



December 3, 2015

The Honorable William J. Baer
Assistant Attorney General
U.S. Department of Justice Antitrust Division
950 Pennsylvania Avenue, NW
Washington, DC 20530

Dear Assistant Attorney General Baer:

The American College of Physicians has significant concerns about the pending mergers between Aetna/Humana and Anthem/Cigna and the potential negative effects they could have on competition in the health insurance market. ACP is specifically concerned that the consolidation between these companies could lead to significant increases in insurer concentration, decreased choice and increased costs for patients and employers, and a reduction in physician ability to negotiate with insurance companies over provision of services.

ACP is the largest medical specialty organization and the second largest physician group in the United States. ACP members include 143,000 internal medicine physicians (internists), related subspecialists, and medical students. Internal medicine physicians are specialists who apply scientific knowledge and clinical expertise to the diagnosis, treatment, and compassionate care of adults across the spectrum from health to complex illness.

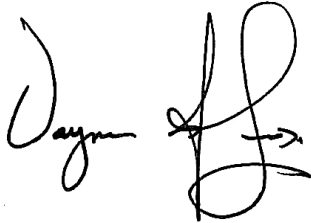
Physicians should be given the opportunity to negotiate with health insurers on fair pricing and reimbursement rates for services provided under their care. An increase in insurance consolidation would harm the process of negotiation as physicians could be forced to accept anti-competitive reimbursement, which is harmful to physicians and patients, who may see an increase in premium pricing or a change in services covered under their insurance plans. Especially concerning to ACP is a finding from an Aetna/Prudential merger that showed premiums increasing by 7 percent post-merger. The claim that savings from a merger would be passed on to consumers or result in innovation or higher quality of care must be thoroughly scrutinized.

Recent studies have shown that 70 percent of metropolitan areas have highly concentrated commercial health insurance markets, and 97 percent of Medicare Advantage markets are highly concentrated. Allowing for anti-competitive consolidation would be antithetical to the goals set by the Affordable Care Act, which prioritizes a robust level of competition, and ACP urges the Antitrust Division to oppose any deal that compromises this quality.

Consolidating four of the largest health insurance companies into two entities seriously threatens to undermine the spirit of competition in the health insurance market and could likely have adverse effects on physicians and patients. It is imperative that the Department of

Justice Antitrust Division consider both the local and collective impact these mergers could have, and block any deal that significantly increases health insurer concentration resulting in decreased choice and increased cost for patients and employers, reduces access due to changing and narrowing networks of physicians and hospitals, or prevents physicians from negotiation over provision of health services with those insurers.

Sincerely,

A handwritten signature in black ink, appearing to read "Wayne J. Riley". The signature is fluid and cursive, with the first name "Wayne" written in a larger, more prominent script than the last name "Riley".

Wayne J. Riley, MD, MPH, MBA, MACP
President
American College of Physicians