H.R. 105 – THE QUALITY HEALTH CARE COALITION ACT

Antitrust laws are designed to prevent restraints on trade that harm consumers and less powerful competitors. However, in 1945, Congress passed the McCarran-Ferguson Act, which exempted certain insurance practices from federal antitrust laws. Over the past several decades, the health insurance market has become exceedingly concentrated, and this antitrust exemption – together with the recent health care industry consolidations – has enabled a select few health plans to dominate the health care market. In many states, there may only be one dominant insurer in the private insurance market. As a result, physicians are frequently placed in positions of diminished bargaining strength, and health plans are able to impose unilateral, non-negotiable contracts.

These contracts give insurers the power to deny patients access to optimal care, and impose costly administrative burdens on physicians that further limit their ability to provide care. The AAOS believes that Congress must pass legislation to allow equitable negotiations between physicians and health insurance plans to ensure access to quality care.

Why H.R. 105 Matters:

Allowing physicians to negotiate with dominant insurers on a level playing field ensures heightened quality standards for patient care, removes administrative barriers, and allows physicians to engage in care coordination endeavors without fear of antitrust prosecution. The antitrust relief provided in this legislation is an important step in protecting physician practices and ensuring patient access to affordable health care is not compromised as a result of insurer monopsony.

H.R. 105 – the Quality Health Care Coalition Act – Will:

- **Provide protection from federal antitrust prosecution**: H.R. 105 protects health care professionals who are engaged in contractual negotiations with a health plan for the delivery of health care services from federal antitrust prosecution.

- **Increase physicians’ ability to negotiate meaningful contracts**: This legislation enables health care professionals to negotiate meaningful contracts that deliver high-quality health services and protect patient safety, while also bending the cost curve by cutting wasteful spending.

- **Expand the health care workforce**: This bill expands patients’ access to care by attracting a new generation of qualified clinicians to replace a dwindling healthcare workforce.

- **Remove administrative barriers to high-quality care**: This legislation improves the public’s access to high-quality care by removing administrative barriers that typically bar health professionals from negotiating to provide the best care.

- **Promote coordination of health care**: H.R. 105 allows health care providers to engage in care coordination endeavors, including participation in Accountable Care Organizations (ACO), without fear of antitrust prosecution.

What Congress Should Do:

Congress should support the passage of the Quality Health Care Coalition Act into law.