WHAT THEY ARE SAYING:

Anti-Competitive Practices Hurt American Patients

Every American deserves access to affordable, comprehensive, high-quality coverage and care. But health care prices continue to escalate year after year, making coverage and care less accessible for everyone. This challenge can be tied directly to less competitive health care markets, and powerful health care providers and drug manufacturers gaming the rules to their advantage. But don’t just take our word for it – see what the experts have to say:

“...While the issuance of robust and reliable patents to incentivize pharmaceutical innovations is critical, our patent system must not be used to unjustifiably delay generic drugs and biosimilar competition beyond that reasonably contemplated by law.”

Joint blog by Kathi Vidal, Under Secretary of Commerce for Intellectual Property and Director of the USPTO, and Robert M. Califf, FDA Commissioner

“The bigger the hospital market share, the more market power, the higher the prices.”

A Quarter Of CT Doctors Work For Big Hospitals. Is That Good For Patients?, Meredith Rosenthal, the co-author of a May 2022 study documenting price increases at acquired physician practices in Massachusetts

“Too many hospital mergers lead to jacked up prices and diminished care for patients most in need... The Court has hit pause on this merger, which the FTC alleges is unlawful. Hospital executives hatching merger plans should take note.”

Statement of FTC Office of Public Affairs Director Lindsay Kryzak on District Court’s Decision to Grant Preliminary Injunction Halting New Jersey Hospital Merger

“Health systems with a lot of market power are likely to have the highest prices and thus the most incentive to keep those prices secret,” Desai said. “There is this tension between the push for price transparency and just the fact that there are fewer and fewer actual choices for patients.”

STAT News: Study suggests a new harm from hospital mergers: less price transparency, Sunita Desai, assistant professor of population health at NYU Grossman School of Medicine
“Improving the competitive landscape for biologic drugs is far from impossible,” according to Avik Roy and Gregg Girvan of the Foundation for Research on Equal Opportunity (FREOPP). “A responsible agenda to rein in excessively lengthy biotechnology monopolies would increase innovation, because it would motivate companies to develop new medicines, instead of relying on price increases on older medicines to generate returns for shareholders.”

“The growing power of biotech monopolies threatens affordable care,” according to Avik Roy and Gregg Girvan of the Foundation for Research on Equal Opportunity (FREOPP).

“People generally do not have the ability to choose when, where, or what health care services they ‘purchase,’ and this can create perverse incentives for entities like [private equity] firms and their investors who are primarily driven by profits. Given the significant impact of [private equity]’s increasing involvement in the health care industry, policymakers will need to take further steps to protect patients and control rising health care costs.”

Understanding the Role of Private Equity in the Health Care Sector, Center on Health Insurance Reforms, McCourt School of Public Policy, Georgetown University

“The problem with less competition in markets today means that consumers have fewer choices and they’re paying more for health care. Think about a hospital system that is just one in an area. If you had two, three, four that were competing for the business of treating patients, it would force hospitals to compete not just on price, but on quality, and make sure that at the end of the day costs were lower. We know that that would benefit patients and other people that are paying for health care.”

What is a Healthy Market in Health Care?, Matt Eyles, AHIP President and CEO

When competition exists in the health care system, patients have more choices, health coverage is more affordable with better benefits, and treatment programs are more accessible and affordable for patients. Visit AHIP’s Healthier People Through Healthier Markets Roadmap to learn more about solutions to improve health care affordability and access for every American.

ABOUT AHIP

AHIP is the national association whose members provide health care coverage, services, and solutions to hundreds of millions of Americans every day. We are committed to market-based solutions and public-private partnerships that make health care better and coverage more affordable and accessible for everyone.

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