Exhibit A

1   IN THE UNITED STATES DISTRICT COURT
                       FOR THE DISTRICT OF COLUMBIA
2

3   United States of America,   ) Civil Action
       et al.,   ) No. 16-CV-1493
4   )
                            Plaintiffs,) Bench Trial
5   ) *AFTERNOON SESSION*
       vs.   ) Washington, DC
6   ) Monday, Nov. 28, 2016
       Anthem, Inc. and Cigna   ) Time: 2:17 p.m.
7   Corporation,   )
)
8   Defendants.)
       _____
9
                        TRANSCRIPT OF BENCH TRIAL
10   HELD BEFORE
               THE HONORABLE JUDGE AMY BERMAN JACKSON
11   UNITED STATES DISTRICT JUDGE
       _____
12
       A P P E A R A N C E S
13
       For the Plaintiffs:
14   United States   **Jon B. Jacobs**
                              Scott Ivan Fitzgerald
15   **Peter Schwingler**
                              U.S. DEPARTMENT OF JUSTICE
16   Antitrust Division
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22   (CONTINUED ON NEXT PAGE)

23   Proceedings reported by machine shorthand, transcript
       produced by computer-aided transcription.
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 1      A P P E A R A N C E S (CONTINUED):

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                                     1300 Broadway
 4                                   Denver, CO 80203

 5      For the Defendant:
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                                 Heather Burke
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11      Cigna Corporation        Charles F Rule
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12                                   Paul, Weiss, Rifkind,
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15

        _____
16
        Court Reporter:          Lisa A. Moreira, RDR, CRR
17                               Official Court Reporter
                                 United States Courthouse, Room 6718
18                               333 Constitution Avenue, NW
                                 Washington, DC  20001
19                               202-354-3267

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1   A.   So remember we're trying to understand how often they're

2   1 and 2.   You could use just the market shares alone to get

3   an estimate of that.   I gave you an example of that earlier.

4   But it would be nicer to incorporate the win/loss data that

5   gives us deeper insight into how often they're 1 and 2.

6   In principle, both methods would allow us to

7   incorporate that win/loss data, but as it turns out, the

8   statistical requirements for incorporating that into the

9   merger sim could not be met with the available data.   So I'm

10   only going to incorporate the win/loss measures in the UPP

11   analysis.

12   I hope that's clear.

13   THE COURT: Okay.

14   THE WITNESS: It is technical.   It's unavoidable.

15   Q.   Perhaps one minor additional technical point.

16   A.   Okay.

17   Q.   Is there a term used for the type of auction model you

18   used in this case?

19   A.   Yes.   So the model I'm using is what's called a sealed

20   bid second price auction, and without getting too much into

21   the weeds, it's well known in auction theory that different

22   types of auctions tend to generate very similar results from

23   the seller or the buyer, depending on whether you're selling

24   an object or buying an object.   The second price sealed bid

25   auction is just a lot easier to use with the data, but it

1   can be used -- the results can be used to approximate a wide

2   number of auction results.

3   THE COURT: When using an auction model, you are

4   assuming that the decision-maker's decision is 100 percent

5   price-driven?

6   THE WITNESS: Not at all.

7   THE COURT: Okay. If you call it an auction,

8   you're just talking about a choice that winnows itself down

9   to bidders, but you're not saying it ends up being their

10   choice based on price?

11   THE WITNESS: That's correct.

12   THE COURT: Okay.

13   THE WITNESS: The choice is based on the value

14   that's being delivered.

15   THE COURT: Okay.

16   THE WITNESS: And we know that the employers and

17   their consultants score each of the bids.

18   THE COURT: Right.

19   THE WITNESS: And they come down with a bottom

20   line score that counts a lot of different factors.

21   Think of the auction as based on the highest score

22   being delivered.

23   THE COURT: Okay.

24   Q. Let's talk about your results. Could you walk us

25   through this slide and help us understand what you did and