

In their words...

Colorado physicians are concerned about the impact that proposed mega-mergers between Anthem and Cigna and Aetna and Humana may have on their patients and their practice. The following open-ended responses to the CMS physician poll on mergers underscores the depth of that concern.

"In short, the industry already uses every tiny advantage to sabotage clean claim payments to physicians and limit patient access to promised benefits. Limiting the competition between insurers with giant mergers will only worsen this crisis."

"Commercial payers have been really aggressive in their negotiations especially if we want to be part of narrow network plans. They are using outdated and unrelated data to unfairly exclude some practitioners."

"[I] have the unfortunate meetings with insurers suggesting changing my quality of care to substandard."

"How do you work with an 800-pound gorilla that doesn't care?"

"All [of] the market concentration has made it impossible to negotiate with insurance companies. The end result was that I went unpaid for two years while our practice failed..."

"The insurance industry holds all the negotiating cards – only a handful of companies are negotiating with hundreds of thousands of physician practices... Reducing the number of companies only compounds this."

"Denials of care for our recommendations is the most pressing problem that we have as a practice. Patients are denied their rightful care and are left without options."

"Any merger in the health care field reduces competition and further reduces care that physicians can provide due to lower revenue per patient forcing more patients to be seen due to lack of competition."



COMPAC

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**Colorado Medical
Political Action
Committee**

Call 720-858-6327, 800-654-5653, ext. 6327, or
e-mail susan_koontz@cms.org

DATAGRAPHIC

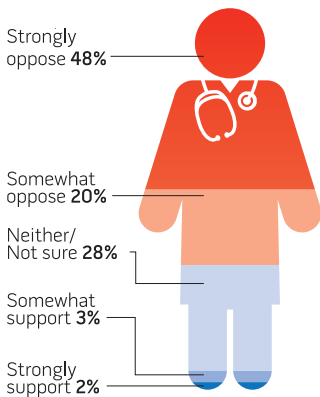
Physician Opinions on Health Plan Mergers

Mega-health plan mergers are in the works and Colorado physicians are worried about what impact the proposed mergers of Anthem-CIGNA and Aetna-Humana will mean for health care in the state. The Colorado Medical Society recently conducted an online survey of its members to discern their perspectives on these deals and the findings are striking. Results show pronounced concerns about adverse impacts on the viability of physician practices (especially small, office-based practices), decreased access to care and degraded physician-patient relationships. These data may prove pivotal as state and federal regulators evaluate whether or not to approve the proposed mergers.

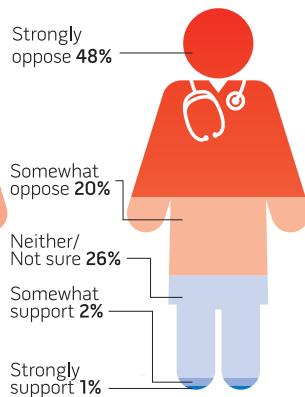
SHOULD THE MERGERS GO THROUGH?

Do Colorado physicians support or oppose regulators allowing these key mergers to proceed?

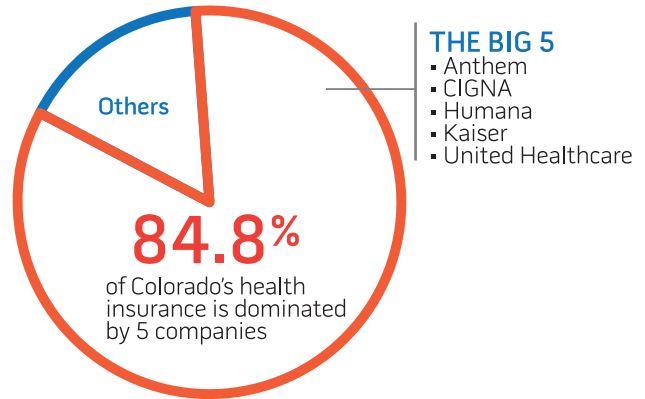
Anthem-CIGNA Merger:



