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### As AMA members, you have had a say when it comes to costly insurance mergers.

- One of AMA's most important recent success was the blocking of the proposed mergers between Anthem-Cigna and Aetna-Humana.
- Two years ago, faced with the prospect of two more mega-mergers in an already highly consolidated market, the AMA took action.
- The AMA, with the help of 17 state medical association antitrust coalition partners from across the country, achieved two huge victories when federal trial court judges blocked these massive insurance company mergers: the \$37 billion Aetna-Humana merger and \$54 billion Anthem-Cigna merger.
- The AMA coalition included (medical associations, as noted above) leading economists, policy experts, attorneys general and physicians to fight these mergers.
- Last year, we published an analysis showing the Aetna/Humana deal would diminish competition in 15 states.
- We called upon the Department of Justice. We testified before Congress. We lobbied state officials around the country, building the case that patients – and doctors – are better served in a health care system that promotes open competition and choice.
- Due in large part to our advocacy, both mergers are now dead.
  - Federal judges specifically cited AMA arguments in their decisions to block the mergers earlier this spring, and all four large insurers have since abandoned their efforts.
- If the mergers had proceeded, there would have been further market consolidation and physicians would have had reduced bargaining power to negotiate fair contracts.
- What does this mean to you? Well, an independent assessment estimated the **Anthem-Cigna merger alone would have resulted in \$500 million in reduced physician payments annually.** And for our patients, it would have limited their choice of plans and likely raised their premiums.
  - At trial, Anthem's own expert stated that this mega-merger would have reduced provider payments, annually, by \$2.4 billion. According to an analysis provided to the AMA, this \$2.4 billion would have included physician payment cuts of at least \$500 million per year.
- **That** is physician leadership in action – and it resulted in a huge win for physicians and for our patients.
- In October, the AMA published a 2017 Update to *Competition in Health Care: A Comprehensive Study of U.S. Markets*, which presents 2016 data on the degree of competition in health insurance markets.
- The AMA study presents the most comprehensive data on the degree of competition in health insurance markets across the country, and is intended to help researchers, policymakers and regulators identify markets where consolidation among health insurers may cause anti-competitive harm to patients and the physicians who care for them.
- Key findings from the 2017 Update include:
  - A single insurer had at least a 50 percent market share in 43% of metropolitan areas. This was up from 40% in 2014.
  - Anthem was the largest health insurer by market share in 82 of 389 metropolitan areas – more than any other insurer.