



Divestitures Will Not Maintain Competition in Medicare Advantage

By Topher Spiro, Maura Calsyn, and Meghan O'Toole

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The Center for American Progress recently released an analysis of the proposed merger between Aetna Inc. and Humana Inc. and its effects on the Medicare Advantage market.¹ The analysis—of individual-only plans—found that current competition between Aetna and Humana in the Medicare Advantage market keeps individual plan premiums lower in counties where both providers offer plans than in counties where they do not compete.^a Therefore, if the merger goes through and this competition disappears, consequences most likely would include higher premiums for seniors, increased consolidation in already highly concentrated insurance markets, and higher costs for the Medicare program and taxpayers.

We also argued that proponents of the merger make claims that do not stand up under close scrutiny and do not provide sufficient assurances of consumer protections—particularly in the case of divestitures and competition between traditional Medicare and Medicare Advantage. Divestitures are the sale by one or both of the merging parties of business in specified markets to other insurers in order to maintain competition. Divestitures would not remedy the problems this merger poses because they would be required on a much greater scale than for previous mergers, and the concentration in the Medicare Advantage market may mean that viable competitors to divest to do not exist. More importantly, divestitures would do nothing to preserve the possibility of future competition in markets where Aetna and Humana do not currently compete. Additionally, traditional Medicare is not a competitor for Medicare Advantage, as many seniors are unable to switch easily from Medicare Advantage to Medicare and maintain the same level of coverage and affordability.²

^aWe used the Centers for Medicare & Medicaid Services Landscape Source Files for 2008 to 2015, which list the nonsanctioned Medicare Advantage plans and their monthly premiums, to conduct our original analysis. These files do not include employer-sponsored plans; therefore, our analysis is restricted to the overlap and the effect of competition on premiums among individual Medicare Advantage plans. We showed how significant the overlap is just for individual plans in Medicare Advantage.

New analyses by The Capitol Forum and the Center for American Progress have shed further light on the divestitures in Medicare Advantage plans that were required as part of the 2012 merger between Humana Inc. and Arcadian Management Services Inc. These analyses provide additional support for CAP’s earlier arguments and show that the divestitures in the previous merger failed to restore competition and that seniors paid higher premiums for the divested plans. The acquiring partners exited more than half of the affected counties by 2015, only 2 of the 15 divested plans are offered today, and premiums increased for more than half of the divested plans by 44 percent, on average. These results predict that divestitures in the proposed Aetna-Humana merger also would fail to be successful in maintaining competition and protecting seniors.

Divestitures are unsuccessful in preserving competition

Experts have widely speculated that if the Department of Justice, or DOJ, approves the proposed Aetna-Humana merger, it will be on the condition that the companies divest in markets, possibly hundreds of them, where the resulting market concentration would be too high and the power of the combined company too great.³ According to DOJ:

Divestiture assets must be substantial enough to enable the purchaser to effectively preserve competition, and should be sufficiently comprehensive that the purchaser will use them in the relevant market and be unlikely to liquidate or redeploy them. Moreover, the purchaser should have the ability to compete effectively in the relevant market.⁴

DOJ approved a merger in 2012 between two Medicare Advantage insurers—Humana and Arcadian—on the condition of divestitures.⁵ However, a recent study from The Capitol Forum showed that these divestitures were largely unsuccessful in preserving competition and that the acquiring insurers did, in fact, liquidate most plans.⁶ Given that any DOJ approval of the proposed Aetna-Humana merger would most certainly require divestitures on an even larger scale, this study raises serious questions about whether future divestitures would be similarly unsuccessful.⁷

DOJ required Humana and Arcadian to divest 15 plans that enrolled about 12,700 Medicare Advantage members across 51 counties in 5 states.⁸ The two insurers sold the plans to three acquirers—Cigna, Vantage Health Plan Inc., and WellCare Health Plans Inc.—who were each approved by DOJ to be “a long-term viable competitor capable of preserving competition in the relevant markets.”⁹ Yet most counties lost long-term viable competition from the acquirers and also experienced premium increases for the relevant Medicare Advantage plans.

Lack of long-term competition

The divestitures in most of the affected counties have not been successful remedies to the increased concentration that has resulted from the Humana-Arcadian merger in Medicare Advantage. CAP analyzed the divested plans and found that only 2 of the 15 divested plans are still offered today. For two of these canceled plans, the insurers do offer different plans in at least some of the affected counties. The canceled plans also were only offered for an average of 1.5 years after divestiture in 2012.¹⁰ Therefore, real competition was short lived in these markets.