Aetna-Humana Merger:



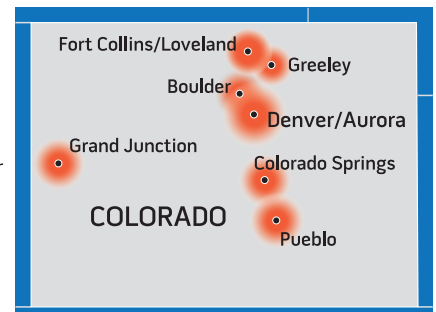
HEALTH PLAN DOMINANCE IN COLORADO



Source: Baumgarten, A. Colorado Health Market Review, 2015

WHAT MARKETS WOULD BE IMPACTED MOST?

In these major Colorado metro areas, proposed insurance mergers would be presumed likely to enhance market power or raise significant competitive concerns.

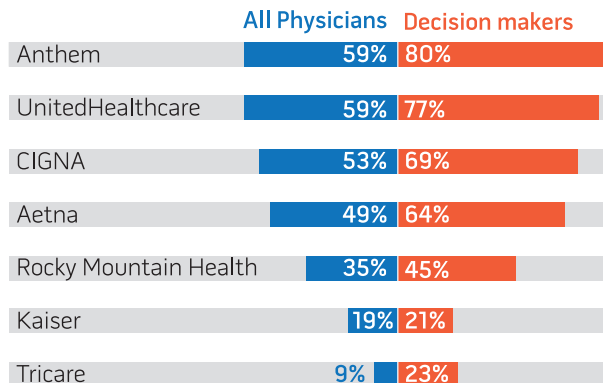


Source: American Medical Association analysis of data from the 2015 update to *Competition in Health Insurance*.

Limited Options for Viability

MEGA MARKET POWER

Do you feel that you must contract with one or more of the following commercial insurers in order to have a financially-viable practice?

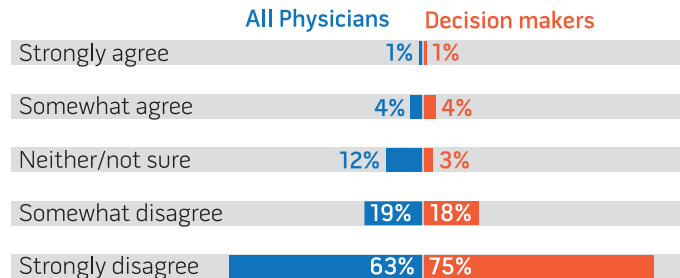


Note: Humana was inadvertently omitted from this list

NOT REPLACEABLE WITH MEDICARE/MEDICAID

If you are unhappy with fees from an insurer, you can choose to turn away from that insurer and compensate for the lost revenue by treating more Medicare and Medicaid patients.

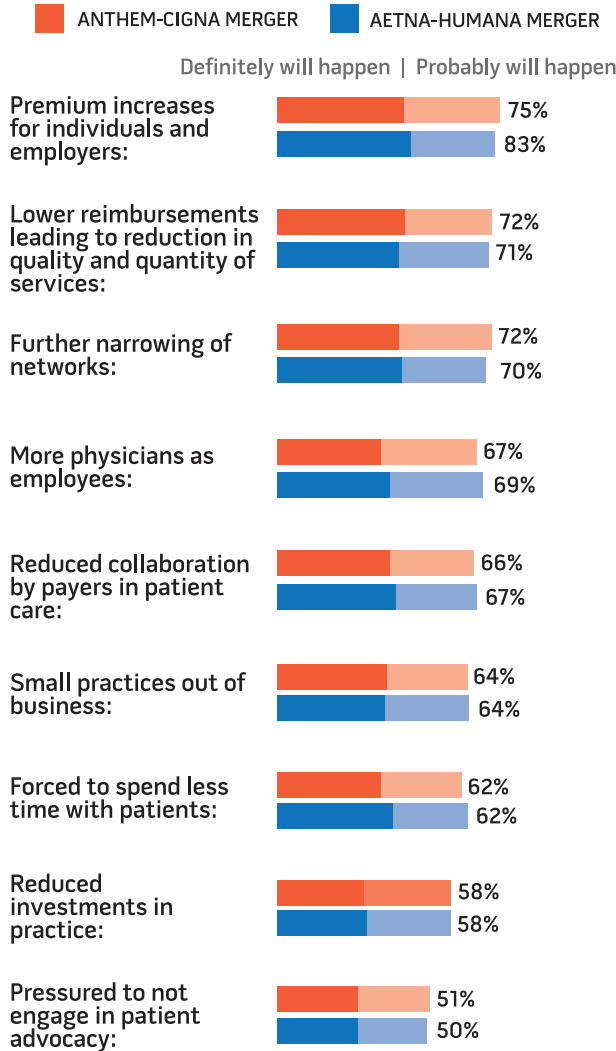
Do you agree or disagree with the above statement?



