



B. The term “ENH” means Evanston Northwestern Healthcare Corporation, its domestic and foreign parents, predecessors, divisions, subsidiaries, affiliates, partnerships, and joint ventures, and all directors, officers, employees, agents, and representatives of the foregoing. The terms "subsidiary," "affiliate," and "joint venture" refer to any person in which there is partial (25 percent or more) or total ownership or control between ENH and any other person.

C. The term "HPH" means Highland Park Hospital (Highland Park, Illinois), its domestic and foreign parents (including but not limited to Lakeland Health Services), predecessors, divisions, subsidiaries, affiliates, partnerships, and joint ventures, and all directors, officers, employees, agents, and representatives of the foregoing. The terms "subsidiary," "affiliate," and "joint venture" refer to any person in which there is partial (25 percent or more) or total ownership or control between HPH and any other person.

D. The term “Respondents” means ENH and ENH Medical Group.

E. The term “Respondent Hospitals” includes Highland Park Hospital, Evanston Northwestern Hospital and Glenbrook Hospital.

F. The term “Merger” means the merger of ENH and Lakeland Health Services, Inc. on or about January 1, 2000.

G. The term "physicians or physician groups” means any legal entity, including sole practitioners, partnerships, professional or limited liability partnerships, or corporations that engages in or employs individuals engaged in the practice of medicine. This includes, if appropriate, independent practice associations, physician practice associations or other groups that negotiate contracts on behalf of physicians or physicians groups.

H. The term “Geographic Area” means Lake, Cook, Kane, Kendall, and McHenry

Counties in Illinois.

I. The term "documents" includes all computer files and written, recorded, and graphic materials of every kind in the Respondents' possession, custody or control. The term "documents" includes electronic mail and drafts of documents, copies of documents that are not identical duplicates of the originals, and copies of documents the originals of which are not in the possession, custody or control of the Respondents. The term "computer files" includes information stored in, or accessible through, computer or other information retrieval systems; such computer files should be printed and produced in hard copy (unless otherwise required by a particular specification or subspecification, or agreed to by Commission representatives), together with instructions and all other materials necessary to use or interpret the data.

J. The term "person" means any natural person, corporate entity, partnership, association, joint venture, government entity, or trust.

K The term "relating to" means in whole or in part constituting, containing, concerning, discussing, describing, analyzing, identifying, or stating.

L. The term "identify" means (a) with respect to a person, to state the person's full name and present (or, if unknown, the last known) home address and telephone number, business address and telephone number, place of employment and position, and present and past relationship to any party; (b) with respect to an organization, to state the name under which it customarily does business, its address, its telephone number and, if known, the identity of the person in such organization who is believed to have the greatest knowledge with respect to the matters referred to in these interrogatories; and (c) with respect to a document, to state the title of

any document, who prepared it, when it was prepared, where it is located, who its custodian is, and, if it has been produced in the investigation or this litigation, the Bates number or other designation that was assigned to it by the party producing such document.

M. The terms "and" and "or" have both conjunctive and disjunctive meanings.

N. The term "health plan" means any entity that contracts or negotiates contracts for the payment of health services rendered by ENH, HPH or any other general acute care hospital. This includes, but is not limited to, health maintenance organizations, preferred provider organizations, managed health care plans, point-of-service plans, self-insured health benefit plans, employer or union health benefit plans, Medicare, Medicaid, CHAMPUS, or private or governmental health plans or insurance of any kind.

O. The term "physician organization" means any entity that directly or indirectly provides, or through which physicians contract to provide, physician services to health plans, including but not limited to solo or group medical practices, individual practice associations, medical foundations, and physician-hospital organizations.

P. The term "Complaint" refers to the Complaint issued in this action by the Federal Trade Commission on February 10, 2004.

Q. The term "Answer" refers to Respondents' First Amended Answer filed by the Respondents in this case on July 12, 2004.

R. The term "Independent Physician(s)" includes those physicians who were affiliated with the ENH Medical Group during the relevant period, other than those employed by ENH Medical Group, Faculty Practice Associates, or Respondent Hospitals.

