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PRESS ADVISORY

Georgia Joins Opposition to Anthem-Cigna, Aetna-Humana Merger

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ATLANTA, GA—Georgia Attorney General Sam Olens, along with the U.S. Department of Justice and attorneys general from 16 states plus the District of Columbia, filed suit yesterday to block Anthem's proposed acquisition of Cigna and Aetna's proposed acquisition of Humana, alleging that the transactions would increase concentration and harm competition across the country, reducing from five to three the number of large, national health insurers in the nation.

The Department of Justice and State Attorneys General filed these two merger challenges in the U.S. District Court for the District of Columbia. The complaints allege that the two mergers—valued at \$54 billion and \$37 billion—would harm seniors, working families and individuals, employers, and doctors and other healthcare providers by limiting price competition, reducing benefits, decreasing incentives to provide innovative wellness programs, and lowering the quality of care.

"When health insurance companies are forced to compete, consumers win," said Attorney General Sam Olens. "These mergers would restrict competition for insurance products in Georgia, and Georgia families would end up paying higher insurance premiums. My action seeks to make sure that does not happen."

Eleven states (California, Colorado, Connecticut, Georgia, Iowa, Maryland, Maine, New Hampshire, New York, Tennessee, Virginia, and the District of Columbia), joined the department's challenge of Anthem's \$54 billion acquisition of Cigna. Eight states (Delaware, Florida, Georgia, Iowa, Illinois, Pennsylvania, Ohio, Virginia, and the District of Columbia), joined the Justice Department's challenge of Aetna's \$37 billion acquisition of Humana.

The suit against Anthem and Cigna alleges that their merger would substantially reduce competition for millions of consumers who receive commercial health insurance coverage from national employers throughout the United States; from large-group employers in at least 35 metropolitan areas, including New York, Los Angeles, San Francisco, Denver, and Indianapolis; and from public exchanges created by the Affordable Care Act in St. Louis and Denver. The complaint also alleges that the elimination of Cigna threatens competition among commercial insurers for the purchase of healthcare services from hospitals, physicians, and other healthcare providers. The merger would eliminate substantial head-to-head competition in all these markets, and it would remove the

independent competitive force of Cigna, which has been a leader in the industry's transition to value-based care.

The lawsuit against Aetna and Humana alleges that their merger would substantially reduce Medicare Advantage competition in more than 350 counties in 21 states, affecting more than 1.5 million Medicare Advantage customers in those counties. Before seeking to acquire Humana, Aetna had pursued aggressive expansion in Medicare Advantage. Aetna, the nation's fourth-largest Medicare Advantage insurer by membership, has nearly doubled its Medicare Advantage footprint over the past four years. Humana is the nation's second-largest Medicare Advantage insurer by membership. The lawsuit also alleges that Aetna's purchase of Humana would substantially reduce competition to sell commercial health insurance to individuals and families on the public exchanges in 17 counties in Florida, Georgia, and Missouri, affecting more than 700,000 people in those counties. The lawsuit alleges that by buying Humana, Aetna would eliminate one of its strongest and most capable competitors in these markets.

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