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March 22, 2017

The Honorable Paul Gosar U.S. House of Representatives 2057 Rayburn House Office Building Washington, DC 20515

Dear Congressman Gosar:

On behalf of our nearly 5,000 member hospitals, health systems and other health care organizations, and our clinician partners – including more than 270,000 affiliated physicians, 2 million nurses and other caregivers – and the 43,000 health care leaders who belong to our professional membership groups, the American Hospital Association (AHA) appreciates the opportunity to express our support for the Competitive Health Insurance Reform Act of 2017 (H.R. 372).

H.R. 372 repeals the McCarran-Ferguson antitrust exemption available to health insurers for anticompetitive conduct, including price fixing, bid rigging and market allocation. The AHA believes that the health insurance industry should be governed by the same antitrust laws and policies that apply in other sectors of our economy, including health care. Any exemptions should be narrow and carefully tailored to achieve a pro-competitive purpose.

We articulated our concern about the abuse of market power by large commercial insurers in letters shared with the Department of Justice's (DOJ) Antitrust Division and the Department of Health and Human Services (HHS) regarding recent proposed health insurance industry mergers. We urged DOJ and HHS to take enforcement action because the potential for anticompetitive conduct aimed at new entrants to the health insurance market by large commercial insurers would harm consumers. Passage of H.R. 372 would further help prevent anticompetitive conduct and increase competition in the health insurance market.

We applaud your leadership on this issue and look forward to working with you to secure passage of this legislation today in the House and advance its consideration in the Senate. Please contact me if you have questions or feel free to have a member of your team contact Travis Robey, senior associate director for federal relations, at <u>trobey@aha.org</u> or (202) 626-2328.

Sincerely,

//s//

Thomas P. Nickels Executive Vice President

