

UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION OFFICE OF THE ADMINISTRATIVE LAW JUDGES

In the Matter of

Phoebe Putney Health System, Inc.

a corporation, and

Phoebe Putney Memorial Hospital, Inc.

a corporation, and

Phoebe North, Inc.

a corporation, and

HCA Inc.

a corporation, and

Palmyra Park Hospital, Inc.

a corporation, and

Hospital Authority of Albany-Dougherty County.

RECEIVED DOCUMENTS SON

Docket No. 9348

Public Document

RESPONDENTS HCA INC. AND PALMYRA PARK HOSPITAL, INC.'S ANSWER TO THE FEDERAL TRADE COMMISSION'S ADMINISTRATIVE COMPLAINT

Pursuant to 16 C.F.R. § 3.12, Respondents HCA Inc. ("HCA") and Palmyra Park Hospital, Inc. ("Palmyra") (collectively, "HCA Respondents"), by and through their undersigned counsel, hereby answer the Administrative Complaint ("Complaint") filed by the Federal Trade Commission ("FTC") as follows:

Regarding the unnumbered statements on page 1 of the Complaint, the HCA Respondents admit that the Complaint has been issued pursuant to Section 11(b) of the Clayton Act, 15 U.S.C. § 21(b), and Section 5(b) of the FTC Act, 15 U.S.C. § 45(b), but deny that the term "Transaction," as used throughout the Complaint, should be defined as the FTC states in this paragraph and throughout the Complaint. The scope of this transaction is limited to the acquisition of Palmyra by the Hospital Authority of Albany-Dougherty County ("the Hospital Authority"). The HCA Respondents further deny that the transaction is in violation of any of the laws of the United States and that a proceeding by the FTC would be in the public interest. ¹

In addition, the HCA Respondents deny that the headings and the Prayers for Relief contained in the Complaint constitute allegations of fact, but to the extent that they are considered as such, they are denied.

I. NATURE OF THE CASE

- 1. The HCA Respondents deny the allegations and legal conclusions in Paragraph 1.
- 2. The HCA Respondents deny the allegations in the first sentence of Paragraph 2. The HCA Respondents admit that, pursuant to the Asset Purchase Agreement, the Hospital Authority will purchase the Palmyra assets from HCA. The remaining allegations in Paragraph 2 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.
- 3. The allegations in Paragraph 3 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.
- 4. The allegations in the first sentence and first clause of the second sentence of Paragraph 4 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. They are therefore denied. With respect to the remaining allegations in Paragraph 4, the HCA Respondents admit that HCA entered into an agreement that includes the language quoted in the second sentence of Paragraph 4, but state that the language of the agreement speaks for itself. The HCA Respondents refer the Commission to the agreement for a complete and accurate statement of its terms.
- 5. The allegations in Paragraph 5 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.
- 6. The allegations in Paragraph 6 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.
- 7. The HCA Respondents specifically deny that either Dougherty County or the six surrounding counties constitute a relevant geographic market. Further the HCA Respondents deny that licensed general acute care hospital beds or commercial patient discharges constitute relevant product markets. The HCA Respondents deny the allegations and legal conclusions in Paragraph 7.
- 8. The HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of the allegations in the last phrase of the last sentence in Paragraph 8 and therefore deny these allegations. The remaining allegations and legal conclusions in Paragraph 8 are denied.
- 9. The HCA Respondents admit that, if consummated, the transaction will result in Palmyra dropping its monopolization suit against Phoebe Putney Health System, Inc. ("PPHS"), Phoebe Putney Memorial Hospital, Inc. ("PPMS") and the Hospital Authority, but deny that this is a "requirement of the Transaction," as characterized in Paragraph 9. The

transaction documents addressing this issue speak for themselves. The remaining allegations in Paragraph 9 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. All other allegations in Paragraph 9 are denied.

- 10. With respect to the allegations in the last sentence of Paragraph 10, the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of the allegations and therefore deny them. In all other respects, the allegations and legal conclusions in Paragraph 10 are denied.
- 11. The HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of the allegations in the first sentence of Paragraph 11 and therefore deny these allegations. In all other respects, the allegations in Paragraph 11 are denied.
- 12. The HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of the allegations in the last two sentences in Paragraph 12 and therefore deny these allegations. In all other respects, the allegations in Paragraph 12 are denied.

