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**HERRING AND STATE/FEDERAL PARTNERS SUCCESSFULLY BLOCK ANTI-COMPETITIVE HEALTH INSURANCE MERGER**

*~ Proposed merger of Aetna and Humana would have threatened the cost and quality of healthcare for Virginia seniors ~*

**RICHMOND (January 23, 2017)**-Attorney General Mark R. Herring, eight states, the District of Columbia, and the U.S. Department of Justice have successfully blocked the anti-competitive proposed merger of Aetna and Humana. The coalition had filed suit in July 2016 challenging the proposed \$37 billion merger as an illegal, anti-consumer move that would reduce competition, eliminate choices, stifle innovation, and drive up costs for Virginia consumers. The proposed merger would have hit seniors especially hard, as the merger would have significantly undermined competition in Virginia's Medicare Advantage market, including considerable or near total control of the Medicare Advantage market in many localities, including Arlington, Chesterfield, Fairfax, Hampton, Henrico, Loudoun, and Richmond. The injunction against the merger was issued by Judge John D. Bates in the U.S. District Court for the District of Columbia following a 13-day trial.

"This merger would have meant higher costs and fewer choices for Virginia seniors, especially those with a Medicare Advantage plan in Northern Virginia, Richmond, and Hampton Roads," said Attorney General Herring. "Enforcement of anti-trust laws is one of my office's most important responsibilities because this kind of massive merger can have a really anti-competitive effect that ends up hurting a broad section of consumers. In this case, the merger would have meant near total market control in some communities. I'm really proud we were able to protect Virginia seniors from being hurt by this proposed merger."

Attorney General Herring and a coalition including 11 other states, the District of Columbia, and the U.S. Department of Justice are also challenging the proposed \$54 billion merger between Anthem and Cigna as another anti-competitive measure that would hit working families in Virginia by allowing the consolidation of two major competitors in Virginia's Large Group insurance market, which includes employers with more than 50 employees. The proposed merger would give the new company an anti-competitive level of market share in many communities, including Richmond, Hampton Roads, and Lynchburg. The likely effects of one company holding such a large market share include higher premiums and out-of-pocket costs for consumers, lower health plan quality, less innovation in the delivery of high-quality, cost-effective healthcare, and lower payments to doctors and healthcare providers.

Both matters are being handled for Virginia by the Antitrust Unit of Attorney General Herring's recently reorganized Consumer Protection Section.

