

ONE HUNDRED FIFTEENTH CONGRESS  
**Congress of the United States**  
**House of Representatives**

COMMITTEE ON ENERGY AND COMMERCE

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December 5, 2017

The Honorable Greg Walden  
Chairman  
Committee on Energy and Commerce  
2125 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Walden:

I am writing to request you hold a hearing on the recent proposed merger of CVS Health-Aetna. The pharmacy company, CVS Health, and the nation's third largest health insurer, Aetna, recently proposed a \$69 billion merger.<sup>1</sup> The subsequent operation would be a new frontier in American healthcare delivery – with significant potential for benefit or harm to consumers across the country.

The merger is the most recent development in an ongoing trend of consolidation and market concentration in our healthcare system.<sup>2</sup> In recent years, various types of mergers and acquisitions in the healthcare system have become more common, especially across traditionally separate lines of business.<sup>3</sup> The newly proposed merger of CVS Health and Aetna is the most recent example, and perhaps the largest. Increasingly, health systems are offering health insurance and insurers are buying or partnering with health care providers. In addition, large corporations such as Amazon are considering pharmacy or healthcare operations, expanding their businesses in completely new directions.

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<sup>1</sup> *Aetna-CVS behemoth would nudge patients toward drug store counter*, Politico (Dec. 4, 2017) ([www.politico.com/story/2017/12/04/aetna-cvs-merger-drugs-205514](http://www.politico.com/story/2017/12/04/aetna-cvs-merger-drugs-205514)).

<sup>2</sup> *CVS to Buy Aetna for \$69 Billion in a Deal That May Reshape the Health Industry* (Dec. 3, 2017) ([www.nytimes.com/2017/12/03/business/dealbook/cvs-is-said-to-agree-to-buy-aetna-reshaping-health-care-industry.html](http://www.nytimes.com/2017/12/03/business/dealbook/cvs-is-said-to-agree-to-buy-aetna-reshaping-health-care-industry.html)).

<sup>3</sup> *Why the CVS-Aetna Merger Could Benefit Consumers* (Dec. 3, 2017) ([www.nytimes.com/2017/12/03/upshot/why-the-giant-cvs-aetna-merger-could-benefit-consumers.html](http://www.nytimes.com/2017/12/03/upshot/why-the-giant-cvs-aetna-merger-could-benefit-consumers.html)).

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As the business of healthcare continues to morph, it is critical that Congress closely examine the changing relationships among healthcare entities and the impact these changing relationships have on the way healthcare is delivered in this country.

The Committee, in particular, has an ongoing responsibility to evaluate and consider these changes to our healthcare system, so as to better understand the impact on consumers, patients, and providers. Due to the scale of the CVS Health-Aetna merger, these changes should be thoroughly scrutinized and understood by the members of this Committee.<sup>4,5</sup>

I encourage you to schedule a hearing on this important matter as soon as possible.

Sincerely,

A handwritten signature in blue ink that reads "Frank Pallone, Jr." with a stylized flourish at the end.

Frank Pallone, Jr.  
Ranking Member

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<sup>4</sup> *The CVS-Aetna Merger Is a Mortal Threat to U.S. Hospitals*, Forbes (Dec. 5, 2017) ([www.forbes.com/sites/brucejapsen/2017/12/05/how-the-cvs-aetna-merger-hastens-the-demise-of-hospitals/#767944e03ede](http://www.forbes.com/sites/brucejapsen/2017/12/05/how-the-cvs-aetna-merger-hastens-the-demise-of-hospitals/#767944e03ede)).

<sup>5</sup> *CVS and Aetna Say Merger Will Improve Your Health Care. Can They Deliver?* (Dec. 4, 2017) ([www.nytimes.com/2017/12/04/health/cvs-aetna-merger.html](http://www.nytimes.com/2017/12/04/health/cvs-aetna-merger.html)).