II. BACKGROUND

A. Respondents

- 13. The allegations in Paragraph 13 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.
- 14. The allegations in Paragraph 14 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.
- 15. The allegations in Paragraph 15 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.
- 16. The allegations in Paragraph 16 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.
- 17. The HCA Respondents admit the allegations in Paragraph 17 other than to note that HCA entities and affiliates collectively own or operate facilities with just over 40,000 beds.
- 18. The HCA Respondents admit the allegations in Paragraph 18.
- 19. The allegations in Paragraph 19 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.

B. Jurisdiction

- 20. The allegations in Paragraph 20 contain legal conclusions to which no answer is required.
- 21. The allegations in Paragraph 21 contain legal conclusions to which no answer is required. To the extent an answer is required, the HCA Respondents deny the allegations in Paragraph 21.

C. Phoebe Putney's Private Interests

- 22. The allegations in Paragraph 22 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.
- 23. The allegations in Paragraph 23 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.
- 24. The allegations in Paragraph 24 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.
- 25. The allegations in Paragraph 25 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.

D. The Transaction

- 26. The HCA Respondents admit that the Eleventh Circuit reinstated Palmyra's suit against Phoebe in April 2010. The Eleventh Circuit's opinion and Palmyra's allegations speak for themselves. The allegations in Paragraph 26 otherwise relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. These allegations are therefore denied.
- 27. The allegations in Paragraph 27 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.
- 28. The HCA Respondents deny the allegation in the first sentence of Paragraph 28. The HCA Respondents lack knowledge and information sufficient to admit or deny the allegations in the second sentence of this Paragraph and therefore deny them. With respect to the remaining allegations in this Paragraph, the HCA Respondents acknowledge that Mr. Baudino made these statements in a letter from Sovereign Group, L.L.C. to representatives of PPHS, however, the allegations consist solely of Mr. Baudino's impressions and characterizations of a conversation he purportedly had with personnel at HCA.

- 29. The HCA Respondents admit that HCA was open to hearing an offer for Palmyra. With respect to the remaining allegations in the first sentence of this Paragraph, the HCA Respondents acknowledge that Mr. Baudino made these statements in a letter from Sovereign Group, L.L.C. to representatives of PPHS, however, the allegations consist solely of Mr. Baudino's impressions and characterizations of a conversation he purportedly had with personnel at HCA. The remaining allegations in this Paragraph relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.
- 30. The allegations in Paragraph 30 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.
- 31. With respect to the first sentence of Paragraph 31, the HCA Respondents acknowledge that Mr. Baudino made this a statement in a letter from Sovereign Group, L.L.C. to representatives of PPHS, however, the allegations consist solely of Mr. Baudino's impressions and characterizations of a conversation he purportedly had with personnel at HCA. The remaining allegations in Paragraph 31 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.
- 32. The HCA Respondents admit that the Asset Purchase Agreement provides that the Hospital Authority will acquire the assets of Palmyra Park Hospital; and that, under the Asset Purchase Agreement, PPHS has agreed to guarantee the purchase price and the Hospital Authority's performance. The remaining allegations in Paragraph 32 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.
- 33. The allegations in Paragraph 33 relate to entities other than the HCA Respondents, and HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.
- 34. The allegations in Paragraph 34 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.
- 35. The allegations in Paragraph 35 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.
- 36. The allegations in Paragraph 36 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.
- 37. The allegations in Paragraph 37 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as

to the truth of these allegations. The allegations are therefore denied.

- 38. HCA admits that it received a letter from Mr. Baudino dated November 10, 2010, that contains the quoted and paraphrased statements set forth in this Paragraph, but denies that the quoted and paraphrased statements stand for the propositions alleged by the FTC. The FTC mischaracterizes Mr. Baudino's letter. Mr. Baudino's letter states that the acquisition would be structured like acquisitions in other counties, for which there was no antitrust review. The letter does not say that the acquisition would be structured as an acquisition by the Hospital Authority to ensure that the state action doctrine applies. The allegations in the second sentence in Paragraph 38 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied. Further, Respondent Palmyra is without personal knowledge with respect to the remaining allegations in Paragraph 38 and therefore denies them.
- 39. The HCA Respondents admit that PPHS made an offer for Palmyra as described in the first sentence of Paragraph 39 but note that such offer was ultimately contingent upon Hospital Authority approval. The terms and conditions of this offer speak for themselves. The remaining allegations in Paragraph 39 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.
- 40. The HCA Respondents admit that PPHS agreed to guarantee a \$195 million payment for Palmyra. The remaining allegations in Paragraph 40 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.
- 41. The HCA Respondents admit that the Asset Purchase Agreement contains provisions for a break-up fee and a rescission fee in the amounts set forth in Paragraph 41 and refer to the Asset Purchase Agreement for a full and accurate description of its contents. The remaining allegations in Paragraph 41 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations.
- 42. The HCA Respondents admit that the agreement referenced in Paragraph 41 contains the quoted language, and state that the language of the agreement speaks for itself. The HCA Respondents refer the Commission to the agreement for a complete and accurate statement of its terms. The remaining allegations in Paragraph 42 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.
- 43. The allegations in Paragraph 43 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.
- 44. The allegations in Paragraph 44 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as

- to the truth of these allegations. The allegations are therefore denied.
- 45. The allegations in Paragraph 45 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.
- 46. The allegations in Paragraph 46 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.

III. THE RELEVANT SERVICE MARKET

- 47. The HCA Respondents deny the allegations in Paragraph 47.
- 48. The HCA Respondents deny the allegations in Paragraph 48.
- 49. The HCA Respondents deny the allegations in Paragraph 49.
- 50. The HCA Respondents deny that Palmyra negotiates reimbursement contracts with commercial health plans. HCA negotiates reimbursement-rate contracts with commercial health plans on behalf of Palmyra. The HCA Respondents are without information or knowledge as to the allegations about Phoebe Putney, and therefore deny them. The HCA Respondents admit the remaining allegations in Paragraph 50 except to note that HCA does not negotiate reimbursement rates with Medicare or Medicaid for the reimbursement of patients covered under those health plans.

IV. THE RELEVANT GEOGRAPHIC MARKET

- 51. The HCA Respondents deny the allegations in Paragraph 51.
- 52. The HCA Respondents deny the allegations in Paragraph 52.
- 53. The HCA Respondents deny the allegations in Paragraph 53.
- 54. The HCA Respondents lack knowledge and information sufficient to admit or deny the first sentence in Paragraph 54 and therefore deny it. The allegations in the last sentence of Paragraph 54 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.
- 55. The HCA Respondents deny the allegations in Paragraph 55.
- 56. The HCA Respondents admit that Phoebe Putney and Palmyra are competitors, but deny any inferences, characterizations, suggestions or legal arguments concerning this fact in Paragraph 56. The allegations in the last sentence of Paragraph 56 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied. The remaining allegations in Paragraph 56 are denied.

57. The allegations in Paragraph 57 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.

V. MARKET STRUCTURE AND PRESUMPTIVE ILLEGALITY

- 58. The HCA Respondents deny the allegations in Paragraph 58.
- 59. The HCA Respondents lack knowledge and information sufficient to admit or deny the first and second sentences of Paragraph 59 and therefore deny them. The HCA Respondents deny the remaining allegations in Paragraph 59.
- 60. The HCA Respondents deny the allegations in Paragraph 60.
- 61. The HCA Respondents admit that the U.S. Department of Justice and Federal Trade Commission's Merger Guidelines measure market concentration using the HHI. The HCA Respondents further admit that the Merger Guidelines state that a merger or acquisition is presumed likely to create or enhance market power where the post-merger HHI exceeds 2,500 points and the transaction increases the HHI by more than 200 points.
- 62. The HCA Respondents deny the allegations in Paragraph 62.