S. The term “relevant period” is all time since January 1, 1995.

### **INSTRUCTIONS**

I. All references to year refer to calendar year, unless otherwise specified. Unless otherwise specified, each of the interrogatories seek all information responsive to the interrogatory since January 1, 1995.

II. Each interrogatory must be answered separately, and an answer should not be supplied by reference to an answer to another interrogatory unless the information provided is intended to be identical in all respects.

III. This set of interrogatories shall be deemed continuing in nature so as to require the disclosure of information responsive to an interrogatory that is discovered or obtained by the Respondents through the trial.

IV. Whenever you are requested to give specific information, such as a date or figure, and you cannot give the exact information, so state and give your best estimate thereof.

V. In response to each interrogatory, identify each person who participated in the preparation of the response, including without limitation all persons who drafted proposed or actual responses or who provided information or documents to be used in the preparation of the response, and identify and describe each file and each document consulted or referred to in the preparation of the answer.

### **INTERROGATORIES**

1. Identify the line(s) of commerce, as that term is used in section 7 of the Clayton Act, 15 U.S.C. § 18, in which Respondent Hospitals do business.

2. For each line of commerce identified in your response to Interrogatory No. 1, identify the section(s) of the country, as that term is used in section 7 of the Clayton Act, 15 U.S.C. § 18, in which Respondent Hospitals do business.

3. For each “significant procompetitive efficiency,” as that term is used in the Sixth Defense in the Answer, that Respondent Hospitals purportedly accomplished through the Merger, identify the nature of the efficiency, the dollar amount of savings, the methodology Respondents used to calculate that amount, Respondents’ basis for attributing the efficiency to the Merger, and the individual(s) with the information relevant to this methodology and data used to make this calculation.

4. For each “significant improvement in the quality of patient care,” as that term is used in the Seventh Defense in the Answer, that Respondent Hospitals purportedly accomplished through the Merger, identify the nature of the improvement, the magnitude of that improvement, the methodology Respondents used to calculate that magnitude, Respondents’ basis for attributing the improvement to the Merger, and the individual(s) with the information relevant to the methodology and data used to make this calculation.

5. Identify all contracts relating to the provision of medical services negotiated or entered into by the Northwestern Healthcare Network and, for each such contract, set forth the total dollar volume of sales by Respondent Hospitals pursuant to the contract for each year from 1989 through 2001.

6. Identify each way in which the State of Illinois “approved” the Merger, as that term is used in the Ninth Defense in the Answer.

7. Identify all good faith but unsuccessful efforts undertaken by HPH to elicit reasonable offers for the acquisition of its assets by (or its merger with) another company as an alternative to its merger with ENH, including the name of the potential acquirer or merger partner, the terms of the offer(s) and counteroffers(s), the date of such efforts, the reasons the efforts were unsuccessful, and the names of individuals at HPH and any other company with information relating to these matters.

8. Identify all financial obligations that, at the time of the Merger (or soon thereafter), HPH would have been unable to meet, the basis for Respondents' conclusion that HPH would have been unable to meet those obligations, and individual(s) with information relating to this matter.

9. In each fiscal year from 1998 through the present, identify each health plan from which either ENH or ENH Medical Group received more than \$1 million in annual revenues for hospital services, the aggregate amount of revenues from each health plan, the method (e.g., electronic transfer or United States Mail) by which Respondents rendered the bill to the health plan, the location of the office of the health plan to which the bill was delivered, the method (e.g., electronic transfer or United States Mail) by which the health plan made payment to Respondents, the name and the location of the bank or other depository used by the health plan to make payment to Respondents, and the name and the location of the bank or other depository used by the Respondents to which payment was transferred.

10. For each year from 1998 through 2003, identify the aggregate amount of revenues that each of the Respondent Hospitals received from the federal Medicare program and from the

Illinois Medicaid program.

11. Identify each contract to which ENH Medical Group was a party for the provision of and payment for medical services.

12. Identify each health plan to which ENH Medical Group delivered or attempted to deliver one or more of the documents denominated ENH RG 006953 - ENH RG 007308.

