

# Tennessee joins U.S. Department of Justice in lawsuit to block Anthem's acquisition of Cigna

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Attorney General Herbert H. Slatery III today announced that Tennessee has joined the U.S. Department of Justice and attorneys general from 11 states and the District of Columbia in litigation to block the merger between health insurance companies Anthem and Cigna, alleging that the transaction would increase concentration and harm competition in Tennessee and across the country.

The Justice Department and state attorneys general filed the merger challenge in the U.S. District Court for the District of Columbia. The complaint alleges that the merger, valued at \$54 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.

"In what instance would Tennesseans want 4 instead of 5 competitors from which to choose insurance products or negotiate services? That is the question raised by the merger, whether one is a national employer comparing benefits and premiums, a health care provider like a hospital or physician practice, or an individual selecting a policy on an exchange. There are too many unanswered questions and too much at stake in reducing competition for Tennessee to support this merger," Attorney General Slatery said.

Eleven states – California, Colorado, Connecticut, Georgia, Iowa, Maryland, Maine, New Hampshire, New York, Tennessee, and Virginia – along with the District of Columbia joined the department's challenge of Anthem's \$54 billion acquisition of Cigna.

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. 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.

Anthem, Inc. is headquartered in Indianapolis, Indiana. It is the nation's second-largest health insurer. It operates in every state and the District of Columbia, and provides health insurance to 39 million people. In 2015, Anthem reported over \$79 billion in revenues.

Cigna Corp. is headquartered in Hartford, Connecticut. It is the nation's fourth-largest health insurer. It operates in every state and the District of Columbia, and provides health insurance to 15 million people. In 2015, Cigna reported \$38 billion in revenues.

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