From: <u>Lilly Solomon</u>

To: <u>ATR-Public-Comments-Tunney-Act-MB</u>

Cc: <u>Morgan Harper</u>; <u>Emma Freer</u>

Subject: [EXTERNAL] Public Comment Regarding Proposed Final Judgment in United States, et al. v. UnitedHealth Group

Incorporated

Date: Monday, October 13, 2025 3:38:43 PM

Attachments: LETTER U.S. v. UnitedHealth Group Proposed Settlement Final 10.13.25.pdf

Hello,

Please find attached a public comment letter from the American Economic Liberties Project and ten advocacy organizations regarding the proposed Final Judgment in *United States of America et al. v. UnitedHealth Group Incorporated* regarding UnitedHealth Group Incorporated's acquisition of Amedisys, Inc.

Please let us know if you have any additional questions.

Best regards,

Lilly

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Policy and Advocacy Associate | _______

AMERICAN ECONOMIC LIBERTIES PROJECT

The Honorable Abigail Slater Assistant Attorney General U.S. Department of Justice Antitrust Division 950 Pennsylvania Avenue NW Washington, D.C. 20530

Jill C. Maguire
Acting Section Chief
Healthcare and Consumer Products Section
U.S. Department of Justice Antitrust Division
450 Fifth Street NW, Ste. 4100
Washington, D.C. 20530

October 13, 2025

RE: *United States, et al. v. UnitedHealth Group Inc., et al.*; Proposed Final Judgement and Competitive Impact Statement

Dear Assistant Attorney General Slater and Acting Chief Maguire:

We write to express concerns about the U.S. Department of Justice (DOJ) Antitrust Division's proposed settlement to resolve its lawsuit to block UnitedHealth Group's \$3.3 billion acquisition of Amedisys, the largest home healthcare and hospice provider in the country.¹

The DOJ Antitrust Division was right to challenge this merger, which would allow UnitedHealth Group to buy a direct rival in the home healthcare and hospice sector, eliminating competition that lowers costs, improves care quality, and betters working conditions for healthcare professionals. In contrast, this proposed settlement would benefit UnitedHealth Group and other corporate entities at the expense of vulnerable homebound and hospice patients, some of whom will pay with their lives if the merger is consummated, and the workers who care for them. For all these reasons, we urge the rejection of this proposed settlement.

Listed third on the Fortune 500, UnitedHealth Group is the country's largest health insurer, physician employer, and health insurance claims processor; second-largest health savings account provider; third-largest pharmacy benefit manager; and fourth-largest pharmacy operator.³ It is the most prominent

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¹ U.S. Department of Justice Antitrust Division, "*United States, et al. v. UnitedHealth Group Inc., et al.*; Proposed Final Judgment and Competitive Impact Statement," Federal Register, Aug. 14, 2025, https://www.federalregister.gov/documents/2025/08/14/2025-15486/united-states-et-al-v-unitedhealth-group-incorporated-et-al-proposed-final-judgment-and-competitive.

² See above.

³ "Fortune 500," *Fortune*, accessed Aug. 22, 2025, https://fortune.com/ranking/fortune500/2025/; "Competition in Health Insurance: A comprehensive study of U.S. markets," American Medical Association, Nov. 19, 2024, https://www.ama-assn.org/system/files/competition-health-insurance-us-markets.pdf; Rylee Wilson, "Optum now has 90,000 physicians," *Becker's Hospital Review*, Nov. 29, 2023, https://www.beckershospitalreview.com/legal-regulatory-issues/optum-added-nearly-20-000-physicians-in-2023/; Arthur Fliegelman and Daniel Stemp, "The

example of Big Medicine, or vertically-integrated health insurance conglomerates driving prices up, quality down, and independent providers out of business.⁴ In February 2023, UnitedHealth Group acquired LHC Group, the third-largest home healthcare provider in the country and a large hospice provider, for \$5.4 billion.⁵ LHC Group is a direct rival of Amedisys, particularly in the South.⁶ According to the DOJ Antitrust Division's original complaint, "UnitedHealth's plan to extinguish Amedisys as a competitor is the result of an intentional, sustained strategy of acquiring, rather than beating, competition."

