

**UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA**

UNITED STATES OF AMERICA, *et al.*,

*Plaintiffs,*

v.

UNITEDHEALTH GROUP INCORPORATED  
and  
CHANGE HEALTHCARE INC.,

*Defendants.*

Civil Action No. 1:22-cv-0481 (CJN)

**ANSWER OF DEFENDANT CHANGE HEALTHCARE INC.**

Defendant Change Healthcare Inc. (“Change”), by and through the undersigned counsel, hereby answers the Complaint filed by the Plaintiffs United States of America, State of New York, and State of Minnesota (the “Plaintiffs”) as set forth below.

**PRELIMINARY STATEMENT**

After a 14-month investigation by the Antitrust Division of the United State Department of Justice (“DOJ”), joined by a dozen State Attorney General Offices, the DOJ and two of these States filed this action challenging the merger of Change and UnitedHealth Group Incorporated (“UHG,” together with Change, “Defendants”). The complaint alleges that UHG’s acquisition of two of Change’s offerings will substantially lessen competition in violation of Section 7 of the Clayton Act.

The first offering at issue, known as “claims editing,” is not going to be part of the combined company. Instead, Defendants have Decided to sell Change’s claims editing business, including its flagship ClaimsXten software, contingent on the closing of the UHG-Change transaction. In the near future, the parties will have a qualified buyer under contract and that will be presented to the Court at trial. This sale will moot the claims editing half of the case.

The other offering at issue in this case is Change’s “electronic data interchange,” also known as “EDI.” This is a network for transmitting standardized claims information between healthcare providers and health insurance companies. Unlike claims editing, Plaintiffs do not allege that the merger will eliminate horizontal competition between Change and UHG in EDI. Instead, they assert novel theories of vertical harm from the merger, primarily based on Plaintiffs’ hypothetical speculation that UHG might misuse data from Change’s EDI network and hoard EDI innovations to give itself advantages in selling health insurance to large, sophisticated corporate customers.

Plaintiffs’ hypothetical speculation about data and innovations ignores stark market realities and is entirely inconsistent with UHG’s long history of being a vertically integrated company. That history includes UHG’s years of experience handling data from hundreds of millions of claims from UHG’s insurance competitors that voluntarily chose to contract with UHG’s Optum technology and analytics business for various offerings and services. Yet Plaintiffs do not allege that the concerns they hypothetically speculate will materialize in the future have occurred in the past. This is because neither UHG nor the market work that way.

Under Section 7 of the Clayton Act, Plaintiffs bear the burden of proving that the merger of UHG and Change likely will lead to a substantial lessening of competition. In carrying this burden, we do not believe Plaintiffs will be able to cite any precedent with facts remotely as thin and unconvincing as what they have alleged in their Complaint. Indeed, the facts here are even less probative of a lessening of competition than they were in the one other recent vertical case brought by the DOJ, *U.S. v. AT&T, Inc.*, 310 F. Supp. 3d 161, 184 (D.D.C. 2018), where they fell far short of proving a violation.

This is a lawful merger and one that will bring substantial benefits to many stakeholders in the U.S. healthcare system, reducing the healthcare cost burden placed on patients. It should be allowed to go forward and Plaintiffs' claims should be rejected by the Court as without merit.

**ANSWERS TO INDIVIDUAL PARAGRAPHS**

In response to the Complaint filed by the Plaintiffs, Change answers as follows. Each paragraph below corresponds to the same-numbered paragraph in the Complaint. Change denies all allegations in the Complaint, whether express or implied, that are not specifically admitted below. Change denies that the headings contained in the Complaint constitute allegations of fact, and Change denies them to the extent they are considered as such. Change further denies that the Plaintiffs are entitled to the requested, or any other, relief. Change reserves the right to amend this Answer. Change also states that, except to the extent indicated below, it lacks knowledge or information sufficient to form a belief about the truth of allegations that relate to the actions, statements, or intent of Defendant UnitedHealth Group Incorporated ("UHG").

1. Change admits that health insurance helps protect American families from the financial risks associated with sickness and injury and facilitates access to the U.S. healthcare system. Change denies that the proposed acquisition of Change by UHG would diminish competition in the health insurance industry. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 1 and on that basis denies those allegations.

2. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 2 and on that basis denies those allegations.

3. Change admits that it is a supplier of technologies used in the health care industry for the submission of health insurance claims and the evaluation and processing of

claims, including EDI clearinghouse and claims editing solutions, that it licenses certain of its technology to health insurance companies, and that it works to reduce costs and burdens affecting the U.S. healthcare system. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 3 and on that basis denies those allegations.

4. Change admits that its EDI clearinghouse and claims editing technology are licensed to health insurance companies other than UHG. Change denies that nearly all of United's major health insurance rivals rely on Change's EDI clearinghouse, and also denies the characterization of its technology generally as "critical". Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 4 and on that basis denies those allegations.

5. Change admits that it is a supplier of technologies used in the health care industry for the submission of health insurance claims and the evaluation and processing of claims, including EDI clearinghouse and claims editing solutions, that it licenses certain of its technology to health insurance companies, and that Change's EDI clearinghouse may have direct or indirect connectivity to approximately 900,000 physicians, 118,000 dentists, 33,000 pharmacies, 5,500 hospitals and 600 laboratories, and that Change's EDI clearinghouse helps transmit health insurance claims, but denies that the Complaint accurately and completely quotes the cited material or reflects its context. Change denies that it has unfettered rights to use any provider's or health insurance company's data for its own business purposes. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 5 and on that basis denies those allegations.

6. Change admits that certain of its offerings process and transmit claims data and in some cases apply plan and payment editing rules. The ClaimsXten business, which unlike the EDI clearinghouse business applies health insurance companies' payment and claim processing rules and edits, will be sold and UHG will not control it as part of the proposed merger. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 6 and on that basis denies those allegations.

7. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 7 and on that basis denies those allegations.

8. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 8 and on that basis denies those allegations.

9. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 9 and on that basis denies those allegations.

10. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 10 and on that basis denies those allegations.

11. Change denies the allegations in Paragraph 11.

12. Change denies the allegations in Paragraph 12.

13. Change lacks knowledge or information sufficient to form a belief about the truth of allegations about "United's own deal documents" and on that basis denies those allegations.

Change denies the remaining allegations in Paragraph 13.

14. Change denies the allegations in Paragraph 14.

15. Change admits that it licenses a claims editing solution referred to as ClaimsXten and that UHG's subsidiary OptumInsight licenses a claims editing solution referred to as CES.

Change is without knowledge or information sufficient to form a belief about the truth of the allegations about United's documents and on that basis denies those allegations. Change denies the remaining allegations of Paragraph 15.

16. Change denies the allegations in Paragraph 16.

17. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 17 and on that basis denies those allegations.

18. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 18 and on that basis denies those allegations.

19. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 19 and on that basis denies those allegations.

20. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 20 and on that basis denies those allegations.

21. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 21 and on that basis denies those allegations.

22. Change admits that UHG's subsidiary OptumInsight licenses a claims editing solution referred to as CES. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 22 and on that basis denies those allegations.

23. Change admits it is a provider of technology offerings for customers in the healthcare industry. Change further admits that it is headquartered in Nashville, Tennessee, incorporated under Delaware law. Change admits the quoted language appears in Change documents but denies that the remaining allegations in Paragraph 23 accurately and completely quotes the cited material or reflects its context.

24. Change admits that it licenses a claims editing solution referred to as ClaimsXten. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 24 and on that basis denies those allegations.

25. Change admits that its EDI clearinghouse may have direct or indirect connectivity to approximately 900,000 physicians, 118,000 dentists, 33,000 pharmacies, 5,500 hospitals and 600 laboratories, but denies that the Complaint accurately and completely quotes the cited material or reflects its context. Change lacks knowledge or information sufficient to form a belief about the truth of the allegation regarding data for unique patients. Change denies the remaining allegations in Paragraph 25.

