

**UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION**

In the Matter of NORTH TEXAS SPECIALTY PHYSICIANS, a corporation.

Docket No. 9312

**DECLARATION OF DON SNYDER IN SUPPORT OF NON-PARTY ALCON
LABORATORIES, INC.'S UNOPPOSED MOTION
FOR *IN CAMERA* TREATMENT OF PROPOSED EVIDENCE**

I, Don Snyder, declare as follows:

1. "I am currently the Director of Corporate Benefits and Health Services for Alcon Laboratories, Inc. ("*Alcon*"), a position which I have held for the past 14 years. In my role as Director of Corporate Benefits and Health Services, I have direct responsibility for analyzing markets, medical as well as other benefits service plans, and negotiating with multiple benefits service plans for Alcon's group benefits service plans. As such, I am familiar with the processes by which Alcon analyzes and evaluates the benefits service markets and analyzes, evaluates and negotiates with benefits service providers and the effect such plans can have on Alcon's ability to attract and retain Alcon's employees.

2. "I have reviewed the documents for which Alcon is seeking *in camera* treatment and was the individual involved in producing the documents pursuant to the subpoena issued by North Texas Specialty Physicians ("*NTSP*") and specific requests and conversations with the FTC regarding how the confidentiality of these documents would be protected if produced. By virtue of my familiarity with these specific documents, my current and former positions

with Alcon, I am intimately familiar with the type of information contained in the documents at issue and Alcon's treatment of such confidential information.

Based upon my review of the documents, my knowledge of Alcon's benefits and health services, and my familiarity with the confidential protection afforded this type of information by Alcon, it is my belief that disclosure of these documents to the public and competitors in the medical benefits service network marketplace would cause serious competitive injury to Alcon and its medical benefits service network.

3. Exhibits "A" through "B" contain an analysis/comparison of three separate medical benefits service networks' pricing, costs, benefits and capabilities related to proposed/negotiated benefit services for Alcon and internal Alcon data and analysis related to historical medical benefits service networks' pricing, costs, benefits and capabilities. Portions of this information were obtained by Alcon through its business dealings and negotiations with medical benefits service networks and were disclosed to Alcon as highly confidential and considerably sensitive business information. Other portions of this information were developed by Alcon through its internal analysis and development. Indeed, disclosure of these documents would reveal how Alcon analyzes and values the various medical benefits service networks' services and coverage and the rates it pays for such benefit services. Alcon's efforts in this regard have allowed it to gain a competitive advantage in the marketplace in acquiring medical benefits and services and providing the best possible benefits/coverage to its employees. If Exhibits "A" through "B" were disclosed, Alcon could potentially lose its

competitive advantage in acquiring such services in the marketplace to the detriment of it, its employees and retirees.

Exhibit "C" contains a discount and disruption analysis in regards to patient-physician records from its contracted medical benefits service network in order to identify and rank the anticipated and expected costs from three identified medical benefits service networks and includes an analysis of administrative costs, quality of administration, reporting capabilities and performance guarantees. Exhibit "C" also includes an analysis of the discounts of each medical benefits service network as well as corresponding facility discounts for inpatient and outpatient services/claims. Exhibit "C" contains discount information related to physician/professional services. Alcon's internal analysis of medical benefits service networks is highly confidential and commercially sensitive business information. Disclosure of such information would reveal how Alcon analyzes and values various providers and determines the rates it pays for provider services.

Disclosure of the information contained in Exhibits "A" through "C", would harm Alcon's ability to conduct comparison evaluations of medical benefits service networks and obtain information from the different medical benefits service networks. This would result in increased costs for medical benefits services and a corresponding decrease in services.

It would be extremely difficult for Alcon to obtain pricing/cost/discount information from various medical benefits service networks if such information was disclosed or disseminated as the medical benefits service networks provide

this information on a confidential basis. Further, such disclosure would breach Alcon's fiduciary obligation of managing its benefits program for its members and result in medical benefits service networks' refusal to provide this valuable information in the future. Medical benefits service networks' refusal to provide this and Alcon's resulting inability to compare medical benefits service networks would affect the exact people Alcon's benefits service is obligated to serve, its' employees and retirees. The lack of comparable information would result in decreased services and corresponding increased costs to Alcon, its employees and retirees. In today's ever increasing competitive medical benefits service network market, the disclosure of this information would harm the members to whom Alcon owes its fiduciary responsibility. Such harm includes the loss of being able to attract and retain Alcon's most important and necessary resource, its people. Alcon's inability to attract the best employees by providing the best medical benefits services would greatly harm Alcon's position as the world's leading eye care company.

If Exhibits "A" through "C" are made public, Alcon's inability to obtain medical benefits service network information in the future will result in Alcon's inability to attract future candidates for hire, as well as retain existing employees, to its detriment. The information contained in Exhibits "A" through "C" is central to Alcon's employee benefits plan and its goal of acquiring and retaining its highly skilled workforce which consistently outperforms its competitors'. Disclosure of Exhibits "A" and "C" would violate the business practice and spirit in which the highly confidential and considerably sensitive business information was provided

by medical benefits service networks, affecting interstate commerce and have a detrimental affect on Alcon's future business relationships with medical benefits service networks. Disclosure of Exhibits "A" through "C" would result in a disservice to Alcon's employees and retirees, the exact individuals to which Alcon owes its fiduciary responsibility.

4. "Alcon has taken significant steps to protect the confidential nature of these documents which were produced in response to a subpoena issued by NTSP and requests from the FTC. These documents were produced under compulsory process and pursuant to the Protective Order Governing Discovery Material issued in this matter on October 16, 2003 (the "*Protective Order*"). Further, Alcon takes substantial measures to guard the secrecy of the information contained in Exhibits "A" through "C," limiting dissemination of such information and taking every reasonable step to protect its confidentiality. Indeed, such information is disclosed only to a few, particular employees of Alcon. It would be extremely difficult for other entities to access or recreate the information in Exhibits "A" through "C." These efforts demonstrate that Alcon has gone to great lengths to preserve the confidentiality of the information contained in Exhibits "A" through "C."

5. "I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed this ____ day of April, 2004 in Fort Worth, Texas."

____[Original Signed /s]_____
Don Snyder

SUBSCRIBED AND SWORN TO before me by said Mr. Don Snyder on the _____ day of April, 2004.

____[Original Signed]_____
Notary Public in and for the State of Texas

__[Johnna West]_____
Printed Name

My Commission Expires:
