

Axinn Successfully Defeats the City of New York's Motion for a Temporary Restraining Order Seeking to Enjoin the Affiliation Between Group Health Incorporated and the Health Insurance Plan of Greater New York

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ATTORNEYS

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PRACTICE AREAS

Antitrust

Axinn successfully defeats the City of New York's Motion for a Temporary Restraining Order seeking to enjoin the affiliation between Group Health Incorporated and the Health Insurance Plan of Greater New York.

The City filed its motion on November 13, 2006. The next day, after hearing oral argument, Judge Karas of the U.S. District Court for the Southern District of New York denied the City's motion. He held that at this stage he was not persuaded that the affiliation would cause increased prices or have an anticompetitive effect and questioned whether that could ever occur. The court also questioned whether the City's alleged relevant product market of sales of low-cost municipal health benefits was a proper market for antitrust purposes.

Because the motion was denied, the parties affiliated on November 15, 2006. The City subsequently dropped its Motion for a Preliminary Injunction. The parties expect to hold a trial on the merits of the City's complaint in May 2007.

NYC's Bid To Halt Health Insurance Cos. Merger Denied, Competition Law 360, Nov. 14, 2006