American Association of Preferred Provider Organizations

Position Statement on Silent PPOs

AAPPO agrees that any entity that takes a physician or other health care provider discount without the contractual right to do so or without disclosing when a network contract is applied to a claim is a “silent Preferred Provider Organization (PPO). Moreover, AAPPO supports the disclosure of contractual intents, purposes and commitments, the disclosure of the network contract applied to a claim, and mutually agreed upon consideration in exchange for the provider contract discount, such as patient steerage, benefit differentials applicable to in and out of network providers, other financial incentives or prompt payment of claims. We believe it is in the best interest of physicians, other health care providers and PPOs to pursue contractual relationships based on fair business practices and principles to ensure a mutually satisfactory business association. For more information on Silent PPOs please refer to our White Paper published January 2010.

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