

May 26, 2026

Mark R. Meador, Commissioner
Federal Trade Commission
600 Pennsylvania Avenue, NW
Washington, DC 20580

Todd Blanche, Attorney General
950 Pennsylvania Avenue NW
Washington DC 20530

RE: Request for Public Comment Regarding Making Improvements to the Premerger Notification and Report Form

Dear Commissioner Meador and Attorney General Blanche,

On behalf of patients and consumers who face serious, acute, and chronic health conditions, our organizations write to provide input on potential adjustments to the Hart-Scott-Rodino Act (HSR) premerger reporting requirements.

Healthcare consolidation has been increasing over time to the detriment of the patients we represent. As consolidation has reduced competition between hospitals and concentrated smaller providers under the umbrella of large healthcare systems, fewer markets offer sufficient competition to serve as a lever for controlling costs. Between 1998 and 2021, over 1,800 hospital mergers led to a decrease of approximately 2,000 hospitals around the country. By 2024, just one or two health systems controlled the entire market for inpatient care in nearly half of metropolitan areas.¹

Put simply, a smaller number of enormous health systems increasingly dominate several U.S. markets, enabling hospitals and providers to demand higher reimbursement from commercial payers through monopolistic market power.² This has a significant impact on the patients served by these health systems. Ultimately, insurers and employers pass the burden of provider price increases onto consumers through higher premiums and out-of-pocket costs—and in the case of employers, reduced wages.³

Impact of Healthcare Consolidation on Consumers

Prices

Research on hospital mergers uniformly finds that they raise hospital prices, and this finding holds for both for-profit and nonprofit hospital mergers.⁴ Post-merger, hospital prices have been estimated to

¹ KFF, One or Two Health Systems Controlled the Entire Market for Inpatient Hospital Care in Nearly Half of Metropolitan Areas in 2024, March 27, 2026, <https://www.kff.org/health-costs/one-or-two-health-systems-controlled-the-entire-market-for-inpatient-hospital-care-in-nearly-half-of-metropolitan-areas/#:>.

² Gaynor, M. (February 14, 2018). Examining the impact of health care consolidation. Statement before the Committee on Energy and Commerce Oversight and Investigations Subcommittee, U.S. House of Representatives. <https://docs.house.gov/meetings/IF/IF02/20180214/106855/HHRG-115-IF02-Wstate-GaynorM-20180214.pdf>.

³ Gaynor, M. (February 14, 2018). Examining the impact of health care consolidation. Statement before the Committee on Energy and Commerce Oversight and Investigations Subcommittee, U.S. House of Representatives. <https://docs.house.gov/meetings/IF/IF02/20180214/106855/HHRG-115-IF02-Wstate-GaynorM-20180214.pdf>.

⁴ Rabbani, M. (2021, April 5). Non-profit hospital mergers: the effect on healthcare costs and utilization. *International Journal of Health Economics and Management*, 21, 427–455. <https://doi.org/10.1007/s10754-021-09303-8>

increase by anywhere between 2.6%⁵ and 13.2%.⁶ For example, a study commissioned by the Indiana Legislative Services Agency found that prices at the 22 Indiana hospitals that participated in merger activity were 13.2% higher than the 18 hospitals that did not participate in such activity.⁷ Across the country, higher hospital market concentration is associated with higher medical debt.⁸

These price increases are not limited to hospital consolidation, and studies have found that provider group mergers also raise prices.⁹ Studies have consistently found that physicians in more consolidated markets charge more than those in less consolidated markets. These price differences can be considerably high. One study estimated that providers in counties with higher physician consolidation charged private Preferred Provider Organization (PPO) plans 8 to 26% more,¹⁰ while another found that practices in the most consolidated markets (i.e., those in the 90th percentile) charge 14 to 30% more in fees.¹¹ The specialty of the physician can also impact how big these price differences are, with one study finding that in the most consolidated markets, internal medicine physicians charged 16.1% higher prices for office visits compared to orthopedic physicians, who charged 8.3% higher prices.¹²

