

115TH CONGRESS  
1ST SESSION

# H. R. 372

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## AN ACT

To restore the application of the Federal antitrust laws to the business of health insurance to protect competition and consumers.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Competitive Health  
3 Insurance Reform Act of 2017”.

4 **SEC. 2. RESTORING THE APPLICATION OF ANTITRUST**  
5 **LAWS TO THE BUSINESS OF HEALTH INSUR-**  
6 **ANCE.**

7 (a) AMENDMENT TO MCCARRAN-FERGUSON ACT.—  
8 Section 3 of the Act of March 9, 1945 (15 U.S.C. 1013),  
9 commonly known as the McCarran-Ferguson Act, is  
10 amended by adding at the end the following:

11 “(c)(1) Nothing contained in this Act shall modify,  
12 impair, or supersede the operation of any of the antitrust  
13 laws with respect to the business of health insurance (in-  
14 cluding the business of dental insurance and limited-scope  
15 dental benefits).

16 “(2) Paragraph (1) shall not apply with respect to  
17 making a contract, or engaging in a combination or con-  
18 spiracy—

19 “(A) to collect, compile, or disseminate histor-  
20 ical loss data;

21 “(B) to determine a loss development factor ap-  
22 plicable to historical loss data;

23 “(C) to perform actuarial services if such con-  
24 tract, combination, or conspiracy does not involve a  
25 restraint of trade; or

1           “(D) to develop or disseminate a standard in-  
2           surance policy form (including a standard addendum  
3           to an insurance policy form and standard termi-  
4           nology in an insurance policy form) if such contract,  
5           combination, or conspiracy is not to adhere to such  
6           standard form or require adherence to such standard  
7           form.

8           “(3) For purposes of this subsection—

9           “(A) the term ‘antitrust laws’ has the meaning  
10          given it in subsection (a) of the first section of the  
11          Clayton Act (15 U.S.C. 12), except that such term  
12          includes section 5 of the Federal Trade Commission  
13          Act (15 U.S.C. 45) to the extent that such section  
14          5 applies to unfair methods of competition;

15          “(B) the term ‘business of health insurance (in-  
16          cluding the business of dental insurance and limited-  
17          scope dental benefits)’ does not include—

18                  “(i) the business of life insurance (includ-  
19                  ing annuities); or

20                  “(ii) the business of property or casualty  
21                  insurance, including but not limited to—

22                          “(I) any insurance or benefits defined  
23                          as ‘excepted benefits’ under paragraph (1),  
24                          subparagraph (B) or (C) of paragraph (2),  
25                          or paragraph (3) of section 9832(c) of the

1 Internal Revenue Code of 1986 (26 U.S.C.  
2 9832(c)) whether offered separately or in  
3 combination with insurance or benefits de-  
4 scribed in paragraph (2)(A) of such sec-  
5 tion; and

6 “(II) any other line of insurance that  
7 is classified as property or casualty insur-  
8 ance under State law;

9 “(C) the term ‘historical loss data’ means infor-  
10 mation respecting claims paid, or reserves held for  
11 claims reported, by any person engaged in the busi-  
12 ness of insurance; and

13 “(D) the term ‘loss development factor’ means  
14 an adjustment to be made to reserves held for losses  
15 incurred for claims reported by any person engaged  
16 in the business of insurance, for the purpose of  
17 bringing such reserves to an ultimate paid basis.”.

18 (b) RELATED PROVISION.—For purposes of section  
19 5 of the Federal Trade Commission Act (15 U.S.C. 45)  
20 to the extent such section applies to unfair methods of  
21 competition, section 3(c) of the McCarran-Ferguson Act  
22 shall apply with respect to the business of health insurance  
23 without regard to whether such business is carried on for  
24 profit, notwithstanding the definition of “Corporation”

1 contained in section 4 of the Federal Trade Commission  
2 Act.

Passed the House of Representatives March 22,  
2017.

Attest:

*Clerk.*

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