May 18, 2017: Advocacy spotlight on Anthem ends pursuit of Cigna deal that threatened patient care

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A Delaware Chancery Court last week gave health insurer Cigna the OK to walk away from a proposed $54 billion merger with fellow insurance Goliath Anthem. Anthem had the option to appeal the decision but last Friday the company terminated its merger agreement with Cigna.

The termination of the merger "is a clear victory to preserve competition in the health insurance industry," said AMA President Andrew W. Gurman, MD. "To the detriment of patients, there is already far too little competition among insurers. Networks are already too narrow, and premiums are already too high. Competition, not consolidation, is the right prescription for health insurance markets.

"Following 21 months of advocacy before the U.S. Department of Justice, congressional committees, state attorneys general, insurance commissioners, and federal courts, the break-up of the Anthem-Cigna mega-merger deal shows again that when doctors join together, the best outcome for patients and doctors can be achieved," Dr. Gurman added.

The action concluded a successful campaign by the AMA and 17 state medical societies—on behalf of patients and physicians—to stop the Anthem-Cigna merger. In September 2015, soon after the merger was proposed, the AMA released *Competition in Health Insurance*, an annual analysis of insurance markets that showed nearly half of all states could see diminished competition in local health insurance markets if the Anthem-Cigna and Aetna-Humana mega-mergers were allowed to proceed.

That same month, AMA leaders testified before Congress regarding the mergers. They argued for more choices for patients for health care services and coverage, and for close scrutiny of the proposed mergers, respectively. Two months later, the AMA outlined detailed concerns with further market consolidation and urged the Department of Justice to block the proposed mergers.

Over the past year and a half, the AMA and its coalition of state medical societies worked tirelessly to protect patients and block the mergers. For more information on the steps taken by the AMA to maintain competition in the insurance marketplace, view a comprehensive timeline or read the AMA
Wire Special Series, "Protecting Health Insurance Competition."

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