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Healthcare Emerges at the Center of Trump 2.0 Antitrust Enforcement

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Over a year into the second Trump Administration, healthcare has emerged as one of the most consistent antitrust enforcement priorities. Both the Federal Trade Commission (FTC) and the DOJ Antitrust Division have demonstrated a willingness to intervene in healthcare markets where competition is viewed as central to affordability, access, and innovation, and across hospital contracting, medical-device development, and healthcare labor markets. The durability and nature of the trend suggest enforcement in this space is likely to continue.

I. Merger Enforcement: Innovation Markets and Early Intervention

FTC v. Edwards Lifesciences Corp. and JenaValve Technology, Inc

In January 2026, the FTC secured the first litigated merger win of the second Trump Administration, obtaining a preliminary injunction blocking Edwards Lifesciences Corporation's proposed acquisition of JenaValve Technology, Inc. The case reflects both traditional and novel enforcement themes, including (1) traditional, document-driven evidence of head-to-head rivalry, and (2) a willingness to litigate nascent innovation markets that are still "in development."

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For severe aortic regurgitation (AR), open-heart surgery has been the only FDA-approved treatment option in the United States. Two companies, JenaValve and JC Medical, were in clinical trials to bring a less invasive alternative to U.S. patients: transcatheter aortic valve replacement for AR (TAVR-AR), which allowed cardiologists to replace damaged heart valves via catheter rather than surgery. According to the FTC, competition between these two developers in the FDA approval "pipeline" had shaped the pace and direction of R&D.

Against that backdrop, Edwards—an established cardiac-device company—agreed, in July 2024, to acquire both pipeline rivals. Edwards's acquisition of JC Medical closed, but its proposed $945 million acquisition of JenaValve was paused for regulatory review. The court credited evidence that the dual deals caught JenaValve off guard: one executive described being "totally blindsided," and internal communications characterized the move as having "just bought the AR market." The FTC used those statements, along with testimony and business documents, to frame the case as a 2-to-1 merger that would eliminate the only meaningful head-to-head competition for TAVR-AR development in the United States.

On that "traditional" theory, the court largely wrote a familiar opinion. It found that Edwards and JenaValve were engaged in active competition to innovate and that eliminating JenaValve as an independent rival would reduce that competition. The FTC also emphasized that merger control is designed to stop "incipient" anticompetitive harms before they are irreversible; the court echoed that framing in its discussion of the Fifth Circuit's decision in *Illumina, Inc. v. FTC*, 88 F.4th 1036 (5th Cir. 2023).

But the opinion also reflects the FTC's willingness to pursue more "novel" theories. The court accepted a relevant product market for "the research, development, and commercialization of TAVR-AR devices in the United States"—even though no TAVR-AR device had yet been commercialized. Defendants argued that recognizing a market with no commercial sales was unprecedented and analytically improper. The court disagreed, leaning on a totality-of-evidence approach that combined testimony, business documents, and economic analysis. It treated "practical indicia" (under *Brown Shoe*)—industry recognition, product characteristics, and distinct customers—as persuasive even without the full quantitative data that often accompanies mature product market analysis.

The court also accepted a largely *qualitative* application of the Hypothetical Monopolist Test (HMT), reasoning that a monopolist controlling U.S. TAVR-AR development could profitably degrade the competitive elements of development pipeline races: speed, direction, and the likelihood of successful commercialization. In doing so, the opinion credited the 2023 Merger Guidelines' discussion of innovation and pre-commercial markets as persuasive authority. The opinion thus reflects an approach that has been shaped by recent guidance, across administrations.

One other doctrinal choice is equally telling. The FTC argued that the deal was presumptively illegal under *United States v. Philadelphia National Bank*, 374 U.S. 321 (1963). Though the court ultimately declined to apply the presumption—partly because of the FTC's inconsistent historical positions and because of other evidence in the record—the FTC's position is notable for its tacit endorsement of a somewhat controversial and assertive enforcement position.

Finally, the case offers guidance on remedies. While the opinion confirms that the agencies are open to negotiated fixes, it also illustrates why "fixability" matters. The FTC noted Edwards's earlier acquisition of JC Medical—already closed—as a complicating factor for divestiture and a reason a post-consummation remedy might be impracticable.

Broader Merger Enforcement Activity in Healthcare Confirms a Clear Trend

The *JenaValve* decision fits within a broader pattern of active merger enforcement across the healthcare sector. The FTC has permitted certain transactions to proceed subject to divestitures, including a transaction among community living service providers. In other instances, parties have abandoned healthcare deals following agency scrutiny, including transactions involving cataract surgery technology and healthcare staffing software and services.