Finally, the subsequent changes in market structure due to increasing consolidation of hospitals and providers also correspond to downstream shifts in bargaining leverage with commercial insurers and higher prices for physician and hospital services following hospital-physician vertical integration.¹³

Access

Hospital and physician consolidation also impacts patients' ability to access care when they need it. Studies aimed at evaluating access to services before and after hospital mergers have found that mergers led to reductions in access and utilization. In particular, two studies that examined the impact of small rural hospitals joining larger health systems found that post-merger, rural hospitals were more likely to eliminate or reduce the availability of certain service lines, including primary care, and that there was a reduction in the utilization of inpatient mental health services, outpatient nonemergency visits, and

⁵ Arnold, D., & Whaley, C.M. (2020). Who Pays for Health Care Costs? The Effects of Health Care Prices on Wages. RAND Corporation, WR-A621-2. <https://doi.org/10.7249/WRA621-2>

⁶ Fulton, B.D., Arnold, D.R., Abdelhaid, O.A., & Scheffler, R.M. (October 3, 2022). New evidence about the heterogeneity of Indiana's healthcare markets: Competition, costs, and the impacts of market structure. Nicholas C. Petris Center on Health Care Markets and Consumer Welfare. <https://petris.org/wp-content/uploads/2022/10/Petris-Center-report-on-Indianas-healthcare-markets-for-LSA-100322.pdf>.

⁷ Fulton, B.D., Arnold, D.R., Abdelhaid, O.A., & Scheffler, R.M. (October 3, 2022). New evidence about the heterogeneity of Indiana's healthcare markets: Competition, costs, and the impacts of market structure. Nicholas C. Petris Center on Health Care Markets and Consumer Welfare. <https://petris.org/wp-content/uploads/2022/10/Petris-Center-report-on-Indianas-healthcare-markets-for-LSA-100322.pdf>.

⁸ Johnson, N., Wekulom, A., et al., Is Hospital Market Concentration Related to Medical Debt? Oct. 16, 2024, <https://www.urban.org/urban-wire/hospital-market-concentration-related-medical-debt>.

⁹ Koch, T., & Ulrick, S.W. (October 14, 2020). Price effects of a merger: Evidence from a physicians' market. *Economic Inquiry*, 59(2), 790–802. <https://doi.org/10.1111/ecin.12954>; Koch, T., Wendling, B., & Wilson, N.E. (2018, October). Physician market structure, patient outcomes, and spending: An examination of Medicare beneficiaries. *Health Services Research*, 53(5), 3549–3568. <https://doi.org/10.1111/1475-6773.12825>; Austin, D.R., & Baker, L.C. (October 2015). Less physician practice competition is associated with higher prices paid for common procedures. *Health Affairs*, 34(10), 1753–1760. <https://doi.org/10.1377/hlthaff.2015.0412>.

¹⁰ Austin, D.R., & Baker, L.C. (October 2015). Less physician practice competition is associated with higher prices paid for common procedures. *Health Affairs*, 34(10), 1753–1760. <https://doi.org/10.1377/hlthaff.2015.0412>

¹¹ Dunn, A., & Shapiro, A. (February 2014). Do physicians possess market power? *Journal of Law and Economics*, 57(1). <https://doi.org/10.1086/674407>.

¹² Baker, L.C., Bundorf, M.K., & Royalty, A.B. (October 2014). Physician practice competition and prices paid by private insurers for office visits. *JAMA* 312(16), 1653–1662. <https://doi.org/10.1001/jama.2014.10921>.

¹³ Cooper, Zack, Stuart V. Craig, Aristotelis Epanomeritakis, et al. 2025. *Are Hospital Acquisitions of Physician Practices Anticompetitive?* July. https://www.nber.org/system/files/working_papers/w34039/w34039.pdf.

diagnostic imaging.¹⁴ These studies demonstrate that hospital consolidation can harm patients' ability to seek and receive the care they need. These findings are particularly important in light of the arguments supporting rural hospital mergers to improve their financial sustainability.¹⁵

Additionally, hospital and physician consolidation impacts patient referral patterns in ways that may harm patients and be anticompetitive. Following physician-hospital integration, referrals shift towards the acquiring hospital.¹⁶ These changes to referral patterns following vertical integration may harm patient welfare through increased travel distances and adverse quality impacts.¹⁷

Quality

The quality of care delivered should play an important role in healthcare competition alongside price and availability.