UnitedHealth Group has a well documented history of prioritizing its own financial interests over patient welfare. The DOJ is currently investigating UnitedHealth Group for alleged monopolization and for alleged civil and criminal Medicare billing fraud.⁸ The fraud investigations center on whether the company engaged in upcoding, or adding extra diagnoses to Medicare patients' medical records to trigger higher payments from the federal government. The department also recently forced the company to abandon two attempted provider acquisitions following antitrust scrutiny and, in 2022, unsuccessfully attempted to block its acquisition of Change Healthcare; following the merger, a February 2024 cyberattack on Change paralyzed patients' access to care and physician practices' cash flow.⁹ In September 2024, the Federal Trade Commission sued UnitedHealth Group's pharmacy benefit manager,

Cyberattack on Change Healthcare: Lessons for Financial Stability," U.S. Department of Treasury Office of Financial Research, Nov. 13, 2024, https://www.financialresearch.gov/briefs/files/OFRBrief-24-05-change-healthcare-cyberattack.pdf; "Health Savings Accounts," Consumer Financial Protection Bureau, May 2024, https://files.consumerfinance.gov/f/documents/cfpb_health-savings-account-issue-spotlight_2024-04.pdf; "Pharmacy Benefit Managers: The Powerful Middlemen Inflating Drug Costs and Squeezing Main Street Pharmacies," Federal Trade Commission, July 2024, https://www.ftc.gov/system/files/ftc_gov/pdf/pharmacy-benefit-managers-staff-report.pdf; Adam Fein, "The Top 15 U.S. Pharmacies of 2024: Market Shares and Revenues at the Biggest Chains, PBMs, and Specialty Pharmacies," Drug Channels, March 11, 2025,

https://www.drugchannels.net/2025/06/the-top-15-us-pharmacies-of-2024-market.html.

⁴ "Home," Break Up Big Medicine, accessed Aug. 26, 2025, https://www.breakupbigmedicine.com/.

⁵ LHC Group, "Form 8-K," U.S. Securities and Exchange Commission, Feb. 22, 2023, https://www.sec.gov/ix?doc=/Archives/edgar/data/0001303313/000095017023003585/lhcg-20230222.htm.

⁶ See 1.

⁷ See 1.

⁸ "Justice Department Sues to Block UnitedHealth Group's Acquisition of Home Health and Hospice Provider Amedisys," Nov. 12, 2024, https://www.justice.gov/archives/opa/pr/justice-department-sues-block-unitedhealth-groups-acquisition-home-health-and-hospice; Anna Wilde Mathews and Dave Michael, "U.S. Opens UnitedHealth Antitrust Probe," *The Wall Street Journal*, updated Feb. 27, 2024, https://www.wsj.com/health/healthcare-giant-unitedhealth; Christopher Weaver, Anna Wilde Mathews, and Denny Jacobs, "UnitedHealth Confirms Civil and Criminal Justice Department Probes," *The Wall Street Journal*, July 24, 2025, https://www.wsj.com/health/healthcare/unitedhealth-contacts-u-s-justice-amid-reports-of-medicare-billing-probe-8892033e">https://www.wsj.com/health/healthcare/unitedhealth-contacts-u-s-justice-amid-reports-of-medicare-billing-probe-8892033e.

⁹ "UnitedHealth Group Abandons Two Acquisitions Following Antitrust Division Scrutiny," U.S. Department of Justice, July 25, 2024, https://www.justice.gov/archives/opa/pr/unitedhealth-group-abandons-two-acquisitions-following-antitrust-division-scrutiny; "Justice Department Sues to Block UnitedHealth Group's Acquisition of Change Healthcare," U.S. Department of Justice, Feb. 24, 2022, https://www.justice.gov/archives/opa/pr/justice-department-sues-block-unitedhealth-group-s-acquisition-change-healthcare; see "The Cyberattack on Change Healthcare: Lessons for Financial Stability," at 3.

OptumRx, for allegedly inflating insulin prices through an illegal rebate scheme; the case is ongoing.¹⁰ Most recently, *The Guardian* alleged that UnitedHealth Group secretly paid nursing homes to prevent or delay transfers of older patients to hospitals, something that saved its insurer arm money but cost patients' desperately needed medical care, with predictably tragic results.¹¹

In addition to allowing UnitedHealth Group to acquire Amedisys, the DOJ Antitrust Division's proposed settlement would require the merging parties to divest 164 home healthcare and hospice provider locations across 19 states to BrightSpring Health Services and the Pennant Group. 12 The divestitures pale in comparison to the merger's threat to competition, and the buyers exacerbate concerns about patient safety. Therefore, the merger, if consummated according to the terms of the proposed settlement, is illegal if it may substantially lessen competition and its attendant benefits, including improved patient safety.

According to the DOJ's original complaint, the merger "would result in a presumptively unlawful increase in concentration in hundreds of local labor markets in at least 24 states," far more than the proposed 164 divestitures in 19 states – not to mention overlapping home healthcare and hospice markets. The complaint also points out that, regardless of the number of divestitures, this merger would "further consolidate [UnitedHealth Group's] standing as the dominant force in nearly every corner of the American healthcare system." For these reasons, the divestitures are likely to fail to serve their intended purpose: creating sufficient competition to make up for any loss of competition resulting from the merger.

