

U.S. SENATOR PATRICK LEAHY

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VERMONT

Leahy, 18 Senators Press For Antitrust Repeal In Health Care Compromise

WASHINGTON (Wednesday, Jan. 13, 2010) – Senator Patrick Leahy (D-Vt.) and 18 Senators today sent a letter to President Obama, Senate Majority Leader Harry Reid, and House Speaker Nancy Pelosi urging the leaders to press for inclusion of language to repeal the federal antitrust exemption for health insurers and medical malpractice insurers in the final compromise on health reform legislation.

Leaders in the Senate and House are working with the administration to negotiate final compromise language to reconcile the differing health reform bills passed by both chambers. The House-passed health reform legislation includes a repeal of the federal antitrust exemption for health insurers. The Patient Protection and Affordable Care Act, which was approved by the Senate on Dec. 24, does not include the repeal.

“For nearly 65 years, the insurance industry has been exempt from Federal antitrust laws,” the Senators wrote. “Regulation of the insurance industry has been left with the states, which often lack the time and resources to effectively investigate antitrust conspiracies. Thus, the competitive activities of health insurers and medical malpractice insurers remain effectively unchecked. While there are divergent views on the best way to introduce choice and competition into health insurance market, we can surely agree that health and medical malpractice insurers should not be allowed to collude to set prices and allocate markets.”

The letter was signed by Leahy and Senators John Kerry (D-Mass.), Jay Rockefeller (D-W.V.), Joe Lieberman (ID-Conn.), Dianne Feinstein (D-Calif.), Russ Feingold (D-Wis.), Ron Wyden (D-Ore.), Mary Landrieu (D-La.), Chuck Schumer (D-N.Y.), Maria Cantwell (D-Wash.), Frank Lautenberg (D-N.J.), Bernie Sanders (I-Vt.), Claire McCaskill (D-Mo.), Sheldon Whitehouse (D-R.I.), Roland Burris (D-Ill.), Ted Kaufman (D-Del.), Kirsten Gillibrand (D-N.Y.), Al Franken (D-Minn.), and Michael Bennet (D-Colo.).

In September, Leahy [introduced](#) the Health Insurance Industry Antitrust Enforcement Act, which would repeal the health insurance industry’s long-held exemption from federal antitrust laws, which are designed to protect consumers. Leahy chairs the Senate Judiciary Committee, which held a [hearing](#) about the legislation in October. On Dec. 1, Leahy [filed](#) the Health Insurance Industry Antitrust Enforcement Act as an amendment to the Patient Protection and Affordable Care Act.

The Health Insurance Industry Antitrust Enforcement Act is supported by the Consumer Federation of America, the American Hospital Association, the American Academy of Pediatrics, and the American Dental Association. [Attorneys General](#) from 10 states sent a letter to Leahy in November indicating strong support for the measure.

The full text of the letter to President Obama, Majority Leader Reid, and Speaker Pelosi follows. A PDF is [available online](#).

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January 13, 2010

The Honorable Barack Obama Pelosi The White House 1600 Pennsylvania Avenue Washington, D.C. 20500 20515	The Honorable Harry Reid Senate Majority Leader S-221, U.S. Capitol Washington, D.C. 20510	The Honorable Nancy Speaker of the House H-232, U.S. Capitol Washington, D.C.
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Dear President Obama, Majority Leader Reid, and Speaker Pelosi:

We write to reiterate our call for inclusion of language that repeals the Federal antitrust exemption for health insurers and medical malpractice insurers in the final Patient Protection and Affordable Care Act that is signed into law. There is simply no reason for health insurance and medical malpractice insurance companies to be exempt from Federal laws prohibiting price fixing, bid rigging, and market allocation. These acts hurt consumers, drive up health care costs, and should be prohibited in the health insurance industry, as they are in virtually every other industry.

For nearly 65 years, the insurance industry has been exempt from Federal antitrust laws. Regulation of the insurance industry has been left with the states, which often lack the time and resources to effectively investigate antitrust conspiracies. Thus, the competitive activities of health insurers and medical malpractice insurers remain effectively unchecked. While there are divergent views on the best way to introduce choice and competition into health insurance market, we can surely agree that health and medical malpractice insurers should not be allowed to collude to set prices and allocate markets.

The House-passed health care legislation, H.R. 3962, included a repeal of the health insurer antitrust exemption. Twenty-three Senators cosponsored our amendment to the Patient Protection and Affordable Care Act to repeal this antitrust exemption for health and medical malpractice insurers. Regrettably, there was no opportunity for it to be offered during Senate debate.

This reform is long overdue and the time to act is now. We look forward to working with you to ensure that repeal of the antitrust exemption for health insurers and medical malpractice insurers is included in the final health insurance reform bill that is signed into law.

Respectfully,

PATRICK LEAHY
Chairman
Committee on the Judiciary

JOHN F. KERRY
United States Senator

JAY ROCKEFELLER
United States Senator

JOSEPH I. LIEBERMAN
United States Senator

DIANNE FEINSTEIN
United States Senator

RUSSELL D. FEINGOLD
United States Senator

RON WYDEN

MARY L. LANDRIEU

United States Senator

CHARLES E. SCHUMER
United States Senator

FRANK LAUTENBERG
United States Senator

CLAIRE MCCASKILL
United States Senator

ROLAND BURRIS
United States Senator

KIRSTEN E. GILLIBRAND
United States Senator

MICHAEL BENNET
United States Senator

United States Senator

MARIA CANTWELL
United States Senator

BERNIE SANDERS
United States Senator

SHELDON WHITEHOUSE
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TED KAUFMAN
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AL FRANKEN
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