Despite claims from hospitals and health systems that vertical consolidation will improve care coordination for their patients, there is little evidence suggesting that such consolidation improves the quality of care. In fact, numerous studies have found that consolidation has negatively impacted patient outcomes. One study in particular found that hospital mergers were associated with a 1.7% increase in inpatient mortality,¹⁸ while two others associated mergers with a decrease in several quality metrics¹⁹ and slower growth in patient satisfaction compared to hospitals that had not undergone mergers.²⁰ Similarly, studies comparing quality and outcome measures across different markets with higher and lower levels of provider consolidation tied higher levels of provider consolidation with increased mortality²¹ and lower patient satisfaction.²²

¹⁴ Henke, R.M., Fingar, K.R., Jiang, H.J., Liang, L., & Gibson, T.B. (October 2021). Access to obstetric, behavioral health, and surgical inpatient services after hospital mergers in rural areas. *Health Affairs*, 40(10), 1627–1636. <https://doi.org/10.1377/hlthaff.2021.00160>; O'Hanlon, C.E., Kranz, A.M., DeYoreo, M., Mahmud, A., Damberg, C.L., & Timbie, J. (December 2019). Access, quality, and financial performance of rural hospitals following health system affiliation. *Health Affairs*, 38(12), 2095–2104. <https://doi.org/10.1377/hlthaff.2019.00918>.

¹⁵ "Fact Sheet: Hospital Mergers and Acquisitions Can Expand and Preserve Access to Care | AHA." 2026. February 24. <https://www.aha.org/fact-sheets/2023-03-16-fact-sheet-hospital-mergers-and-acquisitions-can-expand-and-preserve-access-care>.

¹⁶ Cooper, Zack, Stuart V. Craig, Aristotelis Epanomeritakis, et al. 2025. *Are Hospital Acquisitions of Physician Practices Anticompetitive?* July. https://www.nber.org/system/files/working_papers/w34039/w34039.pdf.

¹⁷ Whaley, Christopher M., and Xiaoxi Zhao. 2025. "The Effects of Physician Vertical Integration on Referral Patterns, Patient Welfare, and Market Dynamics." *Journal of Public Economics*, October 1. <https://doi.org/10.1016/j.jpubeco.2024.105175>.

¹⁸ McKellar, Michael R., Sivia Naimer, Mary B. Landrum, Teresa B. Gibson, Amitabh Chandra, and Michael Chernew. 2014. "Insurer Market Structure and Variation in Commercial Health Care Spending." *Health Services Research* 49 (3): 878–92. <https://doi.org/10.1111/1475-6773.12131>.

¹⁹ Garmon, Christopher, and Laura Kmitch. 2017. "Health Care Competition or Regulation: The Unusual Case of Albany Georgia." SSRN Scholarly Paper No. 3048839. Social Science Research Network, September 30. <https://doi.org/10.2139/ssrn.3048839>.

²⁰ Attebery, T., Hearld, L.R., Carroll, N., Szychowski, J., & Weech-Maldonado, R. (2020). Better together? An examination of the relationship between acute care hospital mergers and patient experience. *Journal of Healthcare Management*, 65(5), 330–343. <https://doi.org/10.1097/JHM-D-19-00116>.

²¹ Koch, T., Wendling, B., & Wilson, N.E. (October 2018). Physician market structure, patient outcomes, and spending: an examination of Medicare beneficiaries. *Health Services Research*, 53(5), 3549–3568. <https://doi.org/10.1111/1475-6773.12825> (finding that moving from a market that is in the 25th percentile of market concentration for cardiology practices to a market in the 75th percentile would increase the mortality of Medicare populations by 5 to 7%).

²² Hanson, C., Herring, B., & Trish, E. (May 16, 2019). Do health insurance and hospital market concentration influence hospital patients' experience of care? *Health Services Research*, 54(4), 805–815. <https://doi.org/10.1111/1475-6773.13168>.

