

Attachment B

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA, ET AL.,)	
)	
Plaintiffs,)	CA No. 16-1493 (JDB)
)	16-1494
)	
vs.)	Washington, D.C.
)	August 10, 2016
AETNA, INC., ET AL.,)	10:00 a.m.
ANTHEM, INC., ET AL.,)	
)	
Defendants.)	
)	

TRANSCRIPT OF STATUS CONFERENCE
BEFORE THE HONORABLE JOHN D. BATES
UNITED STATES SENIOR DISTRICT JUDGE

APPEARANCES:

For the Government:	Craig W. Conrath
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1 I'll probably contact Mr. Leavy to let him know,
2 and maybe run one or two things by him to make sure that
3 he's comfortable with that. So we'll return to schedule.

4 Based on what I already have heard from you,
5 augmented and supplemented by what was said this morning,
6 I am going to propose -- I'm going to make a change in what
7 I have proposed.

8 And I'll say that some of the concerns, not all,
9 but some of the concerns raised do weigh on me. And,
10 indeed, on some of them, these are mainly concerns raised by
11 the United States; but to their credit, on some of them, the
12 defendants actually agreed that some adjustment might be
13 warranted.

14 I am struck by, sitting here now, my inability,
15 which is based on, I'll put it bluntly, the failure on
16 behalf of the defendants to really identify what the harm is
17 from this matter going beyond December 31st.

18 So I've looked at this from a fairness
19 perspective, from the perspective of trying to make sure
20 that everyone can prepare their case and present it and the
21 Court will have the time to decide it, and I've decided that
22 instead of -- I haven't chartered this out through a new
23 schedule in all details and some additional dates may be
24 appropriate based, in part, on what has been provided by the
25 United States, but I've decided that this case will be tried

1 not beginning on November 7th but beginning on December 5th.

2 I will intend to have that trial run for 13 days,
3 rather than 12. Hopefully, we can do it in that time frame.
4 That would run through December 21st for trial.

5 And then I would intend to and pledge to give my
6 best effort to decide the case promptly. That does not mean
7 that the case will be decided with a full opinion issued,
8 findings of fact and conclusions of law, before the end of
9 the year. It means I'll work on it diligently and get it
10 done as soon as possible. And I'm certainly confident that
11 it would not extend beyond January, but I can't promise an
12 exact date.

13 But given everything that I've heard, both with
14 respect to the concerns from a more compressed schedule and
15 because I haven't heard that much that gives legitimacy, if
16 you will, to the December 31st cutoff date, I've decided to
17 try this case beginning in early December, that would be on
18 December 5th.

19 I'll come up with a new framework schedule and get
20 it out to you today. I think I can get it out to you early
21 this afternoon. It may include a couple of additional dates
22 based on our discussion, but that's where I am in terms of
23 the scheduling of this case.

24 If anyone wants to say anything in reaction to
25 that, I will hear you.

1 (Pause)

2 MR. MAJORAS: Your Honor, I didn't want to come up
3 here and sound like I'm disappointed, though I am.

4 I think that we would suggest, at least looking at
5 if there is some type of an interim time period between the
6 dates that the Court has proposed.

7 I understand the holidays get in the way, but in
8 terms of the reasoning behind the deal there in terms of the
9 deadline that we have, the fact that the companies, the
10 employees of the companies, the ability of the companies to
11 work together to move into the new year, especially as you
12 get into the bidding process with CMS, is an issue that is
13 significant and will be --

14 THE COURT: But that's in March, and I'm sure that
15 I'll have a decision out well before then.

16 MR. MAJORAS: Not surprisingly, though, the
17 process that CMS has is not one of simply raising one's hand
18 saying, we're in. And I think that does have a pretty
19 significant impact, as well as the impact just in terms of
20 the companies being able to move forward, whether it's in a
21 transition period of moving together or are having to make
22 an adjustment, if the case were unsuccessfully brought.

23 If the case were started, perhaps, a bit later
24 than the initial proposal that you had, it would allow
25 possibly for a decision, short of one with an opinion on