

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

- [Initial Decision of Chief Administrative Law Judge Stephen McGuire](#) (Skim introduction: p 1–5, Analysis and conclusions of law, 128–211)
- [Brief Amicus Curiae of Economics Professors](#)
- [Opinion of the Commission on Remedy](#)

FTC v. Phoebe Putney Health Sys., 568 U.S. 216 (2013)

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

Thomas G. Wollmann, *How to Get Away with Merger: Stealth Consolidation and Its Effects on U.S. Healthcare*, NBER Working Paper 27274.

Recommended reading

United States v. CVS Health Corp., 407 F. Supp. 3d 45 (D.D.C. 2019)

United States v. Blue Cross Blue Shield, 809 F. Supp. 2d 665 (E.D. Mich. 2011)

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)

Statement of the Federal Trade Commission In the Matter of Cabell Huntington Hospital, Inc., Docket No. 9366, July 6, 2016

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

[David Dranove & Andrew Sfekas, *The Revolution in Health Care Antitrust: New Methods and Provocative Implications*, Milbank Quarterly \(2009\)](#)