Considerations for Future Rulemaking and Premerger Review

Against this backdrop, we offer the following suggestions as the agencies look toward future HSR rulemaking to better capture anticompetitive mergers in the healthcare space:

Vertical Integration Is Curbing Competition

We are concerned that a growing trend of vertical integration in the healthcare industry, particularly among hospitals, providers, and insurers, is exacerbating a lack of competition that must be addressed by the agencies.

Today, physicians are more likely to practice in larger groups than in smaller or independent practices, a trend that has been observed across different specialties.²³ The American Medical Association estimates that over half of US physicians are now vertically integrated—and hence are employees, rather than owners of their own medical practices.²⁴ Physicians are also increasingly being employed by hospitals. By 2024, over 55% of physicians were employed by hospitals or health systems, and nearly 60% of physician practices were owned by hospitals or corporate entities.²⁵

Furthermore, this trend is affecting access to specialty care for patients with serious and chronic conditions. Growing acquisitions of specialists by hospitals and health systems have reduced service availability and raised prices for access to specialist care. This trend has been observed across multiple practice areas, including oncology,²⁶ cardiology²⁷, orthopedic surgery²⁸, rheumatology²⁹, OB/GYN practices³⁰ and other physician specialists.³¹ This trend is also driving up critical medication costs for patients who need physician-administered drugs. Following vertical integration, treatment shifts away from physician offices towards hospital outpatient departments, along with increases in physician-administered drug spending across multiple specialty practice areas.³² Additionally, hospital-acquired

²³ Liu, J.L., et al. (August 12, 2022). Environmental scan on consolidation trends and impacts in health care markets. RAND Health Care. <https://aspe.hhs.gov/sites/default/files/documents/0d2c04fec395bc8c573c5b20c189cdd0/enviromental-scan-consolidation-hcm.pdf#page=47>.

²⁴ Kane, Carol. 2025. *Policy Research Perspectives | Physician Practice Characteristics in 2024: Private Practices Account for Less Than Half of Physicians in Most Specialties*. <https://www.ama-assn.org/system/files/2024-prp-pp-characteristics.pdf>

²⁵ *Updated Report: Hospital and Corporate Acquisition of Physician Practices and Physician Employment 2019-2023*. 2024. Physicians Advocacy Institute. <https://www.physiciansadvocacyinstitute.org/Portals/0/assets/docs/PAI-Research/PAI-Avalere%20Physician%20Employment%20Trends%20Study%202019-2023%20Final.pdf>.

²⁶ Hu, Xin, Joseph Lipscomb, Changchuan Jiang, and Ilana Graetz. 2022. "Vertical Integration of Oncologists and Cancer Outcomes and Costs in Metastatic Castration-Resistant Prostate Cancer." *JNCI Journal of the National Cancer Institute* 115 (3): 268–78. <https://doi.org/10.1093/jnci/djac233>.

²⁷ Figueroa, Jose F., Miranda B. Lam, E. John Orav, and Karen E. Joynt Maddox. 2020. "Consolidation Among Cardiologists Across U.S. Practices Over Time." *JACC* 76 (5): 590–93. <https://doi.org/10.1016/j.jacc.2020.04.081>.

²⁸ Henretty, Kristen N., and Fang He. 2022. "Trends in Orthopedic Surgeon Practice Consolidation From 2008 to 2019." *The Journal of Arthroplasty* 37 (3): 409–13. <https://doi.org/10.1016/j.arth.2021.11.015>.

²⁹ Nikpay, Sayeh S., Michael R. Richards, and David Penson. 2018. "Hospital-Physician Consolidation Accelerated In The Past Decade In Cardiology, Oncology." *Health Affairs* 37 (7): 1123–27. <https://doi.org/10.1377/hlthaff.2017.1520>.

³⁰ "Hospitals Are Gobbling up Physician Practices—and Health Care Prices Are Rising as a Result | Tobin Center for Economic Policy." n.d. Accessed May 15, 2026. <https://tobin.yale.edu/research/hospitals-are-gobbling-physician-practices-and-health-care-prices-are-rising-result>.

