

This bill would set Price ceilings on the Healthcare market.

Price ceilings, historically, lower supply, worsen the quality of goods and services, and drive up prices to compensate for the lack of market equilibrium.

Moreover, the "compact" among healthcare providers to "keep down prices" is a Cartel! The essence of a Cartel is: firms within a market working together (colluding) to set prices. Always for their own benefit at the expense of others. There is nothing special about the members who would make this Compact (i.e., Cartel), they will use it for their advantage.

Below are links to articles about Price Ceilings

<https://www.forbes.com/sites/econostats/2017/10/12/price-controls-will-reduce-innovation-and-health-outcomes/?sh=7c06215763a6>
*Forbes article and argues that Price controls (whether as 'ceilings' or 'floors') reduce innovation and make health outcomes less desirable for the patient.

<https://fee.org/articles/price-ceilings-harm-the-poor/>

*From the Foundation for Economic Education. The poor suffer the most from Price Ceilings. Since we want to help the poor, the House should be against this bill.

Here is an extended quote from Dr, Edward Marcinko from the textbook "The Business of Medical Practice"

"Healthcare price ceilings and floors benefit certain groups but impair the distribution of medical goods and services by the price system in free competitive markets.

And, government intervention interferes in the functioning of competitive markets and is likely to result in "resource allocation" problems.

'Price ceilings' are maximum legally charges and always result in shortages when set below market equilibrium prices. How long is the wait at a local charitable hospital vs. a local for-profit medical center? Price ceilings often result in an underground black market economy that exceeds legal limits."

As such, I urge the committee to not send this to the House floor for a final vote. As a committee do not support this bill.

Sincerely,
Ryan Ferries (concerned citizen)