

Introducing the New Interactive Key Issue Page: Market Consolidation

[The Source on Healthcare Price and Competition](#) is excited to announce that, in partnership with UC Berkeley's [Nicholas C. Petris Center on Health Care Markets and Consumer Welfare](#), we are unveiling a brand new interactive "[Market Consolidation](#)" key issue page that presents evidence-based information and analyses on the most effective strategies for states to address rapidly consolidating healthcare markets.



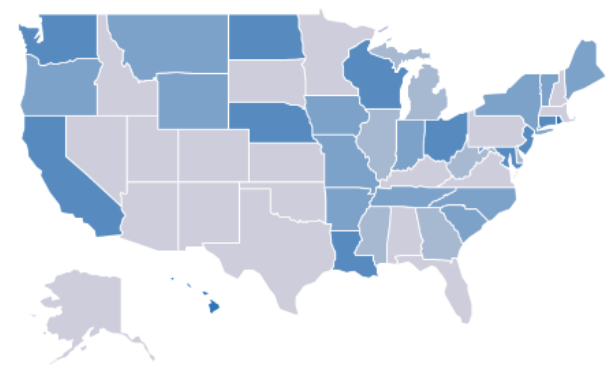
Recent evidence demonstrates that provider and insurer markets in the United States have been highly concentrated for years and have led to increased healthcare prices and insurance premiums without a commensurate increase in quality. Combining the legal expertise of The Source and the economic analysis and data modeling expertise of the Petris Center, this [Arnold Ventures](#) supported collaboration leverages the latest and most comprehensive data on state laws, healthcare markets, and healthcare prices and quality to analyze the variation in state laws and subsequent economic impacts in the last ten years (2008-2018).

We present our findings in a series of user-friendly interactive features ranging from trend maps and data charts to enforcement and policy timelines. The newly unveiled interactive features show, among other findings, that while 12 states and the District of Columbia have statutes specifically requiring approval for nonprofit hospital mergers and conversions, only 2 states require approval for all hospital mergers and 19 states do not require any approval at all. Additionally, the measure of provider market concentration by state reveals that all but two states' hospital market are "Highly Concentrated" or "Super Concentrated".

Find out more on the [new page](#) and stay tuned as we continue to roll out additional features and analyses in multiple phases throughout the next few months. We look forward to your comments and feedback [here!](#)

Merger Review Authority

< Hospital Merger Approval Requirement ▾ >



Level of Review - Click to View



Download data

Statutes current through: 2019

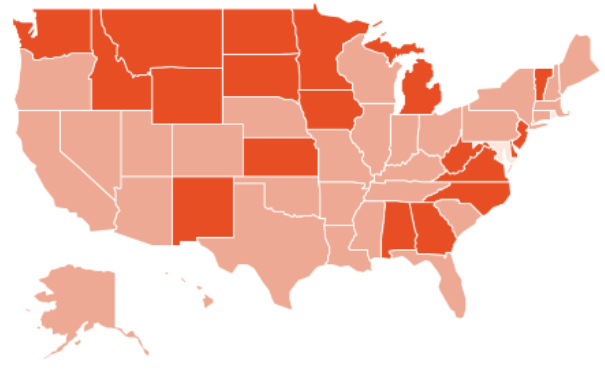
Source: [The Database of State Laws Impacting Healthcare Cost & Quality \(SLIHCO\)](#)

- No Approval Required
- Certificate of Need (CON) for Health Facility Acquisition or Transfer of Ownership Required
- Approval for General Nonprofit Corporation Merger (with or w/o CON) Required
- Approval for Nonprofit Hospital Merger (with or w/o CON) Required
- Approval for All Hospital Mergers Required

Note: The term "merger" is broadly used here for any transaction that results in a merger, change of ownership, sale, consolidation, acquisition, or conversion.

Hospital Market Concentration

< 2018 Market Concentration By Category ▾ >



- Moderately Concentrated
- Highly Concentrated
- Super Concentrated

Download data

Data from 2010-2018

Source: The Petris Center, analysis of data from the American Hospital Association Annual Survey

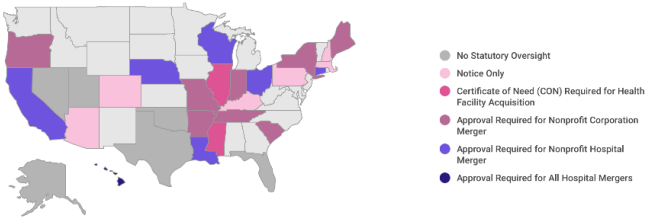
- Moderately Concentrated: $1,500 \leq \text{HHI} < 2,500$
- Highly Concentrated: $2,500 \leq \text{HHI} < 5,000$
- Super Concentrated: $\text{HHI} \geq 5,000$

[See Methodology](#)

State Merger Oversight and Market Concentration from 2010-2018

These overlay maps combine and show the intersection of statutory merger oversight authority and market concentration levels of hospitals of all 50 states from 2010-2018. An upcoming report will analyze the impact of state merger review authority on market concentration.

< State Merger Oversight for States that are Highly Concentrated in 2018 (2,500 < HHI < 5,000) >



Download data

Data from 2010-2018
Source: The Source on Healthcare Price & Competition and the Petris Center

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State Statutory Authority

Provider Merger

Insurance Merger

Statutory Requirement for State Insurance Commissioner Review. Click to sort by Requirements

State	Notice Required Prior to Merger	Approval Required for Merger Involving Insurer	Approval Standard: Hazardous to Public Interest	Approval Standard: "Substantially Lessen Competition"	Approval Standard: Prima Facie Competitive Standard
Alabama	●	●	ⓘ	●	●
Alaska	●	●	ⓘ	●	●
Arizona	●	●	ⓘ	●	●
Arkansas	●	●	—	●	○
California	●	●	—	●	—
Colorado	●	●	ⓘ	●	●
Connecticut	●	●	ⓘ	●	●
Delaware	●	●	ⓘ	●	●
District of Columbia	●	●	ⓘ	●	●

Download data

- Domestic and Nondomiciliary
- Domestic and All Health Plans
- ⓘ Domestic Only
- Nondomiciliary Only
- None

See Methodology

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