



Department of Justice

FOR IMMEDIATE RELEASE
THURSDAY, NOVEMBER 7, 2002
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ANTITRUST DIVISION TO CO-HOST HEARINGS ON HEALTH CARE COMPETITION LAW AND POLICY

WASHINGTON, D.C. -- Assistant Attorney General Charles A. James announced today that the Antitrust Division of the Department of Justice will hold hearings on Health Care Competition Law and Policy beginning in February 2003. The hearings on Health Care Competition Law and Policy, to be co-hosted with the Federal Trade Commission, will be only the second set of hearings ever hosted by the Antitrust Division. The first were this year's hearings on the relationship of antitrust law and intellectual property law, also co-hosted with the Federal Trade Commission.

"Health care competition law and policy are critical to consumers," said James. "It is incumbent upon government policy makers to understand the implications of the actions they take in these areas, and we look forward to receiving valuable input from relevant medical, insurance, legal, academic, and government groups through these hearings."

Through these public hearings, the Antitrust Division and the FTC intend to enhance their understanding in this area and promote learning among the relevant parties.

Topics expected to be covered include issues such as hospital mergers, the significance of hospitals' non-profit status, vertical arrangements, quality and efficiency, the Noerr-Pennington and state action doctrines, and the adequacy of existing remedies for anticompetitive conduct. Specifically with regard to health plans, the Division and the FTC will seek information on such topics as whether consolidation in this sector is likely to give rise to market power, whether plans coordinate either tacitly or explicitly in ways that raise antitrust concerns, the costs and impediments to entry into these markets, and the conditions under which plans might obtain and exercise monopsony power against providers. The specific dates and topics of the hearings will be published in the Federal Register. It is anticipated that a public report based on the presentations made and submissions received during the hearings will be prepared at the conclusion of the hearings.

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