



Comments on Aetna's Proposed Acquisition of Humana

Sarah Gentry, MSW
Policy Director
Missouri Health Care for All

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Professional Registration

Mary S. Erickson, Hearing Officer
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Dear Ms. Erickson:

Thank you for the opportunity to provide written comments. My name is Sarah Gentry and I am the Policy Director for Missouri Health Care for All. We are a non-partisan organization of faith and community groups who believe all Missourians deserve access to quality and affordable health care.

I write on behalf of 13,000 consumers to express concern about the proposed Aetna-Humana merger. Our members are citizens who work hard in our communities and face ever-increasing health care costs and shrinking benefits.

The health insurance market in Missouri is already dominated by a few health insurers and is highly concentrated in many local markets, which warrants close scrutiny of any proposed new mergers. This merger could further threaten meaningful competition. Insurers that do not face meaningful competition will likely be less inclined to improve quality and less likely to try to reduce costs for consumers. Instead, they often use their market power to raise premiums, lower quality of care, and block entry by other firms.

Missouri ranks 4th among states in having the biggest drop in commercial health insurance competition since 2010. An Aetna-Humana company would control 54% of the market share in Medicare Advantage, 33.2% market share of the individual Medicare Part D market, and 21.7% market share in the fully insured employer group market.

It is very important for consumers and taxpayers that the health insurance market have robust competition. Mergers among health insurers lead to less competition, which results in increased premiums. Studies show that when insurers merge, there is almost always an increase in premiums. Missouri's Marketplace insurance premiums have already risen an average of 24% between 2014-2016, compared to 6% nationwide. Missouri's consumers cannot afford to pay more for already high-priced health insurance coverage.

For these reasons we oppose this merger. Thank you for your time and consideration.