BrightSpring is owned by the highly-leveraged private-equity firm KKR, which is fending off a separate DOJ Antitrust Division lawsuit for repeatedly violating federal premerger review law. ¹⁶ Inspections of its group homes for individuals with intellectual and developmental disabilities also revealed "serious regulatory violations" related to resident care, abuse, neglect, and poorly trained and understaffed

¹⁰ "FTC Sues Prescription Drug Middlement for Artificially Inflating Insulin Drug Prices," Federal Trade Commission, Sept. 20, 2024, https://www.ftc.gov/news-events/news/press-releases/2024/09/ftc-sues-prescription-drug-middlemen-artificially-inflating-insulin-drug-prices.

¹¹ George Joseph, "Revealed: UnitedHealth secretly paid nursing homes to reduce hospital transfers," *The Guardian*, May 21, 2025, https://www.theguardian.com/us-news/2025/may/21/unitedhealth-nursing-homes-payments-hospital-transfers.

¹² See 1.

¹³ See 1.

¹⁴ See 1.

¹⁵ See, e.g., Illumina, Inc. v. FTC, 88 F.4th 1036, 1059 (5th Cir. 2023) (divestiture must "sufficiently mitigate[s] the merger's effect such that it [is] no longer likely to substantially lessen competition."); *United States v. Aetna Inc.*, 240 F. Supp. 3d 1, 20 (D.D.C. 2017) (divestiture "must 'replac[e] the competitive intensity lost as a result of the merger.") (internal citation omitted).

^{16 &}quot;KKR to Purchase of 11,619,998 Shares of BrightSpring Health Services Common Stock from Walgreens Boots Alliance," BrightSpring Health Services, Sept. 13, 2024, https://ir.brightspringhealth.com/news-releases/news-releases/news-release-details/kkr-purchase-11619998-shares-brightspring-health-services-common; "Research Update: Phoenix Guarantor Inc. Outlook Revised To Stable From Positive on Cash Flow Pressures; 'B' Rating Affirmed," S&P Global, Dec. 14, 2023, https://www.spglobal.com/ratings/jp/regulatory/article/-/view/sourceld/12941224; "Justice Department Sues KKR for Serial Violations of Federal Premerger Review Law," U.S. Department of Justice, Jan. 15, 2025, https://www.justice.gov/archives/opa/pr/justice-department-sues-kkr-serial-violations-federal-premerger-review-law.

caregivers.¹⁷ The Pennant Group is a public for-profit company.¹⁸ Last year, the DOJ Antitrust Division, along with other federal agencies, launched an investigation into private-equity and other corporate owners' increasing control of healthcare providers, citing harms to patients' health, workers' safety, quality of care, and affordability.¹⁹

Lastly, the proposed settlement would require Amedisys to pay a \$1.1 million civil penalty for "falsely certifying" that it had responded to the DOJ Antitrust Division's requests for information related to the merger. This penalty – a 0.04% surcharge on a \$3.3 billion merger – is incommensurate with Amedisys' violation of federal law and insufficiently deters future corporate misconduct.

Given these concerns, we find the DOJ's proposed settlement in this case to be against the public's interest and urge its rejection pursuant to the 1974 Tunney Act.²¹

Sincerely,

American Economic Liberties Project
Association for Independent Medicine
Center for Health and Democracy
Demand Progress Education Fund
Free2Care
Healthcare Rebel Alliance
Midwest Anesthesia Partners, Association for Independent Medicine
National Nurses United (NNU)
People's Action Institute
Resilient Healthcare Consulting
Rural Urban Bridge Initiative

¹⁷ "BrightSpring Health: State Inspections of Group Homes Reveal Pattern of Serious Regulatory Violations, Including Client Abuse, Neglect, and Poor Medical Care," *The Capitol Forum*, Aug. 29, 2024, https://library.thecapitolforum.com/docs/7yj21e1r95k3.

¹⁸ The Pennant Group, "Form 10-K," U.S. Securities and Exchange Commission, Feb. 27, 2025, https://investor.pennantgroup.com/static-files/897c2c05-c32e-40ec-83c1-39b62a8deb40.

¹⁹ "Justice Department, Federal Trade Commission and Department of Health and Human Services Issue Request for Public Input as Part of Inquiry into Impacts of Corporate Ownership Trend in Health Care," U.S. Department of Justice, March 5, 2024, https://www.justice.gov/archives/opa/pr/justice-department-federal-trade-commission-and-department-health-and-human-services-issue.

²⁰ See 1.

²¹ 15 U.S. Code § 16(b)-(h).