What Might Happen?

EXPECTATIONS FOR MERGERS

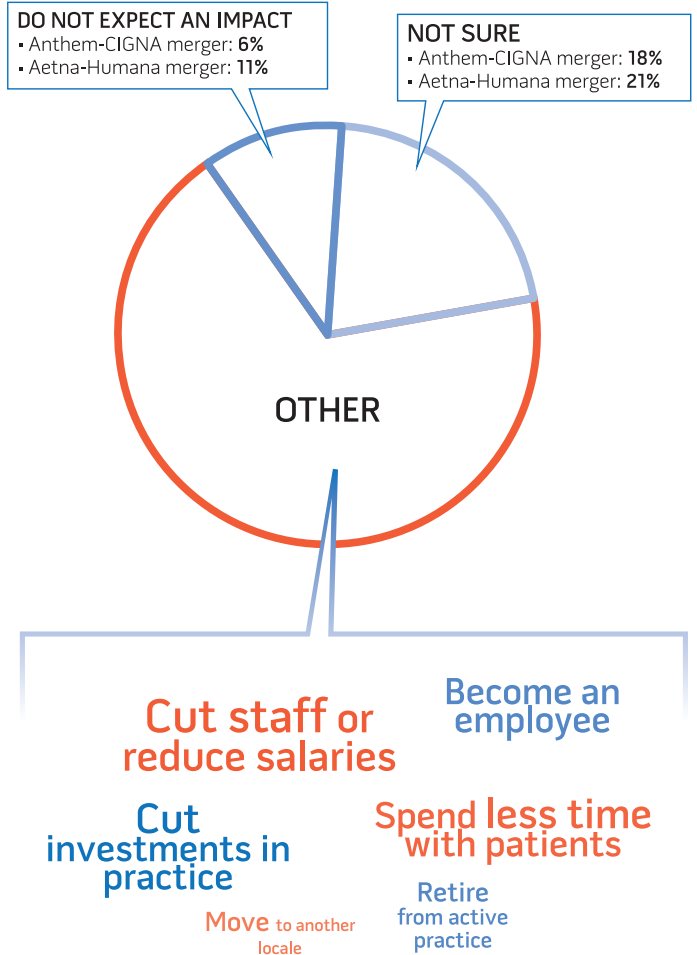
How likely do you think it is that the following will occur if the insurance merger is approved?



IMPACT IF EXCLUDED FROM MERGED ENTITY

What, if anything, would you do if (Aetna and Humana merged)/(Anthem and CIGNA merged) and you did not continue to have a contract with the merged health plan?

Decision makers only



Lessons from the Past

Two-thirds of Colorado Medical Society members were in active practice at the time of the UnitedHealth-PacifiCare merger in 2005; 82% of Decision Makers were in active practice at the time.

IF IN ACTIVE PRACTICE AT TIME OF MERGER

On balance, have your interactions with United Health since the merger convinced you that...

- A) The merger was a good idea and it was correct for regulators to approve it.
- B) The merger was a bad idea and regulators should not have approved it?
- C) Not sure

Decision makers

