Healthcare

The U.S. healthcare system is primarily composed of private entities, many of which are for-profit businesses. By international standards, it has inferior performance: extremely high prices, limited access, variable quality, and deficient outcomes for many patients. The poor performance is due in part to substantial consolidation and a lack of competition in local markets for care and insurance. This is partly driven by captured political actors who design regulations that favor firms. However, antitrust enforcement has a key role to play in limiting consolidation and market power, and thereby reducing prices and improving quality.

Reading

Required reading

*In re Evanston Northwestern Healthcare Corp. & ENH Medical Group, Inc.*, FTC Matter No. 0110234, Dkt. No. 9315

- Brief Amicus Curiae of Economics Professors
- Opinion of the Commission on Remedy


*United States v. Anthem, Inc.*, 855 F.3d 345 (D.C Cir. 2017) (note Judge Kavanaugh’s dissent)


Recommended reading


Background reading

Dafny Leemore, Kate Ho & Robin S. Lee, The Price Effects of Cross-Market Hospital Mergers, NBER Working Paper No. 22106 (Issued in March 2016, Revised in October 2018)


This Tactic Helps Hospitals Ease Merger Scrutiny — Antitrust regulators eye “certificates of public advantage” (MedPage Today April 1, 2021)