



July 21, 2016

MADIGAN, JUSTICE DEPARTMENT & STATE ATTORNEYS GENERAL SUE TO BLOCK AETNA ACQUISITION OF HUMANA

Nationwide Lawsuit Challenges Consolidation in the Health Insurance Industry Over Competition Concerns that Would Harm Patients

Chicago — Attorney General Lisa Madigan today joined with the U.S. Department Justice (DOJ) and attorneys general from seven states and the District of Columbia in filing a lawsuit to block a proposed acquisition by Aetna Inc. of Humana Inc., alleging the transaction would increase concentration and harm competition across the country.

Madigan, DOJ and the other attorneys general filed the merger challenge in the U.S. District Court for the District of Columbia today. The lawsuit alleged that the merger – valued at \$37 billion – would substantially reduce Medicare Advantage competition in more than 350 counties in 21 states, including 35 counties in Illinois, 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.

“This proposed merger would substantially lessen competition for Medicare Advantage patients across the country, including tens of thousands of patients in Illinois,” Madigan said. “With fewer options, costs for Illinois residents will inevitably increase.”

Joining Madigan and DOJ in filing today’s lawsuit were attorneys general from: Delaware, the District of Columbia, Florida, Georgia, Iowa, Ohio, Pennsylvania and Virginia.

While the focus of Madigan’s office is on the competitive concerns related to Medicare Advantage, 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.

Aetna Inc. is headquartered in Hartford, Connecticut. It is the nation’s third-largest health insurer. It operates in every state and the District of Columbia, and provides health insurance to 23 million people. In 2015, Aetna reported \$60 billion in revenues.

Humana Inc. is headquartered in Louisville, Kentucky. It is the nation’s fifth-largest health insurer, operates in every state and the District of Columbia, and provides health insurance to 14 million people. In 2015, Humana reported \$54 billion in revenues.

Bureau Chief Robert Pratt is handling the case for Madigan’s Antitrust Bureau.

-30-

[Return to July 2016 Press Releases](#)

