

Press Release

454,000 PA Seniors Protected as Aetna-Humana Merger is blocked

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Office of Attorney General Among Most Active in Successful Lawsuit Showing Merger Would Harm Seniors with Medicare Advantage Plans

HARRISBURG — Attorney General Josh Shapiro hailed a decision by a Federal judge that blocked health insurer Aetna Inc.'s acquisition of rival insurer Humana Inc., a merger which the Pennsylvania Office of Attorney General opposed along with seven other states, the District of Columbia and the U.S. Justice Department.

The Aetna-Humana merger would have impacted 454,000 Pennsylvanians, and would have led to higher insurance premiums and lower quality health insurance for seniors.

"This decision means that seniors who live in Pennsylvania counties where Aetna and Humana compete for their Medicare Advantage business will continue to reap the benefits of that competition," said Pennsylvania Attorney General Josh Shapiro. "That competition means better networks of doctors and hospitals, lowers co-pays, enhanced benefits for vision, dental and hearing - and even lower Part B premiums. Since many seniors live on fixed incomes, the importance of this competition to them is enormous. This is a tremendous decision for Pennsylvania consumers."

The Office of Attorney General participated in numerous depositions and other hearings in the case, and coordinated the cooperation and work of the other states with the Justice Department.

"This office will protect seniors and consumers," Shapiro said. "The actions of our office's Public Protection Division in this case will protect seniors' access to quality health care in counties across the Commonwealth."

The decision by Judge John Bates of the U.S. District Court for the District of Columbia concluded that Aetna's acquisition of Humana would violate federal antitrust laws. In July 2016, the Office of Attorney General joined with Justice Department and seven other states to stop the merger. The court held a 13-day trial on the case in December, leading to this week's ruling blocking the merger.

Attorney General Shapiro commended the cooperation among the state attorneys general who joined the Justice Department action, as well as the intensive work among attorneys and staff in the Office of Attorney General.

"I want to particularly thank the women and men in our Public Protection Division for their work on this successful litigation to protect senior consumers from an anti-competitive merger that would have increased the cost of their health care," Shapiro said.

The following state Attorneys General offices participated in the case along with Pennsylvania: Delaware, Florida, Georgia, Illinois, Iowa, Ohio, Virginia and the District of Columbia.

In blocking the merger, the court ruled that the proposed merger is likely to substantially lessen competition in the sale of individual Medicare Advantage plans in 364 counties across the country, including 10 counties in Pennsylvania.

Those impacted counties are: Chester, Clinton, Cumberland, Dauphin, Erie, Franklin, Lancaster, Lebanon, Lycoming, and Perry.

Josh Shapiro serves as Pennsylvania's Attorney General to combat crime, uphold individual rights and protect consumers. He is the sixth person elected to the office, and was sworn in on January 17, 2017 as the Commonwealth's top lawyer and chief law enforcement officer with a mandate to ensure integrity and be the people's Attorney General.

Some of his top priorities include protecting seniors, veterans, small businesses and consumers from scams and fraud; implementing a comprehensive integrity agenda to ensure people from across the Commonwealth are heard and have faith in the justice system; and directing an aggressive fight against the heroin and opioid epidemic, including treatment for those suffering from addiction.

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