Earlier in 2025, the FTC also unsuccessfully challenged GTCR's acquisition of Surmodics, which the agency alleged would increase concentration and eliminate competition in the market for medical device coatings. During the same period, DOJ resolved its challenge to UnitedHealth Group's acquisition of Amedisys through a settlement including divestitures of more than 150 home health and hospice locations across 19 states. That resolution also included a civil penalty for violations of the Hart-Scott-Rodino Act, underscoring continued enforcement attention to procedural compliance.

II. Conduct Enforcement: Hospital–Insurer Contracting and Beyond

Not to be outdone, the DOJ has also been active in the healthcare space. It has filed two complaints in recent months targeting hospital-insurer contracting and plan-design restrictions that, it alleges, deny consumers access to lower-cost healthcare.

U.S. and State of Ohio v. OhioHealth

On February 20, 2026, the Antitrust Division and the Ohio Attorney General filed a Section 1 complaint against OhioHealth alleging that the system's insurer contracts restrict plan design in ways that prevent payors from offering "budget-conscious" options and from steering patients to lower-cost alternatives. The complaint challenges "all-or-nothing" contracting terms that require insurers that include *any* OhioHealth facility or provider to include *all* OhioHealth facilities and affiliated providers. It also targets tiering and steering restrictions that allegedly limit insurers' ability to differentiate benefits or direct patients to lower-priced alternatives. Plaintiffs allege that these contractual restraints blunt the tools insurers use to control costs (narrow networks, tiered benefits, centers-of-excellence, site-of-service steering, and patient price information) and insulate OhioHealth from price competition.

U.S. v. New York-Presbyterian Hospital

One month later, on March 26, 2026, the DOJ—together with the U.S. Attorney's Office for the Southern District of New York—filed a Section 1 complaint against The New York and Presbyterian Hospital (New York-Presbyterian), alleging that New York-Presbyterian uses its market power as "the largest and most

powerful hospital system" in New York City to block payors from offering plans that prioritize lower-priced competitors, including through plan-design restrictions and "all-or-nothing" contracting. It further alleges that these contracts prevent insurers from offering benefit designs that would steer patients—such as lower copays, tiered options, or other incentives—toward competing hospitals or lower-cost settings of care. According to the complaint, those restrictions raise healthcare costs and reduce consumer choice in New York City.

Taken together, *OhioHealth* and *New York-Presbyterian* reflect a coordinated conduct-enforcement strategy aimed at hospital system practices that allegedly constrain insurer network design, impede access to lower-priced alternatives, and weaken price competition among providers. DOJ leadership has tied both actions to "affordability" and "budget-conscious" plans and touted increased choice and competition as a path toward more affordable healthcare.

Beyond hospital contracting, the FTC has been particularly active on conduct matters over the past year, highlighted by a landmark settlement with a large pharmacy benefit manager requiring sweeping changes to rebating and pricing practices (related actions against other major PBMs remain ongoing). The FTC has also pursued conduct affecting healthcare labor and governance, securing the resignation of three Sevita board members over alleged interlocking directorates and issuing warning letters to healthcare employers and staffing firms cautioning against potentially anticompetitive noncompete agreements affecting clinicians and other healthcare workers. And most recently, the FTC announced it has agreed in principle to settle a 2023 lawsuit against a private-equity-backed anesthesia company, which the FTC accused of a decade-long "roll-up" scheme to consolidate anesthesia practices in Texas and drive up prices.

III. Policy and Priority-Setting: Healthcare as a Sustained Focus

FTC Healthcare Task Force and Coordinated Enforcement

The antitrust agencies' activity in the healthcare space reflects an enforcement trend that is continuing and perhaps accelerating. In late March, FTC Chairman Andrew Ferguson launched a Healthcare Task Force to coordinate the agency's competition and consumer protection work, responding to concerns that consolidation and anticompetitive conduct have contributed to higher prices, reduced access, and stifled innovation in a sector that accounts for roughly 18 percent of U.S. GDP.

The Task Force launch builds on a year of consistent agency activity in the healthcare space and underscores the FTC's decision to formalize its focus through a dedicated institutional framework. For providers, manufacturers, payors, digital health companies, and investors, the signal is clear. Enforcement attention now extends well beyond consolidation to encompass contracting behavior, regulatory strategies, and competition for innovation itself. As the Task Force ramps up, healthcare businesses should expect a more unified and increasingly assertive enforcement posture.

Healthcare appears to sit in a political and enforcement sweet spot for the administration, blending an affordability narrative with aggressive antitrust oversight. If the past year is prologue, healthcare is likely to remain a sustained focus of antitrust enforcement, with continued scrutiny of both transactions and competitive conduct going forward.