The Department of Justice (DOJ) formally filed suit to block the two pending health insurance mergers, partially due to the risk of reduced competition in the exchanges, and sent a strong signal that the key players would have little recourse but to challenge the move in court. Aetna, which has been working on a $37 billion acquisition of Humana, and Anthem, which placed a $54 billion bid for Cigna, immediately said they would fight back.

DOJ found that allowing Anthem-Cigna to move forward would harm consumers by reducing competition in the large group market, and that the Aetna-Humana marriage would shrink choices for seniors. Both mergers would reduce options in the health insurance exchanges, according to the complaints.

DOJ said that 11 states -- California, Colorado, Connecticut, Georgia, Iowa, Maine, Maryland, New Hampshire, New York, Tennessee and Virginia -- and the District of Columbia joined the department’s challenge of the Anthem-Cigna merger, and eight states -- Delaware, Florida, Georgia, Iowa, Illinois, Ohio, Pennsylvania and Virginia -- and the District of Columbia joined the suit to block the Aetna-Humana merger.