VI. ANTICOMPETITIVE EFFECTS

A. The Transaction Eliminates a Unique Pricing Constraint Upon Phoebe Putney

- 63. The HCA Respondents deny the allegations in Paragraph 63.
- 64. The allegations in Paragraph 64 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.
- 65. The HCA Respondents admit that Phoebe Putney has challenged Palmyra's efforts to obtain a CON for obstetrics, but deny that this fact stands for the propositions alleged by the FTC. The HCA Respondents admit the allegations in the second, third, fourth and fifth sentences of Paragraph 65. The HCA Respondents deny the remaining allegations in Paragraph 65.
- 66. The HCA Respondents admit the allegations in the second sentence of Paragraph 66 but deny that the paraphrased testimony constitutes an admission or stands for the propositions alleged in the first sentence of Paragraph 66. The HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of the allegations in the last sentence of Paragraph 66 and therefore deny these allegations. The remaining allegations in Paragraph 66 are denied.
- 67. The allegations in Paragraph 67 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.

- 68. The HCA Respondents deny the allegations in Paragraph 68.
- 69. The HCA Respondents deny the allegations in Paragraph 69.
- 70. The HCA Respondents deny the allegations in Paragraph 70.
- 71. The allegations in Paragraph 67 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.

C. The Loss of Quality Competition

- 72. The HCA Respondents deny the allegations in Paragraph 72.
- 73. The HCA Respondents deny the allegations in Paragraph 73.
- 74. The allegations in the second and third sentences of Paragraph 74 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied. The HCA Respondents deny the remaining allegations in this Paragraph.

VII. ENTRY BARRIERS

- 75. The HCA Respondents deny the allegations in Paragraph 75.
- 76. The HCA Respondents admit to the allegations in the second sentence of Paragraph 76 and deny the allegations in the first sentence of Paragraph 76.
- 77. The HCA Respondents admit that the construction of a new general acute care hospital would take significant time and money, but deny that it would require the specific sum or time period alleged by the FTC. The HCA Respondents deny the remaining allegations in Paragraph 77.
- 78. The HCA Respondents admit that Palmyra was constructed in 1971 but are without knowledge or information sufficient to form a belief as to the remaining allegations in Paragraph 78. The allegations are therefore denied.

VIII. ANTICIPATED AFFIRMATIVE DEFENSES

A. State Action

- 79. The allegations in Paragraph 79 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.
- 80. The allegations in Paragraph 80 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as

- to the truth of these allegations. The allegations are therefore denied.
- 81. The allegations in Paragraph 81 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.
- 82. The allegations in Paragraph 82 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.
- 83. The HCA Respondents deny the allegations in the first sentence of Paragraph 83. The remaining allegations in Paragraph 83 relate to entities other than the HCA Respondents, and the HCA Respondents are without knowledge or information sufficient to form a belief as to the truth of these allegations. The allegations are therefore denied.

B. Efficiencies

84. The HCA Respondents deny the allegations in Paragraph 84.

IX. VIOLATION

- 85. The HCA Respondents repeat their responses to each of the allegations contained in Paragraphs 1 through 84, as well as the unnumbered paragraph on page 1 of the FTC's Complaint, as if they were stated in this Paragraph 85.
- 86. The HCA Respondents deny the allegations in Paragraph 86 and further assert that the FTC lacks jurisdiction under Section 5 of the FTC Act, as amended, 15 U.S.C. § 45.
- 87. The HCA Respondents deny the allegations in Paragraph 87 and further assert that the FTC lacks jurisdiction under Section 7 of the Clayton Act, as amended, 15 U.S.C § 18 and Section 5 of the FTC Act, as amended, 15 U.S.C. § 45.

NOTICE OF CONTEMPLATED RELIEF

The FTC's Notice of Contemplated Relief contains statements and conclusions of law to which no response is required. Nevertheless, the HCA Respondents deny that any of the relief set forth in the Complaint's Notice of Contemplated Relief, or the subparts thereto, are justified by fact, law, or in equity.

FURTHER DEFENSES

Without assuming any burden of proof that they would not otherwise bear, and reserving their right to assert additional defenses as this matter proceeds, the HCA Respondents assert the following defenses:

- 1. The Complaint fails to state a claim upon which relief can be granted.
- The FTC lacks jurisdiction over the HCA Respondents.

- 3. The contemplated relief would not be in the public interest because it would, among other things, harm consumers.
- 4. Efficiencies and other pro-competitive benefits resulting from the acquisition outweigh any and all proffered anticompetitive effects.
- 5. The HCA Respondents have not knowingly or intentionally waived any applicable affirmative defenses. Respondents reserve the right to assert additional defenses as this matter proceeds.
- 6. The HCA Respondents incorporate by reference and adopt as if stated all defenses otherwise stated by the remaining defendants.

