Antitrust Reform

Legislative Ask: AAOMS thanks House members for passing the HEALTH Act (H.R. 5), which includes language from H.R. 1150, the Competitive Health Insurance Reform Act of 2011. H.R. 1150 would amend the McCarran-Ferguson Act to revoke the federal antitrust exemption for health insurance companies, thereby prohibiting unfair competitive business practices in the health insurance industry.

AAOMS requests Senate members to introduce and support companion legislation to H.R. 1150.

Legislative Background: H.R. 1150 was introduced by Congressman Paul Gosar (R-AZ) on March 17, 2011. It was added as an amendment to H.R. 5 which passed the House on March 22, 2012.

The Impact: The McCarran-Ferguson Act, enacted in 1945, exempts health insurance companies from federal antitrust laws so long as they are regulated by the states. Since its enactment, adequate competition has been lacking in the nation’s health insurance marketplace, to the detriment of healthcare providers and consumers.

AAOMS believes that involving the Federal Trade Commission and the Justice Department in antitrust enforcement of health insurers, as provided in H.R. 1150, would increase competition in the health insurance arena by preventing collusion, price-fixing and/or monopolization among insurers, particularly when state regulators fail to act. Finally, H.R. 1150 would remove the special, anticompetitive treatment afforded health insurance companies by subjecting them to the same federal antitrust guidelines as every other industry while protecting them from unnecessary class action lawsuits.

The Competitive Health Insurance Reform Act of 2011 is also supported by the American Academy of Pediatric Dentistry, the American Dental Association, the Academy of General Dentistry and the American Association of Orthodontists.
Antitrust Reform

H.R. 1150 - Competitive Health Insurance Reform Act of 2011

Status: Referred to the Subcommittee on Intellectual Property, Competition and the Internet.
COSPONSORS(13), ALPHABETICAL