Feb. 9, 2017: Advocacy spotlight on Fighting together, physicians foil insurance goliaths

Fighting together, physicians foil insurance goliaths

An AMA Viewpoints from AMA President Andrew W. Gurman, MD

Both decisions are in and trial courts have blocked Anthem's acquisition of Cigna and Aetna's acquisition of Humana, deeming them a threat to the affordability, accessibility and quality of health care. These rulings are victories of great magnitude for our patients and the health care system. They are the result of one important factor—that physicians came together to protect patients, our profession and our health care system from further consolidation.

These attempted health insurance mergers reflect the industry-held belief that by joining together, insurers can gain added negotiating leverage over physicians and hospitals. In Anthem, the court concluded that an enhanced ability to coerce physicians to accept lower reimbursement is not an efficiency defense, would not benefit patients, and "would erode the relationship between insurers and providers" and "reduce the collaboration" that is essential to innovation in payment and delivery.

I testified before the House Judiciary Committee on Sept. 29, 2015, when the proposition of the mergers was only beginning to meet the resistance that would carry through the next 15 months (PDF).

At the beginning of the hearing, the committee chair read the biographies of the witnesses into the record. There wasn't much attention paid to this process. I was the fourth of six witnesses that day, and when the chairman said, "And representing the American Medical Association …" everyone looked up. They wanted to know who was the doctor in the room. And that goes to show you that, when physicians are in a position to speak up for our patients and ourselves, people listen.

It is difficult for individual physicians to battle with industry giants alone, to have our voices outweigh theirs. But when we create a unified voice through the AMA and other medical societies, we have the depth and breadth of expertise to accumulate the facts necessary to support our position.
The AMA’s annual analysis of competition in the marketplace was pivotal in backing up the testimony that I and several other physicians delivered during that time.

These past 18 months are also a time when many claimed that our country was divided. But for this cause—to defend our patients and protect our health care system—physicians came together. In the Aetna-Humana case, we secured a decision that the merger would greatly erode competition in the sale of individual Medicare Advantage plans in 364 counties. U.S. District Judge John D. Bates also set a notable legal precedent by recognizing Medicare Advantage as a separate and distinct market that is not in competition with traditional Medicare—a major focus of our efforts.

Don’t ever forget that this major win for patients, physicians and the entire health care system was a result of a physician coalition led by the AMA and several other representative medical societies. When we physicians put our minds toward a cause, we can make a difference.

More articles in this issue

- Feb. 9, 2017: National Advocacy Update
- Feb. 9, 2017: State Advocacy Update