PRESS RELEASE

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DMHC TO HOLD PUBLIC MEETING TODAY ON LATEST INSURER MEGA MERGER OF AETNA-HUMANA; CONSUMER GROUPS RAISE KEY QUESTIONS AND CONCERNS

Consumer Groups Requested Public Meeting to Ensure Strong Consumer Protections and Improvements in Consumer Access

Public Testimony Will Be Heard THIS AFTERNOON. Monday, January 4th, from 1:30-3:30pm at 1500 Capitol Avenue, Sacramento.

Sacramento, CA – On Monday afternoon, consumer groups will testify at a public meeting of the Department of Managed Health Care (DMHC) on the proposed deal of Aetna’s takeover of Humana. The public meeting was requested by consumer groups including Health Access, Consumers Union, and others, to answer questions about the structure of the deal, its potential impact on California's patients and health system, and ensure proper oversight as insurance companies merge and become larger.

"State regulators should be skeptical of all these insurer mega-mergers, and at a minimum require strong concrete commitments to ensure these deals truly benefit California consumers and our health system. We wonder why these mergers are necessary to begin with, and what specific benefits will come to patients?" said Anthony Wright, executive director of Health Access California, the statewide health care consumer advocacy coalition. "Aetna has its issues, including a high level of complaints, and at least one instance of going ahead with an unreasonable rate increase. California should make sure Aetna's problems don't get bigger as a result of the company growing larger."

Consumer advocates are urging that state regulators and policymakers scrutinize this deal and others that are pending to impose conditions to ensure protections for individual policyholders and for California's health system as a whole.

"As these insurers get bigger, Californians deserve assurances they will get better. While these mergers are in the interest of the insurers, there's little evidence that they actually benefit patients or our health system as a whole. Even if Aetna and Humana don't have overlapping markets in California, this merger offers no new choices to consumers, and means there's one less market entry possibility. " said Anthony Wright, executive director...
of Health Access California. "These insurance megamergers need to be heavily scrutinized by state regulators, to ensure these deals are in the best interest of patients and the public. Beyond the anti-trust and competition issues inherent in megamergers, regulators need to ensure that these deals actually benefit the health system on which we all rely," said Ma.

The DMHC public meeting is Monday, January 4th, from 1:30 pm – 3:30 pm at the 1500 Capitol Avenue, in Sacramento. The agenda can be found here: http://www.dmhc.ca.gov/Portals/0/AbouttheDMHC/pmA010415.pdf

Additional hearings are planned for the next few weeks by the Department of Insurance and the Department of Managed Health Care, on this merger as well as the pending HealthNet-Centene and Anthem-Cigna mergers.

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