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**Information for NH Residents on the Proposed Anthem-Cigna Merger**

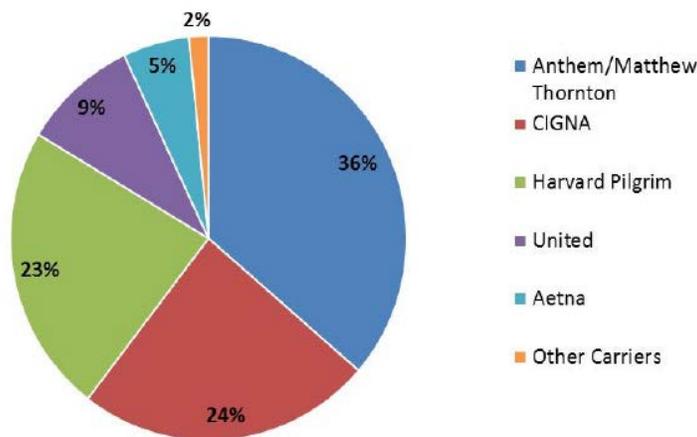
NH Insurance Department Reviewing Plan in Coordination with Other States, Federal Government

**CONCORD, NH** – The New Hampshire Insurance Department is working closely with other states and with the federal government to review the proposed merger between health insurance companies Anthem and Cigna.

The acquisition of Cigna by Anthem represents a combination of the two top commercial providers of health benefits in the state. As the primary regulator of the insurance industry in New Hampshire, the Insurance Department is playing an active role in reviewing the financial aspect of the proposed merger and will closely examine the potential effects on market competitiveness in the state. This process will include an opportunity for New Hampshire residents to voice their opinions.

The New Hampshire Insurance Department has authority under its holding company law, RSA chapter 401-B, to review acquisitions that involve insurance companies domiciled or licensed in the state. An insurance company is said to be “domiciled” in the state in which an insurer is licensed (and chartered) to operate under that state’s individual statutes and regulations. The review process will involve both a financial review of the proposed transaction and a review of the proposed merger’s effects on health insurance markets in the state. The financial review will focus on Cigna HealthCare of New Hampshire, Inc., a small subsidiary of Cigna domiciled in the state, and on Anthem, Inc., the parent company based in Indiana. The markets review will focus more broadly on all the health insurance coverage Cigna and Anthem offer in New Hampshire.

Looking at the potential anti-competitive effects of the merger will be a crucial part of the Insurance Department’s review process. According to the most recent analysis of New Hampshire health markets,



the two companies involved in the merger are also the two largest companies involved in health coverage in the state; when both fully-insured and self-funded employer health coverage are included, Anthem accounts for 36% of the market and Cigna for 24%. The Insurance Department has retained the services of an economist to help with the analysis of market impacts.

Image: Gorman Actuarial

Market share of health insurance companies in New Hampshire in 2014.

More information:

[http://www.nh.gov/insurance/lah/documents/2015\\_nh\\_id\\_annual\\_hearing\\_presentation\\_on\\_2014\\_cost\\_drivers.pdf](http://www.nh.gov/insurance/lah/documents/2015_nh_id_annual_hearing_presentation_on_2014_cost_drivers.pdf)

The New Hampshire Insurance Department will coordinate with other states, which have approval authority under their own laws, and with the U.S. Department of Justice, which also looks at the market effects of mergers. This large-scale review will take place over the coming year.

In New Hampshire, part of this process will include a public hearing, in which residents and other interested parties will have the opportunity to comment. Once a hearing has been scheduled, the Department will notify the public at least 15 days in advance.

The Insurance Department is accepting public comment. Emailed comments should be sent to [Requests@ins.nh.gov](mailto:Requests@ins.nh.gov). Written comments should be mailed to the New Hampshire Insurance Department, 21 South Fruit Street, Suite 14, Concord, NH, 03301, with "ATTN: ANTHEM-CIGNA MERGER."

The Department will be closely scrutinizing whether this proposed merger would have negative effects on policyholders and whether it would hurt competition in the New Hampshire health insurance marketplace. Under state law, the merger cannot be approved if it will have significant anti-competitive effects, unless those effects will be offset by substantial benefits to the markets and/or New Hampshire consumers.

#### **The New Hampshire Insurance Department Can Help**

Contact us with any questions or concerns you may have regarding your insurance coverage at 1-800-852-3416 or (603) 271-1406, or by email at [consumerservices@ins.nh.gov](mailto:consumerservices@ins.nh.gov). If you wish to file a grievance, you may call, email, or submit a complaint electronically or by mail or fax: <http://www.nh.gov/insurance/consumers/complaints.htm>.

The New Hampshire Insurance Department's mission is to promote and protect the public good by ensuring the existence of a safe and competitive insurance marketplace through the development and enforcement of the insurance laws of the State of New Hampshire. For more information, visit [www.nh.gov/insurance](http://www.nh.gov/insurance).

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