26. Change admits that UHG has proposed to acquire Change for approximately \$13 billion, in a combination of cash for shares and debt retirement, and that Change and UHG executed an Agreement and Plan of Merger and a Business Expansion Agreement (the “BEA”) on January 5, 2021. Those agreements are the best evidence of their contents. To the extent the allegations differ from or mischaracterize the documents, they are denied. Change lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 26 and on that basis denies those allegations.

27. Change admits that many employees in the U.S. receive health insurance from their employers, but Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 27 and on that basis denies those allegations.

28. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 28 and on that basis denies those allegations.

29. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 29 and on that basis denies those allegations.

30. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 30 and on that basis denies those allegations.

31. Change admits the allegations in Paragraph 31.

32. Change admits that the allegations in Paragraph 32 describe a typical claim process.

33. Change admits that upon receipt of a claim submitted by an insured patient, whether directly by the insured patient or by a healthcare provider, a health insurance company often will adjudicate the claim to determine what services are covered and what it will pay via remittance, which is sent to the healthcare provider, the insured patient, or some combination of the two. Change further admits that certain claims editing offerings can be used to assist a healthcare insurance company in determining whether any specific claim is covered by a specific insurance contract, applying or referencing the relevant contract terms, and what amounts if any should be paid out in the form of a remittance. Change lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 33 and on that basis denies those allegations.

34. Change admits that some of the information described in Paragraph 45 may be transmitted via an EDI clearinghouse. Change denies that the depiction contained in Paragraph 34 is a complete description of the process for transmitting the referenced transactions.

35. Change admits that healthcare providers and health insurance companies historically used paper claims and other non-electronic means to submit and review specific claims. This was principally done many years in the past. Change otherwise lacks knowledge or



information sufficient to form a belief about the truth of the remaining allegations in Paragraph 35 and on that basis denies those allegations.

36. Change admits that EDI clearinghouses can facilitate healthcare transactions, reduce the costs and administrative burdens of processing claims in the healthcare industry, and can lead to faster remittances for patients and healthcare providers. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 36 and on that basis denies those allegations.

37. Change admits that EDI clearinghouses are sometimes accessed by healthcare providers through other software or technology products, and providers can and often do choose between multiple different EDI clearinghouse submission options. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 37 and on that basis denies those allegations.

38. Change admits that some health insurance companies use a managed gateway as an access point to receive and transmit EDI claims data from Change, while other health insurance companies use multiple EDI clearinghouses to receive and transmit EDI claims data from Change. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 38 and on that basis denies those allegations.

39. Change admits that claims data sometimes passes between multiple EDI clearinghouses, and that this is sometimes referred to as a “hop,” but denies that the depiction contained in paragraph 39 is a complete or accurate description of the process for transmission of claims data. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 38 and on that basis denies those allegations.

40. Change admits that an EDI clearinghouse must have secondary-use data rights to use data obtained from its EDI clearinghouse customers. Change admits that an EDI clearinghouse can obtain secondary-use rights from either the health insurance company or provider, subject to extensive regulatory restrictions and contractual protections. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 40 and on that basis denies those allegations.

41. Change admits the quoted language appears in Change documents, but denies that the Complaint accurately and completely quotes the cited material or its context. Change admits that it operates an EDI clearinghouse and that Change believes its EDI clearinghouse is a broad and deep network in terms of the diversity of transactions handled and types of networks offered, but Change denies that its EDI clearinghouse transmits over 14 billion transactions every year. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 41 and on that basis denies those allegations.

42. Change admits that in some cases an insurer's claims will "hop" to Change's EDI clearinghouse. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 42 and on that basis denies those allegations.

43. Change admits that it operates an EDI clearinghouse that it is not owned by a healthcare insurance company, and that it works to improve healthcare technology tools and reduces costs and burdens associated with the U.S. healthcare industry. Change further admits that it endeavors to develop offerings that provide faster confirmation of claims acceptance, faster payments to healthcare providers and require fewer resources from healthcare insurance companies. Change further admits that it has established a Strategic Advisory Council

comprised of a group of health insurance companies and Change executives that has as its defined missions to address industry challenges and identify opportunities to transform healthcare. Change denies that the proposed acquisition of Change by UHG would diminish incentives to develop innovations. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 43 and on that basis denies those allegations.