The Capitol Forum also conducted an examination of the affected markets and each acquiring insurer's Medicare Advantage enrollment in the counties. Of the three buyers in the Humana-Arcadian deal, only Vantage Health Plan has proven to be a successful competitor. Vantage—a Louisiana-based insurer—acquired Arcadian's Medicare Advantage business in 12 Louisiana parishes, and it continues to offer plans and compete today with Humana in those markets.¹¹

The other two buyers were much less effective. WellCare purchased Arcadian's Medicare Advantage business—covering about 4,000 members—in two counties in Arizona at the beginning of 2013. At the time, WellCare appeared to be a strong buyer, as it focuses on government managed care and was offering Medicare Advantage plans in 12 states.¹² However, WellCare's membership in both counties quickly declined, shrinking 62.5 percent in Yavapai County and almost 50 percent in Mohave County in less than two years.¹³ Consequently, WellCare exited both counties by January 2015. In turn, Humana's Medicare Advantage membership increased in the two counties by about 35 percent, and the number of Medicare Advantage plan choices for consumers decreased.¹⁴

Cigna, the third buyer, was financially strong and offered Medicare Advantage plans in 13 states in 2012. However, the insurer faced a fate similar to WellCare's and has exited more than half of its acquired markets.¹⁵ According to The Capitol Forum, Cigna has proven to be a long-term, viable competitor in a minority of the markets—only 13 of 32 counties—in which it acquired members from Humana and Arcadian. These exits occurred quickly, with Cigna exiting six counties by January 2014. Like in Arizona, Humana increased its Medicare Advantage membership in many of the counties that Cigna exited, and seniors have more limited choices. For example, seniors in six affected counties in Arkansas currently only have the choice between two Medicare Advantage insurers—Humana and UnitedHealthcare.¹⁶

As The Capitol Forum notes, declines in Cigna's and WellCare's membership, and the insurers' resulting market exits, are surprising because of the recent robust growth in Medicare Advantage enrollment and interest by insurers in expanding their Medicare Advantage business.¹⁷ Cigna's and WellCare's failures underscore the significant barriers to entry in health insurance markets, which threaten the likelihood that divestitures will maintain competition—even for experienced insurers in a growing market.

Premium increases

In the Humana-Arcadian deal, the acquirers not only exited most of the divested markets, but they also often raised premiums for the divested plans in the short time that they stayed. CAP analyzed each of the divested plans to see how their premiums changed in the years following divestiture; each plan is shown in Tables 1 and 2.¹⁸ There were 15 total plans divested in 2012, and 9 of them had premium increases over the year or years following divestiture. Of these plans, the average monthly premium increased from \$28.56 in 2012 to \$41 in the last year that the plan was offered—an increase of 44 percent. This means that, on average, seniors were paying almost \$100 more per year for their plans.¹⁹ This increase was much higher than the change in annual medical inflation, which averaged 2.8 percent per year from 2012 to 2015.²⁰

Conclusion

The Medicare Advantage market is already highly concentrated, and the large number of overlapping markets in the proposed Aetna-Humana merger threatens to increase this consolidation even further. Divestitures will be insufficient to protect Medicare Advantage beneficiaries, taxpayers, and the Medicare program. Past mergers demonstrate that they are an ineffective tool to preserve competition in Medicare Advantage markets. First, the acquirers of divested plans have left most of the affected counties, often within a very short time period. Second, premiums increased in the majority of plans. When reviewing the proposed merger, the Department of Justice should ask itself why divestitures would be a successful remedy in this case when they have so clearly failed in the past.

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TABLE 1
Divested plans by county in the Humana-Arcadian merger

