

Dear Chair Olson, and Members of the House Ways and Means Committee,

We are writing on behalf of the undersigned health care entities about significant concerns with the Health Care Entity Transactions (Merger/Acquisition) provision (HF402/SF1681) as it is currently drafted. Several changes have been made which we sincerely appreciate, however, the underlying bill would still place an overwhelming burden on providers, create delay, and uncertainty in the market. This should not be taken lightly as it could risk competition and innovation which provides consumers with lower cost and more choice in the marketplace.

Our main concerns focus on provider burden to produce information, unlimited AG look back authority, and appeal/legal process. We respectfully request these concerns are taken into consideration with the inclusion of this provision in the Omnibus Health and Human Services bill.

We agree with the authors goal to prevent transactions that create market domination or monopolies. To that end, we offer a compromise that would gather needed data on medical transactions and provide a mechanism for the Attorney General to stop problematic transactions.

We support for a two-tier approach to healthcare transaction oversight. This would specify mergers and acquisitions over \$40 million would report basic transaction information to the Department of Health for review, and if the Department believes the transaction would result in a dominant market provider with higher costs, they would refer the transaction to the Office of the Attorney General. The Attorney General then has the ability to request more in-depth and detailed information on the transaction to determine if it is in the public interest to proceed (essentially the remaining provisions of HF402/SF1681). This approach, we believe, would still achieve the author's goals of gathering information on market consolidation and preventing monopolies without placing an undue burden on providers.

We look forward to working with Members of the Health and Human Services Conference Committee in finding ways to improve this language and the underlying bill.

Sincerely,

