represent any FCSSI physician in any manner relating to MCP contracts or contract terms. FCSSI shall also notify, in writing, each MCP with which FCSSI has negotiated a contract that any contract between FCSSI and that MCP may be terminated by the MCP upon written notice to FCSSI. Section V(D) obligates FCSSI to notify plaintiff at least 30 days before any dissolution of FCSSI, sale or assignment of its claims or assets, or change in corporate structure that may affect its compliance obligations under the proposed Final Judgment.

Section VI makes clear that PYA may, at a physician's request, communicate to the physician accurate, factual, and objective information about a proposed payer contract offer or terms and engage in activities reasonably necessary to facilitate lawful activities by physician network joint ventures and multiprovider networks.

Section VII of the Final Judgment sets forth various compliance measures. Sections VII(A) (1) and (2) and (C) require FCSSI to distribute a copy of the Final Judgment and Competitive Impact Statement to all current and future FCSSI physicians and to obtain and maintain records of written certifications that they have read, will abide by, and understand the consequences of their failure to comply with the terms of the Final Judgment.

Sections VII(B)(1), (2), and (5) and (C) requires PYA to distribute a copy of the Final Judgment and Competitive Impact Statement to all of its shareholders, agents, representatives, employees, officers, and directors who provide, or supervise the provision of, services to competing physicians, and to any of their successors, and to obtain and maintain records of written certifications that they have read, will abide by, and understand the consequences of their failure to comply with the terms of the Final Judgment.

Section VII(B)(3) requires PYA to hold an annual seminar for all of its shareholders, agents, representatives,

employees, officers, and directors who provide, or supervise the provision of, services to competing physicians, explaining the antitrust principles applicable to their work, the Final Judgment's restrictions, and the implications of violating the Final Judgment. Section VII(B)(4) ensures that PYA maintains an internal mechanism of addressing questions from its personnel regarding the application of antitrust laws to the representation of competing physicians.

Section VII obligates FCSSI and PYA to certify that they have distributed the Final Judgment and Competitive Impact Statement as required by the Judgment and annually to certify their compliance with the Judgment's provisions. FCSSI is also required to certify that it has made the notifications required by Section V of the Judgment.

Finally, Section IX sets forth a series of measures by which Plaintiff may have access to information needed to determine or secure FCSSI's and PYA's compliance with the Final Judgment or to determine whether the Final Judgment should be modified or terminated. Section XI limits the term of the Final Judgment to ten years.

#### *IV. Effect of the Proposed Final Judgment on Competition*

The relief in the proposed Final Judgment is designed to remedy the violation alleged in the Complaint and prevent its recurrence. The Complaint alleges that FCSSI and PYA violated Section 1 of the Sherman Act by negotiating with MCPs jointly on behalf of otherwise competing FCSSI surgeons to obtain higher fees for their services and by boycotting MCPs that did not provide payments for FCSSI surgeons at a level substantially higher than those provided in individually negotiated contracts.

The proposed Final Judgment eliminates that restraint on competition among general and vascular surgeons in Tampa by enjoining (1) FCSSI from acting for FCSSI physicians as a negotiator, messenger, or agent or using PYA or any other agent as a negotiator; and (2) PYA from acting as a negotiator for FCSSI or any other competing physicians in the Tampa area. Moreover, PYA is not permitted to act as a messenger for more than twenty percent of FCSSI's physicians or for any competing physicians in the Tampa area if it does not comply with certain provisions designed to ensure that it does not facilitate any agreement between competing physicians about competitively sensitive information or in any way enhance their bargaining power.

The proposed Final Judgment contains provisions adequate to prevent further violations of the type upon which the Complaint is based and to remedy the effects of the alleged conspiracy. The proposed Final Judgment's injunctions should restore the benefits of free and open competition among general and vascular surgeons in the sale of their services in Tampa.

#### *V. Alternative to the Proposed Final Judgment*

The alternative to the proposed Final Judgment would be a full trial on the merits of the case. In the view of the Department of Justice, such a trial would involve substantial costs to the United States and defendants and is not warranted because the proposed Final Judgment provides all of the relief necessary to remedy the violation of the Sherman Act alleged in the Complaint.

#### *VI. Remedies Available to Private Litigants*

Section 4 of the Clayton Act, 15 U.S.C. 15, provides that any person who has been injured as a result of conduct prohibited by the antitrust laws may bring suit in federal court to recover three times the damages suffered, as well as costs and a reasonable attorney's fee. Entry of the proposed Final Judgment will neither impair nor assist in the bringing of such actions. Under the provisions of Section 5(a) of the Clayton Act, 15 U.S.C. 16(a), the proposed Final Judgment has no *prima facie* effect in any subsequent lawsuit that may be brought against defendants in this matter.