WHEREFORE, the HCA Respondents respectfully request that the ALJ (i) deny the FTC's contemplated relief; (ii) dismiss the Complaint in its entirety with prejudice; (iii) award Respondents their costs of suit, including attorneys' fees; and (iv) grant such other and further relief as the ALJ may deem proper.

Dated: New York, New York

May 16, 2011

SIMPSON THACHER & BARTLETT LLP

Sence H The lotate

Ву

Kevin J. Arquit
Aimee H. Goldstein
Paul Gluckow

425 Lexington Avenue New York, New York 10017-3954

Tel: (212) 455-2000 Fax: (212) 455-2502 karquit@stblaw.com agoldstein@stblaw.com pgluckow@stblaw.com

Attorneys for HCA Inc. and Palmyra Park Hospital, Inc.

CERTIFICATE OF SERVICE

I hereby certify that on May 16, 2011, I caused to be filed via first-class mail an original with signature and two hard copies, and through FTC E-File a .pdf copy that is a true and correct copy of the original, of the foregoing Respondents HCA Inc. and Palmyra Park Hospital, Inc.'s Answer to the Federal Trade Commission's Administrative Complaint with:

Donald S. Clark
Office of the Secretary
Federal Trade Commission
600 Pennsylvania Avenue, N.W., Rm. H-159
Washington, D.C. 20580
secretary@ftc.gov

I hereby certify that on May 16, 2011, I caused to be delivered via first-class mail one hard copy of the foregoing Respondents HCA Inc. and Palmyra Park Hospital, Inc.'s Answer to the Federal Trade Commission's Administrative Complaint to:

The Honorable D. Michael Chappell Chief Administrative Law Judge Federal Trade Commission 600 Pennsylvania Avenue, N.W. Washington, D.C. 20580 oalj@ftc.gov

I hereby certify that on May 16, 2011, I caused to be delivered via first-class mail one hard copy of the foregoing Respondents HCA Inc. and Palmyra Park Hospital, Inc.'s Answer to the Federal Trade Commission's Administrative Complaint to:

Goldie V. Walker Federal Trade Commission 601 Pennsylvania Avenue, N.W. Washington, D.C. 20001 gwalker@ftc.gov

Matthew J. Reilly
Federal Trade Commission
601 Pennsylvania Avenue, N.W.
Washington, D.C. 20001
mreilly@ftc.gov

I hereby certify that on May 16, 2011, I caused to be delivered via electronic mail one pdf copy that is a true and correct copy of the original of the foregoing Respondents HCA Inc. and Palmyra Park Hospital, Inc.'s Answer to the Federal Trade Commission's Administrative Complaint to:

Robert J. Baudino, Jr. Baudino Law Group, PLC 2600 Grand Avenue Suite 300 Des Moines, Iowa 50312 baudino@baudino.com

Emmet Bondurant
Bondurant, Mixson & Elmore, LLP
1201 West Peachtree Street, N.W. Suite 3900
Atlanta, Georgia 30309
bondurant@bmelaw.com

James C. Egan, Jr. Weil Gotshal & Manges LLP 1300 Eye Street, N.W. Suite 900 Washington, D.C. 20005 jim.egan@weil.com

Lee K. Van Voorhis Baker & McKenzie LLP 815 Connecticut Avenue, N.W. Washington, D.C. 20006 lee.vanvoorhis@bakermckenzie.com I hereby certify that on May 16, 2011, I caused to be delivered via electronic mail one .pdf copy that is a true and correct copy of the original of the foregoing Respondents HCA Inc. and Palmyra Park Hospital, Inc.'s Answer to the Federal Trade Commission's Administrative Complaint to the following FTC attorneys:

Sara Y. Razi Edward D. Hassi Peter C. Herrick Priya Viswanath Thomas H. Brock Maria M. DiMoscato

Dated: May 16, 2011

Aimee H. Goldstein

Simpson Thacher & Bartlett LLP

425 Lexington Avenue

New York, NY 10017-3954

Tel: (212) 455-7681 Fax: (212) 455-2502

Email: agoldstein@stblaw.com