44. Change admits that it, like many other firms, maintains a database of historical claims data for which customers, including healthcare providers and healthcare insurance companies, have opted to grant Change secondary use data rights subject to extensive regulatory restrictions and contractual protections. Change admits that its board of directors were advised of claims data added in 2019, but denies that the Complaint has accurately and completely described communications between Change executives and Change's board of directors. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 44 and on that basis denies those allegations.

45. Change admits that it maintains a database of historical claims data for which customers, including healthcare providers and healthcare insurance companies, have opted to grant Change secondary use data rights subject to extensive regulatory restrictions and contractual protections. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 45 and on that basis denies those allegations.

46. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 46 and on that basis denies those allegations.

47. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 47 and on that basis denies those allegations.

48. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 48 and on that basis denies those allegations.

49. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 49 and on that basis denies those allegations.

50. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 50 and on that basis denies those allegations.

51. Change admits that many health insurance companies purchase a claims editing solution from a third-party vendor. Change admits that claims editing solutions evaluate claims for errors, as do many other products and internal capabilities developed by health insurance companies. Change admits that health insurance companies determine which edits to apply, which may include some edits the insurer develops on its own and others developed in collaboration with a claims editing solution vendor. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 51 and on that basis denies those allegations.

52. Change admits that some healthcare claims go through what is sometimes referred to as claims editing. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 52 and on that basis denies those allegations.

53. Change admits that some healthcare claims go through what is sometimes referred to as claims editing. Change denies that ClaimsXten determines whether any claims should be paid or rejected. Change otherwise lacks knowledge or information sufficient to form

a belief about the truth of the remaining allegations in Paragraph 53 and on that basis denies those allegations.

54. Change admits that some healthcare claims go through what is sometimes referred to as claims editing. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 54 and on that basis denies those allegations.

55. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 55 and on that basis denies those allegations.

56. Change admits that health insurance companies that purchase Change's claims editing offerings have the ability to create and manage custom edits subject to the terms of their agreements with Change. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 56 and on that basis denies those allegations.

57. Change admits that health insurance companies that purchase Change's claims editing offerings have the ability to update their claims editing rules subject to the terms of their agreements with Change. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 57 and on that basis denies those allegations.

58. Change admits that health insurance companies that purchase Change's claims editing offerings have the ability to create and manage custom edits subject to the terms of their agreements with Change. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 58 and on that basis denies those allegations.

59. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 59 and on that basis denies those allegations.

60. Change admits that it licenses a claims editing solution referred to as ClaimsXten, which is used by nine of the top ten health insurance companies in the United States, ranked by revenue. Change admits that ClaimsXten saves its healthcare insurance company customers billions in claims medical costs, but notes that this is in comparison to operating without any claims editing solution at all, and denies that the Complaint accurately and completely quotes the material related to saving \$10-\$15 billion per year or reflects its context. This is not a realistic scenario, as any health insurance company not using ClaimsXten instead would use one or more alternative claims editing products. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 60 and on that basis denies those allegations.

61. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 61 and on that basis denies those allegations.

62. Change admits that it licenses a claims editing solution referred to as ClaimsXten and that UHG's subsidiary OptumInsight licenses a claims editing solution referred to as CES. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 62 and on that basis denies those allegations.

63. Change admits that Change is not owned by a healthcare provider or health insurance company. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 63 and on that basis denies those allegations.

64. Change admits that it licenses a claims editing solution referred to as ClaimsXten and that UHG's subsidiary OptumInsight licenses a claims editing solution referred to as CES, but lacks knowledge or information sufficient to form a belief about the truth of how often, if ever, ClaimsXten and CES are in competition with one another, and on that basis denies that allegation.

65. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 65 and on that basis denies those allegations.

66. Change admits that some healthcare claims go through what is sometimes referred to as first-pass claims editing. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 66 and on that basis denies those allegations.

67. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 67 and on that basis denies those allegations.

68. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 68 and on that basis denies those allegations.

69. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 69 and on that basis denies those allegations.

70. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 70 and on that basis denies those allegations.

71. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 71 and on that basis denies those allegations.

72. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 72 and on that basis denies those allegations.

73. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 73 and on that basis denies those allegations.

74. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 74 and on that basis denies those allegations.

75. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 75 and on that basis denies those allegations.

76. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 76 and on that basis denies those allegations.

77. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 77 and on that basis denies those allegations.

78. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 78 and on that basis denies those allegations.

79. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 79 and on that basis denies those allegations.

80. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 80 and on that basis denies those allegations.

81. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 81 and on that basis denies those allegations.

82. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 82 and on that basis denies those allegations.

83. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 83 and on that basis denies those allegations.

84. Change denies the allegations in Paragraph 84.



85. Change admits that it maintains a database of historical claims data for which customers, including healthcare providers and healthcare insurance companies, have opted to grant Change secondary use data rights subject to extensive regulatory restrictions and contractual protections. Change denies that UHG would have the ability or incentive to use Change's claims data to lessen competition and denies that the proposed acquisition of Change by UHG would diminish competition in the health insurance industry. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 85 and on that basis denies those allegations.

86. Change admits that it licenses a claims editing solution referred to as ClaimsXten, and that health insurance companies that purchase ClaimsXten have the ability to create and manage custom claims edits subject to the terms of their agreements with Change. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 86 and on that basis denies those allegations.

87. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 87 and on that basis denies those allegations.

88. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 88 and on that basis denies those allegations.

89. Change denies the allegations in Paragraph 89.

90. Change denies the allegations in Paragraph 90.

91. Change denies the allegations in Paragraph 91.

92. Change denies the allegations in Paragraph 92.

93. Change admits that its EDI clearinghouse may have direct or indirect connections with over one million providers. Change admits that it maintains a database of

historical claims data for which customers, including healthcare providers and healthcare insurance companies, have opted to grant Change secondary use data rights subject to extensive regulatory restrictions and contractual protections. Change denies that health insurers could not “go around” Change’s EDI clearinghouse. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 93 and on that basis denies those allegations.

94. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 94 and on that basis denies those allegations.

95. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 95 and on that basis denies those allegations.

96. Change denies that that the proposed acquisition of Change by UHG would diminish competition in the health insurance industry. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 96 and on that basis denies those allegations.

97. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 97 and on that basis denies those allegations.

98. Change denies that that the proposed acquisition of Change by UHG would diminish innovation in the health insurance industry. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 98 and on that basis denies those allegations.

99. Change denies that that the proposed acquisition of Change by UHG would result in higher costs or reduce competition. Change lacks knowledge or information sufficient

to form a belief about the truth of the allegations in Paragraph 99 and on that basis denies those allegations.

100. Change admits that it licenses a claims editing solution referred to as ClaimsXten to health insurance companies. Change denies that that the proposed acquisition of Change by UHG would result in higher costs. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 100 and on that basis denies those allegations.

101. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 101 and on that basis denies those allegations.

102. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 102 and on that basis denies those allegations.

103. Change denies the allegations in Paragraph 103.

104. Change admits that it pursues innovations to benefit its customers, just like many other companies which offer EDI and other solutions to the health insurance industry. Change also admits the quoted language appears in Change documents but denies that the Complaint accurately and completely quotes the cited material or reflects its context. Change denies that that the proposed acquisition of Change by UHG would diminish competition in the health insurance industry. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 104 and on that basis denies those allegations.

105. Change denies that “dropping insurers to paper” is a realistic scenario. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 105 and on that basis denies those allegations.

106. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 106 and on that basis denies those allegations.

107. Change denies the allegations in Paragraph 107.

108. Change denies the allegations in Paragraph 108.

109. Paragraph 109 provides an incomplete and misleading statement of law and an incomplete description of the Horizontal Merger Guidelines and on that basis Change denies the allegations in Paragraph 109.

110. Change admits that it licenses a claims editing solution referred to as ClaimsXten and that UHG's subsidiary OptumInsight licenses a claims editing solution referred to as CES. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 110 related to market share and on that basis denies those allegations.

