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Legal Division
CT Office of State Ethics
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CONNECTICUT STATE MEDICAL SOCIETY
COMMENTS REGARDING
PROPOSED DECLARATORY RULING NO. 2016-A

On behalf of the physicians and physicians in training of the Connecticut State Medical Society (CSMS), and the patients our physicians care for, we thank you for the opportunity to submit these comments.

The ethical conduct of business of Connecticut's elected and appointed state officials is of paramount importance. In the interest of public transparency and confidence in our governmental system, elected and appointed state officials must be held to the highest standards of ethical conduct.

Currently before the Office of State Ethics ("Office") is a petition involving Katharine Wade, Insurance Commissioner for the State of Connecticut. The question before this Office is whether Commissioner Wade's ties to her former employer, Cigna, require her to recuse herself from reviewing the proposed merger between Anthem and Cigna. For the reasons set forth in our comments below, CSMS believes that this Office must immediately order Commissioner Wade to recuse herself from the merger review as it is in the interest of the public good.

The general facts before this Office are not in dispute. Commissioner Wade was herself a former employee of Cigna, her husband is still employed by Cigna, her father-in-law is employed by the law firm that lobbies on behalf of Connecticut health insurance companies (including Cigna), and her mother was formerly employed by Cigna. There can be little doubt that Commissioner Wade's significant ties to Cigna run very deep from an employment and family financial perspective.

The proposed merger between Anthem and Cigna in Connecticut has the potential to turn health care delivery on its face, permanently changing the health care system for Connecticut's physicians and patients. The increased market power of Anthem that would result if the merger were to be approved would empower the remaining health insurers to raise prices for consumers, structure their insurance product offerings in ways that limit consumer choice and access to specialty care, and engage in predatory, unfair contractual and payment practices with physicians. The bottom line is that if the merger were to be approved, patient access to medical care would be significantly compromised and jeopardized in Connecticut.

The stakes in this merger discussion are incredibly high for both physicians and the patients they care for. It is critical that the review of this merger be done with utmost fairness and transparency, in both form and appearance. Unfortunately, the continued questions regarding Commissioner Wade's financial and personal family ties to Cigna raise the public's eyebrow as to whether Commissioner Wade has the ability to conduct this merger review in an open and transparent manner.

CSMS has been vociferous in calling for a completely open and transparent process without asking for complete recusal of the Commissioner. CSMS urged the Commissioner to provide public access to all documents related to the merger and a public process for all concerned stakeholders to be provided the opportunity to express themselves in the process. However, the approval of the Aetna and Humana merger without such a process has raised significant concern for CSMS. While the Aetna and Humana merger could lead to a significant impact on physical jobs located in Connecticut, the Anthem and Cigna merger stands to impact thousands more patients and physicians and health care delivery in Connecticut. Therefore, at this time we must join the chorus of many voices and urge this Office to order that Commissioner Wade recuse herself from this merger review.

Health care and health care consolidation are of paramount importance to the physicians and patients of Connecticut. The individual driving the review of the potential merger of Anthem and Cigna must not have any conflicts in both reality and appearance. Unfortunately, the numerous questions that have been raised concerning Commissioner Wade's extensive family and personal ties to Cigna make it nearly impossible for the public to have any confidence that she will be able to conduct a fair, transparent, and unbiased review of the potential merger. Therefore, CSMS believes that in the interest of physicians, their patients, and the general public, Commissioner Wade must be ordered to recuse herself from the review of the Anthem and Cigna merger.

Once again, thank you for the opportunity to submit these comments.

Should you have any questions, we would be happy to answer them.

Sincerely,

A handwritten signature in black ink that reads "Matthew C. Katz". The signature is written in a cursive, flowing style.

Matthew C. Katz
EVP/CEO