³¹ Whaley, Christopher M., Daniel R. Arnold, Nate Gross, and Anupam B. Jena. 2021. "Physician Compensation In Physician-Owned And Hospital-Owned Practices." *Health Affairs* 40 (12): 1865–74. <https://doi.org/10.1377/hlthaff.2021.01007>.

³² Levin, Jonathan S., Xiaoxi Zhao, and Christopher Whaley. 2025. "Impact of Hospital-Physician Vertical Integration on Physician-Administered Drug Spending and Utilization." *Health Economics* 34 (2): 345–67. <https://doi.org/10.1002/hec.4909>.

physicians' offices are more likely to begin charging higher prices and adding "facility fees" for the same service patients were receiving prior to acquisition.³³

Given this robust body of evidence, when the agencies evaluate proposed mergers or acquisitions among hospitals and health systems, the agencies should consider the impact of the proposed transaction on the consolidation of specialty and primary care physician practices in terms of service availability, quality of care, and prices.

Private Equity's Increasing Influence in Health Escapes Filing Thresholds

Given the growing influence private equity firms are exerting over healthcare markets, we recommend that the agencies consider increased scrutiny and disclosure related to private equity transactions that cumulatively exert significant anticompetitive pressures.

The increasing role of private equity in healthcare has accelerated provider consolidation.³⁴ Over the 2013 to 2023 period, private equity firms have deployed nearly \$800 billion to acquire a variety of health care providers ranging from hospitals, physician practices, nursing homes, and surgical centers.³⁵

Because of its focus on short-term revenue generation, private equity has added fuel to the fire of market consolidation and other anticompetitive practices, driving up prices and compromising patient access to quality care. While not exclusive to private equity, firms often engage in "roll-ups," transactions where the firm buys up multiple smaller companies one at a time, allowing them to avoid federal pre-merger notification to the FTC and DOJ.³⁶ The FTC has previously expressed concern about the anticompetitive nature of these transactions and has sought to prevent further roll-up arrangements via consent orders.³⁷

Private equity investments in hospitals and provider systems often come with adverse effects to the quality of care, prices, access, and competition.³⁸ Research has found that while private equity investments can provide an infusion of cash into hospital and provider systems, the business strategies at the heart of private equity ventures often prioritize short-term revenue generation over long-term sustainability, patient access, quality care, and affordability.³⁹

³³ "Hospitals Are Adding Billions in 'Facility' Fees for Routine Care - WSJ." n.d. Accessed May 15, 2026.

<https://www.wsj.com/health/healthcare/hidden-hospital-fees-cost-patients-hundreds-of-dollars-0024cd95>.

³⁴ Scheffler, R.M., Alexander, L.M., & Godwin, J.R. (May 18, 2021). Soaring private equity investment in the healthcare sector: Consolidation accelerated, competition undermined, and patients at risk, American Antitrust Institute and Petris Center.

³⁵ Singh, Yashaswini, Megha Reddy, Irene Papanicolas, and Richard Scheffler. 2026. "Private Equity Investments in Health Care in OECD Countries: An Exploratory Analysis." *Health Economics, Policy and Law*, January 28, 1–28.

<https://doi.org/10.1017/S1744133125100352>.

³⁶ Scheffler, R.M., Alexander, L.M., & Godwin, J.R. (May 18, 2021). Soaring private equity investment in the healthcare sector: Consolidation accelerated, competition undermined, and patients at risk, American Antitrust Institute and Petris Center.

³⁷ Federal Trade Commission. 2025. "FTC Approves Final Order with Welsh Carson." May 20. <https://www.ftc.gov/news-events/news/press-releases/2025/05/ftc-approves-final-order-welsh-carson>.

³⁸ Scheffler, Richard M., Laura Alexander, Brent D. Fulton, Daniel R. Arnold, and Ola A. Abdelhadi. 2023. *MONETIZING MEDICINE: PRIVATE EQUITY AND COMPETITION IN PHYSICIAN PRACTICE MARKETS*. July 10.

https://www.antitrustinstitute.org/wp-content/uploads/2023/07/AAI-UCB-EG_Private-Equity-I-Physician-Practice-Report_FINAL.pdf.

