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December 12, 2018

Peter Mucchetti
Chief, Healthcare and Consumer Products Section
Antitrust Division
United States Department of Justice
450 Fifth Street NW, Suite 4100
Washington, DC 20530

Dear Mr. Mucchetti:

I am writing regarding the API Council's interest in the CVS Health acquisition of Aetna. Attached is a copy of a letter sent to the California Department of Insurance during their consideration of the transaction.

I wanted you to be aware of this communication and to reiterate our continued support for the merger, which we believe will be in the best interest of patients and consumers.

Thank you for your consideration of our views.

Sincerely,

Cally Wong

Director
API Council



June 18, 2018

Dave Jones, Commissioner
California Department of Insurance
300 Capitol Mall, Suite 1700
Sacramento, CA 95814

Subject: SUPPORT for CVS Health Acquisition of Aetna

Commissioner Jones:

The API Council firmly believes that this acquisition will benefit the many communities CVS has a foothold in and we feel it is a step in the right direction in terms of bringing more health resources to many areas of California. As a non-profit organization that put the community's interest first, we support the CVS-Aetna acquisition.

The growing trend of chronic diseases impacting many Americans nationwide and especially in California, is showing the healthcare needs in the country are changing. Fifty percent of Americans now live with a chronic disease and the costs associated with those diseases account for 80 percent of overall health care costs. In California alone, a 2015 study published in the Journal of Public Health Management and Practice found that an estimated 39% of Californians suffer from at least one chronic condition or disease, which cost an estimated \$98 billion to treat.

This merger offers one part of the solution in better treatment of chronic disease, which will be more frequent engagement with patients. Not only will the acquisition strengthen the relationship between physicians and patients but will also allow more collaborative work between doctors, pharmacists, insurers and healthcare professionals in the hopes of providing better care and reducing cost. Together, CVS Health and Aetna will complement a physician's services by arming them with more complete patient information and by increasing the number of patient interactions.

This merger will be a win for residents and community members statewide in terms of lower cost and more services provided. With these important facts in mind, we urge you to approve the CVS Health-Aetna transaction.

Sincerely,

Cally Wong

Director
API Council