111. Change admits that it licenses a claims editing solution referred to as ClaimsXten and that UHG's subsidiary OptumInsight licenses a claims editing solution referred to as CES, but lacks knowledge or information sufficient to form a belief about the truth of how often, if ever, ClaimsXten and CES are in competition with one another, and on that basis denies that allegation. Change lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 111 and on that basis denies those allegations.

112. Change admits that it licenses a claims editing solution referred to as ClaimsXten and that UHG's subsidiary OptumInsight licenses a claims editing solution referred to as CES, but lacks knowledge or information sufficient to form a belief about the truth of how often, if ever, ClaimsXten and CES are in competition with one another, and on that basis denies that allegation. Change also admits that the quoted language appears in Change documents, but

denies that the Complaint accurately and completely quotes the cited material or reflects its context. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 112 and on that basis denies those allegations.

113. Change denies that the proposed transaction would diminish competition in claims editing. Change otherwise lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 113 and on that basis denies those allegations.

114. Change denies the allegation in Paragraph 114.

115. Paragraph 115 provides an incomplete and misleading statement of law and on that basis Change denies the allegations in Paragraph 115. Change further denies that that Proposed Transaction would substantially lessen competition in any market or that there is a basis to enjoin it.

116. Change denies the allegations in Paragraph 116.

117. Change denies the allegations in Paragraph 117.

118. Change denies the allegations Paragraph 118.

119. Change admits that the parties are in the process of selling Change's ClaimsXten business and advised Plaintiffs of this fact. Change denies the remaining allegations in Paragraph 119.

120. Change denies the allegations in Paragraph 120.

121. Change admits that Plaintiff United States purports to take the actions stated in Paragraph 121. Change denies that it has violated or will violate Section 7 of the Clayton Act, and denies that Plaintiff United States is entitled to relief of any kind.

122. Change admits that Plaintiffs Minnesota and New York purport to take the actions stated in Paragraph 122. Change denies that it has violated or will violate Sections 7 or 16 of the Clayton Act, and denies that Plaintiffs Minnesota and New York are entitled to relief of any kind.

123. Change admits the allegations in Paragraph 123 except the characterization of its technology generally as “critical.” Change denies that the acquisition would violate the Clayton Act or provide any basis for Plaintiffs to secure relief against Change.

124. Change admits the allegations in Paragraph 124 as they apply to Change but lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 124 and on that basis denies those allegations.

125. Change admits the allegation in Paragraph 125.

126. Change incorporates its responses of Paragraphs 1 through 125 above.

127. Change denies the allegations in Paragraph 127.

128. Change denies the allegations in Paragraph 128.

#### **REQUEST FOR RELIEF**

129. Change denies that any of the requested relief is permitted or appropriate.

#### **OTHER DEFENSES**

Without assuming the burden of proof that it would otherwise not bear under applicable law, Change asserts the following affirmative defense: The Complaint fails to state a claim upon which relief can be granted. Change reserves the right to assert and rely upon any other defenses that may become available or known to Change throughout the course of this action, and to amend, or seek to amend, its answer or affirmative defenses.

Dated: March 11, 2022

Respectfully submitted,

**SIMPSON, THACHER & BARTLETT  
LLP**

By: /s/ Sara Y. Razi

Sara Y. Razi (D.C. Bar No. 473647)  
Abram J. Ellis (D.C. Bar No. 497634)  
Nathaniel Preston Miller (D.C. Bar No. 1021557)  
900 G Street, NW  
Washington, DC 20001  
Telephone: 202-636-5500  
Facsimile: 202-636-5502  
sara.razi@stblaw.com  
aellis@stblaw.com  
preston.miller@stblaw.com

**CLEARY GOTTlieb STEEN & HAMILTON  
LLP**

By: /s/ David I. Gelfand

David I. Gelfand (D.C. Bar No. 416596)  
Daniel Culley (*pro hac vice pending*)  
Kathleen Bradish (*pro hac vice pending*)  
2112 Pennsylvania Ave, N.W.  
Washington, DC 20037  
Telephone: 202-974-1500  
Facsimile: 202-974-1999  
dgelfand@cgsh.com  
dculley@cgsh.com  
kbradish@cgsh.com

*Counsel for Defendant Change Healthcare Inc.*