AG COOPER FILES ANTITRUST CASE AGAINST CAROLINAS HEALTHCARE OF CHARLOTTE

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Lawsuit seeks more competition to lower consumers’ health care costs

Charlotte: Charlotte consumers face higher health care costs and fewer choices because of efforts by Carolinas HealthCare System to prevent competition, Attorney General Roy Cooper contends in a lawsuit filed today.

“Pushing medical costs artificially higher and limiting choices harms North Carolina families,” Cooper said. “Consumers who need health care deserve accurate information and access to quality, affordable options.”

Cooper filed suit Thursday on behalf of the State of North Carolina alleging that Carolinas HealthCare System (CHS) illegally reduces competition in the health care market in Charlotte and limits consumers’ ability to shop around for better deals on health care. The case was filed jointly with the US Department of Justice in US District Court for the Western District of North Carolina.

CHS is based in Charlotte and operates Carolinas Medical Center and nine other hospitals in the Charlotte area. It dominates the hospital market in the Charlotte region with a 50 percent share of the market and approximately $8.7 billion in annual revenues.

The Charlotte region is home to 2.6 million consumers including those living in Cabarrus, Cleveland, Gaston, Iredell, Lincoln, Mecklenburg, Rowan, Stanly, and Union counties in North Carolina.

The legal complaint filed today alleges that CHS acted unlawfully to preserve its dominance in the Charlotte health care market. CHS has long known that it has the reputation of being a high-priced health care provider, the filing states. To protect its revenues, the plaintiffs contend that CHS aggressively uses its market power to keep consumers from taking advantage of better prices at other hospitals and from getting access to less expensive insurance policies. The lawsuit also alleges that CHS blocks consumers from receiving information about the cost and quality of CHS services, critical data that could potentially help consumers find quality care at better prices.

North Carolina and the federal government are asking the court to bar the illegal anticompetitive conduct by CHS.

“We tell consumers to shop around for the best quality and price, and health care should be no different,” Cooper said. “Competition is good for business and good for customers, including in the health care industry.”

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