

FOR IMMEDIATE RELEASE

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Envision Exiting the State of California

Milwaukee, WI, July 24, 2004 — The American Academy of Emergency Medicine (AAEM) is thrilled to announce that the American Academy of Emergency Medicine Physician Group's (AAEM-PG) lawsuit against Envision Healthcare and Envision Physician Services has been resolved and has ended with the "healthcare giant" withdrawing from all operations in the State of California!

AAEM has repeatedly stated that Envision's business practices violate the prohibition of the corporate practice of medicine (CPOM), where non-physician entities manage medical practices, potentially compromising patient care quality and physician autonomy. Since Envision is discontinuing their business practices in the state of California, the case has arguably become moot. However, AAEM is completely confident that if they stayed and the litigation continued, the testimony and documents obtained during the discovery phase would have proven AAEM-PG's factual allegations against Envision. The Academy believes this case will discourage private equity backed lay entities from seeking to purchase and control medical practices.

Although a settlement was not the end goal, this is a momentous victory for emergency medicine. AAEM has confirmed that Envision will not seek to enforce any restrictive covenants and will maintain tail coverage insurance for physicians whose contracts included it.

AAEM advocates for a healthcare model that prioritizes physician autonomy and patient-centered care over corporate profits. This is achieved through stronger legislative measures that protect physician decision-making, promote physician-led organizations, enhance oversight and accountability of corporate practices, invest in ongoing physician education and support, and strengthen patient advocacy initiatives. By implementing these measures, AAEM believes that clinical decisions are based on patient needs rather than financial interests, leading to better patient outcomes, higher physician satisfaction, and a more sustainable and ethical healthcare system.

AAEM President Dr. Robert Frolichstein said "We believe that physicians should make the decisions that affect the clinical care that is delivered to patients, and not business people that are not physicians. On behalf of the Academy, I would like to thank Drs. McNamara, Reiter, Moreno, and Jones who spent countless hours and invested tremendous energy to make this David vs. Goliath moment a reality. Thank you to all that donated money to the AAEM Foundation."

To read the full release from AAEM-PG, click here.

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The American Academy of Emergency Medicine (AAEM) is the specialty society of emergency medicine and the champion of the emergency physician. AAEM was established in 1993 to promote fair and equitable practice environments necessary to allow emergency physicians to deliver the highest quality of patient care. Our guiding values are embodied in our mission and vision statements.