



July 21, 2016

FOR IMMEDIATE RELEASE

COALITION APPLAUDS U.S. DEPARTMENT OF JUSTICE FOR FILING LAWSUITS TO BLOCK THE ANTHEM-CIGNA AND AETNA-HUMANA HEALTH-INSURER MERGERS

With the U.S. Department of Justice (DOJ) announcing it will file lawsuits to block the Anthem-Cigna and Aetna-Humana health-insurer mergers, the people now have the federal government in their corner when it comes to stopping these mega-mergers.

The DOJ is the arm of the federal government that is responsible for preventing anti-competitive behavior. Nine states and the District of Columbia have also joined the U.S. action against the Anthem-Cigna deal, including Connecticut, New York and California.

Universal Health Care Foundation of Connecticut, Connecticut Citizen Action Group, and the Connecticut Medical Society, a coalition opposing the mergers, applaud the DOJ for putting the interest of the consumer first and for acknowledging the harm these mega-mergers will cause the public. The coalition also appreciates the efforts of the Connecticut Attorney General in the matter.

“The people of Connecticut and the nation now have a major ally in the fight against these mergers,” said Frances Padilla, president of Universal Health Care Foundation of Connecticut. “While these mega-mergers once seemed inevitable, when the facts surfaced, it became very clear to the Department of Justice just how harmful these deals will be to everyday people.”

“This is an important first step in highlighting the significant deficiencies in these proposed mergers, and their negative impact on patient access to care in Connecticut and throughout the county,” said Matthew Katz, chief executive officer at the Connecticut Medical Society. “CSMS has expressed major concerns with giant health insurers becoming goliaths with exclusive or near-exclusive power to dictate price and care delivery to the detriment of patient medical care. We applaud the action taken today.”

“CCAG is pleased that Department of Justice recognized the damaging impact these Wall Street driven deals would have had on our health care system,” said Tom Swan, executive director of the Connecticut Citizen Action Group. “It is now time for the executives of these companies to live up to their fiduciary responsibility by stop trying to rig the system for short term gain and to seriously work to help make it possible for people to access the care they need at a price they can afford.”

The insurance companies can now choose to go to court and fight the federal government’s lawsuit, or they can decide to settle with the DOJ outside of court or terminate the deals all together.

These mergers would transform the health insurance market by turning its five biggest companies into three. The Anthem-Cigna merger, in particular, would be the largest health insurance merger in U.S. history and impact 1.5 million Connecticut residents.

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