Year	Plan name	Contract ID	Plan ID	Parent organization	Monthly premium
Longview-Marshall area, Texas					
Gregg and Harrison counties					
2010	Texas Community Care - Plus (HMO)	H4529	30	Arcadian Management Services Inc.	\$0
2012	Texas Community Care - Plus (HMO)	H4529	30	Humana Inc.	\$0
2013	Texas Community Care - Plus (HMO)	H7811	2	Cigna	\$0
2014	Cigna-HealthSpring Preferred (HMO)	H7811	2	Cigna	\$26
2015	Cigna-HealthSpring Preferred (HMO)	H7811	2	Cigna	\$20
Outcome: Cigna increased premiums and left the markets by 2016.					
Henderson County					
2010	Texas Community Care - Plus (HMO)	H4529	30	Arcadian Management Services Inc.	\$0
2012	Texas Community Care - Plus (HMO)	H4529	30	Humana Inc.	\$0
2013	Texas Community Care - Plus (HMO)	H7811	2	Cigna	\$0
2014	Cigna-HealthSpring Preferred (HMO)	H7811	2	Cigna	\$26
2015	Cigna-HealthSpring Preferred (HMO)	H7811	2	Cigna	\$20
Outcome: Cigna increased premiums and offered this plan until 2015. As of 2016, Cigna offers other plans in the county.					
Amarillo area, Texas					
Armstrong, Carson, Deaf Smith, Oldham, Potter, and Randall counties					
2010	Texas Community Care - Plus (HMO)	H4529	27	Arcadian Management Services Inc.	\$0
2012	Texas Community Care - Plus (HMO)	H4529	27	Humana Inc.	\$20
2013	Texas Community Care - Plus (HMO)	H7811	1	Cigna	\$23
2014	Cigna-HealthSpring Preferred (HMO)	H7811	1	Cigna	\$25
Outcome: Cigna increased premiums and left the markets.					
Eastern Oklahoma area					
Adair, Delaware, McCurtain, Ottawa, and Pushmataha counties					
2012	Arcadian Health Plan - Plus (HMO)	H4125	1	Humana Inc.	\$0
2013	Arcadian Health Plan - Plus (HMO)	H4125	1	Cigna	\$0
2014	Cigna-HealthSpring Preferred (HMO)	H4125	1	Cigna	\$26
Outcome: Cigna increased premiums and left the markets.					
Haskell, Le Flore, and Sequoyah counties					
2008	Arcadian Health Plan-Plus (OK/Fort Smith)	H4125	1	Arcadian Management Services Inc.	\$0
2009	Arcadian Health Plan-Plus (OK/Fort Smith)	H4125	1	Arcadian Management Services Inc.	\$0
2010	Arcadian Health Plan - Plus (HMO)	H4125	1	Arcadian Management Services Inc.	\$0
2012	Arcadian Health Plan - Plus (HMO)	H4125	1	Humana Inc.	\$0
2013	Arcadian Health Plan - Plus (HMO)	H4125	1	Cigna	\$0
2014	Cigna-HealthSpring Preferred (HMO)	H4125	1	Cigna	\$26
Outcome: Cigna increased premiums and left the markets.					

Year	Plan name	Contract ID	Plan ID	Parent organization	Monthly premium
Shreveport area, Louisiana					
Bienville, Bossier, Caddo, Claiborne, De Soto, Red River, and Webster parishes					
2008	Arcadian Com. Care-Plus (Shreveport/Monroe)	H7179	2	Arcadian Management Services Inc.	\$0
2012	Arcadian Community Care - Plus (HMO)	H7179	2	Humana Inc.	\$0
2013	Arcadian Community Care - Plus (HMO)	H2911	1	Vantage Health Plan Inc.	\$0
2014	Community Care - Plus (HMO-POS)	H2911	1	Vantage Holdings Inc.	\$0
Outcome: This plan ended after 2014, but Vantage offers other plans, which are typically more expensive.					
Lake Charles area, Louisiana					
Allen, Beauregard, Calcasieu, Cameron, and Jefferson Davis parishes					
2012	Arcadian Community Care - Plus (HMO)	H7179	2	Humana Inc.	\$0
2013	Arcadian Community Care - Plus (HMO)	H2911	1	Vantage Health Plan Inc.	\$0
2014	Community Care - Plus (HMO-POS)	H2911	1	Vantage Holdings Inc.	\$0
Outcome: This plan ended after 2014, but Vantage offers other plans, which are typically more expensive.					
Fort Smith area, Arkansas					
Conway, Crawford, Franklin, Johnson, Logan, Pope, Scott, Sebastian, and Yell counties					
2008	Arkansas Comm. Care - Plus (Fort Smith)	H5700	9	Arcadian Management Services Inc.	\$0
2009	Arkansas Comm. Care - Plus (Fort Smith)	H5700	9	Arcadian Management Services Inc.	\$0
2010	Arkansas Community Care - Plus (HMO)	H5700	9	Arcadian Management Services Inc.	\$0
2012	Arkansas Community Care - Plus (HMO)	H5700	9	Humana Inc.	\$0
2013	Arkansas Community Care - Plus (HMO)	H6972	1	Cigna	\$18
2014	Cigna-HealthSpring Preferred (HMO)	H6972	1	Cigna	\$0
2015	Cigna-HealthSpring Preferred (HMO)	H6972	1	Cigna	\$0
2016	Cigna-HealthSpring Preferred (HMO)	H6972	1	Cigna	\$0
Outcome: Cigna remains in the markets.					
Arizona					
Mohave County					
2009	Desert Canyon Community Care-Plus	H0320	5	Arcadian Management Services Inc.	\$0
2010	Desert Canyon Community Care-Plus	H0320	5	Arcadian Management Services Inc.	\$0
2012	Desert Canyon Community Care-Plus	H0320	5	Humana Inc.	\$20
2013	Desert Canyon Community Care-Plus	H0320	5	WellCare Health Plans Inc.	\$29
Outcome: Premiums increased, and WellCare left the county.					
Mohave County					
2014	WellCare Value (HMO)	H0320	6	WellCare Health Plans Inc.	\$31
Outcome: WellCare left the market; previously, Arcadian was not offering this plan in the county.					