#### *VII. Procedures Available for Modification of the Proposed Final Judgment*

As provided by Sections 2 (b) and (d) of the APPA, 15 U.S.C. 16 (b) and (d), any person believing that the proposed Final Judgment should be modified may submit written comments to Gail Kursh, Chief, Health Care Task Force; United States Department of Justice; Antitrust Division; 325 Seventh Street, N.W.; Room 400; Washington, D.C. 20530, within the 60-day period provided by the Act. All comments received, and the Government's responses to them, will be filed with the Court and published in the **Federal Register**. All comments will be given due consideration by the Department of Justice, which remains free, pursuant to Paragraph 2 of the Stipulation with each defendant, to withdraw its consent to the proposed Final Judgment at any time before its entry, if the Department should determine that some modification of the



Final Judgment is necessary to protect the public interest. Moreover, Section X of the proposed Final Judgment provides that the Court will retain jurisdiction over this action, and that the parties may apply to the Court for such orders as may be necessary or appropriate for the modification, interpretation, or enforcement of the proposed Final Judgment.

#### *VIII. Determinative Documents*

No materials and documents of the type described in Section 2(b) of the APPA, 15 U.S.C. § 16(b), were considered in formulating the proposed Final Judgment. Consequently, none are filed herewith.

Dated: January 26, 1999.

Respectfully submitted,

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#### **DEPARTMENT OF JUSTICE**

##### **Office of Juvenile Justice and Delinquency Prevention**

##### **Office of Community Oriented Policing Services**

#### **DEPARTMENT OF EDUCATION**

##### **Office of Elementary and Secondary Education**

#### **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

##### **Substance Abuse and Mental Health Services Administration**

[OJP(OJJDP)-1208]

RIN 1121-ZB44

##### **Notice of Intent To Make Funds Available for School Violence Prevention and Early Childhood Development Activities Under the Safe Schools/Healthy Students Initiative**

**AGENCIES:** Department of Justice, Office of Juvenile Justice and Delinquency Prevention (OJJDP); Department of Justice, Office of Community Oriented Policing Services (COPS); Department of Education, Office of Elementary and Secondary Education, Safe and Drug-Free Schools Program; Department of Health and Human Services, Substance Abuse and Mental Health Services

Administration (SAMHSA), Center for Mental Health Services (CMHS).

**ACTION:** Notice of intent to make funds available to enhance and implement comprehensive community-wide strategies for creating safe and drug-free schools and promoting healthy childhood development.

**SUMMARY:** The Departments of Justice, Education, and Health and Human Services are collaborating to provide students with enhanced comprehensive educational, mental health, law enforcement, and as appropriate, juvenile justice system services and activities designed to ensure the development of the social skills and emotional resilience necessary to avoid drug use and violent behavior and the creation of safe, disciplined, and drug-free schools.

Through a single application process, successful applicants will receive support for up to three years. Awards will be made to approximately 50 sites, ranging from up to \$3 million per year for urban school districts, up to \$2 million per year for suburban school districts, and up to \$1 million per year for rural school districts and tribal schools designated as local education agencies by their states.

**DATES:** It is anticipated that the program solicitation and application will be available no later than March 15, 1999.

**CONTACT:** Detailed information regarding the Safe Schools Healthy/Students Initiative is available at: Internet:<http://www.ed.gov/offices/OESE/SDFS> Fax-on-Demand: Juvenile Justice Clearinghouse (800) 638-8736

#### **SUPPLEMENTARY INFORMATION:**

##### **Authority**

This action is authorized under the Omnibus Consolidated and Emergency Supplemental Appropriation Act of 1999, Public Law 105-277.

##### **Background**

The purpose of the Safe Schools/Healthy Students Initiative is to assist schools and communities to enhance and implement comprehensive community-wide strategies for creating safe and drug-free schools and promoting healthy childhood development. Eligible activities may include, but are not limited to, programs such as mentoring, conflict resolution, after school, multisystemic therapy, functional family therapy, social skills building, school-based probation, student assistance, teen courts, truancy prevention, alternative education, developing information sharing systems, staff professional development, hiring

additional school resource officers, and treatment efforts that involve the juvenile justice system and schools. Interventions selected must have evidence of effectiveness.

To be eligible for funding, applicants must demonstrate evidence of a comprehensive community-wide strategy that at minimum consists of six general topic areas: (1) School safety, (2) drug and violence prevention and early intervention programs, (3) school and community mental health prevention and intervention services, (4) early childhood psychosocial and emotional development programs, (5) education reform, and (6) safe school policies. The plan must be developed by a partnership comprising the local education agency, local public mental health authority, local law enforcement agency, family members, students, and juvenile justice officials. The local education agency will be required to submit formal written agreements signed by the school superintendent, the head of the local public mental health authority, and the chief law enforcement executive to be certified as an eligible applicant. Applicants will be strongly encouraged to demonstrate partnerships with businesses, social services, faith communities, and other community-based organizations that support the educational, emotional and health needs of students in the school district.

Applicants must conduct a basic assessment of the community risks and assets related to children and adolescents and have a plan for continual updating of this assessment. Assessments shall include, but are not limited to, numbers or percentages of the following: Students engaged in alcohol and drug use and violent behavior, firearms brought to school, incidents of serious and violent crime in schools, suicide attempts, students suspended and/or expelled from school, students receiving probation services, and students in juvenile justice placements. Applicants must also provide an assessment of the community resources available for children and adolescents, including number of after school programs, percentage of youth served by programs to build social skills, and number and quality of community mental health and social service organizations available to provide services to children and adolescents.

Applicants must develop a plan for assessing the community-wide strategy and agree to participate in a national evaluation of this initiative. Applicants that do not have the capability to collect