³⁹ Scheffler, Richard, Laura Alexander, and James Godwin. 2021. "Soaring Private Equity Investment in the Healthcare Sector: Consolidation Accelerated, Competition Undermined, and Patients at Risk." *The Nicholas C. Petris Center*, May 17.

<https://petris.org/soaring-private-equity-investment-in-the-healthcare-sector-consolidation-accelerated-competition-undermined-and-patients-at-risk/>.

Across several care delivery settings, private equity acquisitions have been linked to increases in acquired providers' charges and transaction prices, including primary care⁴⁰, ambulatory surgical centers⁴¹, oncology⁴², cardiology⁴³, gastroenterology⁴⁴, and others.

Private equity's role in transforming healthcare markets below the HSR threshold should be considered for premerger notification. Private equity groups currently can consolidate large swaths of related providers into a practice platform and grow it substantially, without ever crossing the HSR threshold. While the overall valuation of the platform can be astronomical, each acquisition is too small for notification. The agencies should use pre-merger filings to obtain additional information from filing parties on private equity interests and prior acquisitions in the same industry.

Future Considerations

We believe that overall increased scrutiny of transactions in the healthcare space is needed to protect consumers from the effects of anticompetitive consolidation. We offer these additional recommendations for the agencies as they continue this important work:

- Ensure robust funding for both agencies to have sufficient capacity to investigate a wider swath of anticompetitive consolidation.
- Continue close collaboration and information sharing with State Attorneys General to identify and investigate potential anticompetitive transactions and fully enforce antitrust protections.
- Analyze smaller-value and "roll-up" transactions from a cumulative standpoint rather than an individual transaction basis.
- Evaluate healthcare mergers with a holistic framework that takes into account the disproportionate impact consolidation has on medically underserved communities.

Once again, our organizations thank the Department of Justice and the Federal Trade Commission for this opportunity to provide comment on the effects of consolidation and private equity on patients. We look forward to working with you as you undertake rulemaking in this critical area. If you have any questions or would like to discuss our comments further, please contact Katie Berge, Senior Director of Federal Affairs and Phil Waters, Director of Federal Policy at Blood Cancer United at katie.berge@bloodcancerunited.org and phil.waters@bloodcancerunited.org.

Sincerely,

Blood Cancer United (formerly the Leukemia & Lymphoma Society)
Muscular Dystrophy Association
National Multiple Sclerosis Society
National Patient Advocate Foundation

⁴⁰ Singh, Yashaswini, Nandita Radhakrishnan, Loren Adler, and Christopher Whaley. 2025. "Growth of Private Equity and Hospital Consolidation in Primary Care and Price Implications." *JAMA Health Forum* 6 (1): e244935. <https://doi.org/10.1001/jamahealthforum.2024.4935>.

⁴¹ Lin, Haizhen, Elizabeth L. Munnich, Michael R. Richards, Christopher M. Whaley, and Xiaoxi Zhao. 2023. "Private Equity and Healthcare Firm Behavior: Evidence from Ambulatory Surgery Centers." *Journal of Health Economics* 91 (September): 102801. <https://doi.org/10.1016/j.jhealeco.2023.102801>.

⁴² Abdelhadi, Ola A., and Daniel R. Arnold. 2026. "Private Equity Acquisitions in Oncology: Impact on Market Share and Prices." *International Journal of Radiation Oncology, Biology, Physics* 124 (1): 41–48. <https://doi.org/10.1016/j.ijrobp.2025.07.1444>.

⁴³ Singh, Yashaswini, Megha Reddy, and Christopher Whaley. 2024. "Trends in Private Equity Consolidation in Cardiovascular Care." *JAMA Health Forum* 5 (6): e241478. <https://doi.org/10.1001/jamahealthforum.2024.1478>.

⁴⁴ "Increases In Physician Professional Fees In Private Equity–Owned Gastroenterology Practices | Health Affairs." 2025. February 3. <https://www.healthaffairs.org/doi/10.1377/hlthaff.2024.00190>.