Year	Plan name	Contract ID	Plan ID	Parent organization	Monthly premium
Yavapai County					
2009	Desert Canyon Comm. Care-Plus	H0320	6	Arcadian Management Services Inc.	\$0
2010	Desert Canyon Community Care-Plus (HMO)	H0320	6	Arcadian Management Services Inc.	\$0
2012	Desert Canyon Community Care-Plus (HMO)	H0320	6	Humana Inc.	\$0
2013	Desert Canyon Community Care-Plus (HMO)	H0320	6	WellCare Health Plans Inc.	\$0
2014	WellCare Value (HMO)	H0320	6	WellCare Health Plans Inc.	\$31
Outcome: Premiums increased, and WellCare left the market.					
Texarkana area—Arkansas and Texas					
Columbia, Hempstead, Little River, Nevada, and Sevier counties					
2012	Humana Gold Choice H2944-013 (PFFS)	H2944	13	Humana Inc.	\$69
2013	Humana Gold Choice H1266-001 (PFFS)	H1266	1	Cigna	\$72
Outcome: Cigna increased premiums and left the markets.					
Columbia, Hempstead, Little River, Nevada, and Sevier counties					
2011	Humana Gold Choice H2944-197 (PFFS)	H2944	197	Humana Inc.	\$0
2012	Humana Gold Choice H2944-197 (PFFS)	H2944	197	Humana Inc.	\$0
2013	Humana Gold Choice H1266-002 (PFFS)	H1266	2	Cigna	\$0
Outcome: Cigna left the markets.					
Columbia, Hempstead, Little River, Nevada, and Sevier counties					
2012	Humana Gold Choice H2944-204 (PFFS)	H2944	204	Humana Inc.	\$49
2013	Humana Gold Choice H1266-003 (PFFS)	H1266	3	Cigna	\$52
Outcome: Cigna increased premiums and left the markets.					
Miller County, Arkansas					
2011	HumanaChoice H4520-006 (PPO)	H4520	6	Humana Inc.	\$58
2012	HumanaChoice H4520-006 (PPO)	H4520	6	Humana Inc.	\$49
2013	HumanaChoice H2676-001 (PPO)	H2676	1	Cigna	\$32
2014	Cigna-HealthSpring Preferred (PPO)	H2676	1	Cigna	\$26
2015	Cigna-HealthSpring Preferred (PPO)	H2676	1	Cigna	\$37.50
2016	Cigna-HealthSpring Preferred (PPO)	H2676	1	Cigna	\$37.50
Outcome: Cigna remains in the market.					
Howard County, Arkansas					
2010	HumanaChoice H7188-003 (PPO)	H7188	3	Humana Inc.	\$47
2011	HumanaChoice H7188-003 (PPO)	H7188	3	Humana Inc.	\$66
2012	HumanaChoice H7188-003 (PPO)	H7188	3	Humana Inc.	\$66
2013	HumanaChoice H4871-001 (PPO)	H4871	1	Cigna	\$69
2014	Cigna-HealthSpring Preferred (PPO)	H4871	1	Cigna	\$48
Outcome: Cigna increased premiums and left the county.					
Howard County, Arkansas					
2012	HumanaChoice H7188-006 (PPO)	H7188	6	Humana Inc.	\$39
2013	HumanaChoice H4871-002 (PPO)	H4871	2	Cigna	\$42
Outcome: Premiums increased, and Cigna left the market.					

Year	Plan name	Contract ID	Plan ID	Parent organization	Monthly premium
Howard and Lafayette counties, Arkansas					
2011	Humana Gold Choice H8145-120 (PFFS)	H8145	120	Humana Inc.	\$0
2012	Humana Gold Choice H8145-120 (PFFS)	H8145	120	Humana Inc.	\$0
2013	Humana Gold Choice H2038-001 (PFFS)	H2038	1	Cigna	\$0
Outcome: Cigna left the markets.					
Howard and Lafayette counties, Arkansas					
2011	Humana Gold Choice H8145-122 (PFFS)	H8145	122	Humana Inc.	\$57
2012	Humana Gold Choice H8145-122 (PFFS)	H8145	122	Humana Inc.	\$60
2013	Humana Gold Choice H2038-002 (PFFS)	H2038	2	Cigna	\$72
Outcome: Cigna increased premiums and left the markets.					
Bowie, Cass, and Titus counties, Texas					
2011	HumanaChoice H4520-006 (PPO)	H4520	6	Humana Inc.	\$58
2012	HumanaChoice H4520-006 (PPO)	H4520	6	Humana Inc.	\$49
2013	HumanaChoice H2676-001 (PPO)	H2676	1	Cigna	\$32
2014	Cigna-HealthSpring Preferred (PPO)	H2676	1	Cigna	\$26
2015	Cigna-HealthSpring Preferred (PPO)	H2676	1	Cigna	\$37.50
2016	Cigna-HealthSpring Preferred (PPO)	H2676	1	Cigna	\$37.50
Outcome: Cigna remains in the markets.					

Note: This table lists plan names as they appear in the Centers for Medicare & Medicaid Services data files. The Center for American Progress tracked each individual plan by year based on the plan names and contract identification numbers found in the Department of Justice's final judgment.

Sources: Authors' analysis is based on United States of America v. Humana Inc. and Arcadian Management Services, Inc., U.S. Department of Justice Final Judgment, September 21, 2012, available at <http://www.justice.gov/atr/case-document/file/499026/download>; Centers for Medicare & Medicaid Services, "2008–2016 MA Landscape Source Files," available at <https://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovGenin/> (last accessed February 2016); Centers for Medicare & Medicaid Services, "2008–2016 Monthly Enrollment by Contract/Plan/State/County," available at <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/MCRAAdvPartDENrolData/Monthly-Enrollment-by-Contract-Plan-State-County.html> (last accessed February 2016).

TABLE 2
Outcomes of divested plans in the Humana-Arcadian merger

Contract ID	Plan ID	Outcome
H4529	27	Cigna increased premiums and left the markets.
H4529	30	Cigna increased premiums and left all counties except one.
H4125	1	Cigna increased premiums and left the markets.
H0320	5	WellCare increased premiums and left the county.
H0320	6	WellCare increased premiums and left the counties.
H7179	2	Vantage offers other plans in the counties, which are typically more expensive.
H5700	9	Cigna remains in the markets.
H2944	13	Cigna increased premiums and left the markets.
H2944	197	Cigna exited the counties.
H2944	204	Cigna increased premiums and left the counties.
H4520	6	Cigna remains in the markets.
H7188	3	Cigna left the county.
H7188	6	Cigna increased premiums and left the county.
H8145	120	Cigna left the markets.
H8145	122	Cigna increased premiums and exited the markets.

Sources: Authors' analysis is based on United States of America v. Humana Inc. and Arcadian Management Services, Inc., U.S. Department of Justice Final Judgment, September 21, 2012, available at <http://www.justice.gov/atr/case-document/file/499026/download>; Centers for Medicare & Medicaid Services, "2008–2016 MA Landscape Source Files," available at <https://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovGenin/> (last accessed February 2016); Centers for Medicare & Medicaid Services, "2008–2016 Monthly Enrollment by Contract/Plan/State/County," available at <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/MCRAdvPartDenrolData/Monthly-Enrollment-by-Contract-Plan-State-County.html> (last accessed February 2016).

Endnotes

- 1 Topher Spiro, Maura Calsyn, and Meghan O'Toole, "Bigger Is Not Better: Proposed Insurer Mergers Are Likely to Harm Consumers and Taxpayers" (Washington: Center for American Progress, 2016), available at <https://www.americanprogress.org/issues/healthcare/report/2016/01/21/129099/bigger-is-not-better/>.
- 2 Medicare.gov, "Guaranteed issue rights," available at <https://www.medicare.gov/supplement-other-insurance/when-can-i-buy-medigap/guaranteed-issue-rights-scenarios.html> (last accessed March 2016).
- 3 The Capitol Forum, "Aetna/Humana: A Closer Look at DOJ's Most Recent Medicare Advantage Merger Enforcement Action—Substantial Member Losses, Rapid Market Exits, CMS Sanctions Raise Questions about Divestiture Solutions' Viability" (2016), available at <https://thecapitolforum.com/wp-content/uploads/2013/12/Aetna-Humana-2016.02.03.pdf>.
- 4 U.S. Department of Justice Antitrust Division, *Antitrust Division Policy Guide to Merger Remedies* (2011), available at <http://www.justice.gov/sites/default/files/atr/legacy/2011/06/17/272350.pdf>.
- 5 U.S. District Court for the District of Columbia, "Competitive Impact Statement, United States of America v. Humana Inc. and Arcadian Management Services, Inc.," March 27, 2012, available at <http://www.justice.gov/atr/case-document/file/499056/download>. The Department of Justice also required divestitures in Medicare Advantage plans in two counties under the UnitedHealth-Sierra merger in 2008, but those divestitures were much smaller in scale than the Humana-Arcadian merger and the proposed Aetna-Humana merger. In the two counties, Humana was the acquiring insurer and still offers plans in the markets. See U.S. Department of Justice, "Justice Department Requires Divestiture in UnitedHealth Group's Acquisition of Sierra Health Services," Press release, February 25, 2008, available at https://www.justice.gov/archive/atr/public/press_releases/2008/230445.htm.
- 6 The Capitol Forum, "Aetna/Humana: A Closer Look at DOJ's Most Recent Medicare Advantage Merger Enforcement Action."
- 7 Letter from Melinda Hatton to William Baer and Sylvia Burwell, September 1, 2015, available at <http://www.aha.org/advocacy-issues/letter/2015/150901-let-hatton-burwell-baer.pdf>.
- 8 U.S. District Court for the District of Columbia, "United States of America v. Humana Inc. and Arcadian Management Services, Inc."
- 9 The Capitol Forum, "Aetna/Humana: A Closer Look at DOJ's Most Recent Medicare Advantage Merger Enforcement Action."
- 10 CAP analysis of Centers for Medicare & Medicaid Services, "2008-2016 MA Landscape Source Files," available at <https://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovGenin/> (last accessed February 2016); Centers for Medicare & Medicaid Services, "2008-2016 Monthly Enrollment by Contract/Plan/State/County," available at <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/MCRAdvPart-DEnrolData/Monthly-Enrollment-by-Contract-Plan-State-County.html> (last accessed February 2016); U.S. Department of Justice, "Final Judgment, United States of America v. Humana Inc. and Arcadian Management Services, Inc.," September 21, 2012, available at <http://www.justice.gov/atr/case-document/file/499026/download>.
- 11 The Capitol Forum, "Aetna/Humana: A Closer Look at DOJ's Most Recent Medicare Advantage Merger Enforcement Action."
- 12 Ibid.
- 13 Ibid.
- 14 Ibid.
- 15 Ibid.
- 16 Ibid.
- 17 Ibid.
- 18 DOJ's judgment allowed the acquirers to use the Humana and Arcadian brands for a limited amount of time to be able to compete effectively, after which many of the plans changed names and contract and plan identification numbers. See U.S. Department of Justice, "Final Judgment, United States of America v. Humana Inc. and Arcadian Management Services, Inc." As shown in Table 1, CAP tracked each individual plan based on the plan names and contract identification numbers.
- 19 CAP analysis of Centers for Medicare & Medicaid Services, "2008-2016 MA Landscape Source Files"; Centers for Medicare & Medicaid Services, "2008-2016 Monthly Enrollment by Contract/Plan/State/County"; U.S. Department of Justice, "Final Judgment, United States of America v. Humana Inc. and Arcadian Management Services, Inc."
- 20 Federal Reserve Bank of St. Louis, "Consumer Price Index for All Urban Consumers: Medical Care," available at <https://research.stlouisfed.org/fred2/series/CPIMEDSL#> (last accessed March 2016).