13. Identify each Independent Physician who utilized in the delivery of physician services in his or her private practice a clinical data record system developed by, licensed to, or administered by Respondents. (For the purposes of this interrogatory, Respondents should not include clinical data record system(s) used by an Independent Physician exclusively in the provision of care to patients during their hospitalization at Respondent Hospitals.)

14. Identify each clinical protocol that was developed by ENH Medical Group to assess the provision of care by an Independent Physician in his or her private practice. (For the purposes of this interrogatory, Respondents need not include the clinical protocols that were used exclusively for the assessment of physicians who were employees of Respondents or Faculty Practice Associates.)

15. Identify the network utilization standards, quality goals, benchmarks, or other measurable performance goals that ENH Medical Group developed for and employed in assessing the provision of care by Independent Physicians.

16. Identify each instance in which ENH Medical Group terminated the participation of or otherwise disciplined an Independent Physician for his or her failure to meet the network utilization standards, quality goals, benchmarks, or other measurable performance goals

identified in response to Interrogatory No. 15.

17. Identify each way in which network utilization standards, quality goals, benchmarks, or other measurable performance goals employed by the ENH Medical Group improved the quality of care, reduced the cost of care, or otherwise improved the services delivered by the Independent Physicians affiliated with the ENH Medical Group.

18. Identify each employment position at Respondent Hospitals that was eliminated as part of efficiency measures resulting from the Merger and, for each such position, identify the last person to hold that position, the aggregate compensation paid to that individual (including fringe benefits), and the basis for your conclusion that the elimination of that position was attributable to the Merger.

19. Identify all reports, both before and after the Merger, that Respondent Hospitals generated to track inpatient costs by service or ancillary line on a monthly basis.

20. For each Independent Physician, identify all contracts to which ENH Medical Group was a party under which the Independent Physician agreed to be compensated or was compensated on a prospectively-established fixed payment (i.e., a per member per month or other capitated rate) and, for each such contract, identify the Independent Physician's dates of participation in the contract and the formula that was used to calculate the payment to that Independent Physician.

21. Identify each instance in which, after the Merger, Respondent Hospitals proposed renegotiating a contract with a health plan and, in each such instance, identify the proposal(s) made by Respondent Hospitals, the counter-proposals made by the health plan, and the final

outcome of the negotiations.

22. For each document listed below, identify each contract that the document amended, renewed, or replaced; the hospital(s) that were parties to that contract, the payer that was the party to that contract; the particular plan to which that contract applied; the date that contract was entered; the effective date of that contract, and the name and the Bates number or CX number assigned to that contract:

- (a) CX - 05008 (i.e., ENH JL 006366 - 006376).
- (b) CX - 5098 (i.e., ENH JL 006586 - 006587).
- (c) ENH JL 003585 - 003588.
- (d) ENH JH 010017 - 010018.
- (e) ENHL BW 017671 - 017673
- (f) CX - 5075 (i.e., ENH JL 000874 - 000893).
- (g) ENH JL 000729 - 000748.
- (h) ENH JL 008184 - 008187.
- (i) ENH JL 001908 - 001912.
- (j) ENH JL 008106 - 008131.
- (k) ENH JL 001877 - 001878.

23. Identify each instance in which, pursuant to a consent to assignment, amendment, or similar agreement, HPH was compensated pursuant to a contract to which ENH was a party, when the payment received by HPH was based on the rates in effect for ENH immediately before the Merger, and in each such instance, set forth the date of the assignment or amendment, the

payer involved, the particular payer plan, the name of the contract involved, the effective date of the contract, the date the contract was entered, and the name and the Bates number or CX number assigned to the contract.

24. Identify each instance in which, pursuant to a consent to assignment, amendment, or similar agreement, ENH was compensated pursuant to a contract to which HPH was a party, when the payment received by ENH was based on the rates in effect for HPH immediately before the Merger, and in each such instance, set forth the date of the assignment or amendment, the payer involved, the particular payer plan, the name of the contract involved, the effective date of the contract, the date the contract was entered, and the name and the Bates number or CX number assigned to the contract.

25. Identify the principles used by Respondent Hospitals for accounting for contractual allowances and bad debt; the criteria used to determine which accounts receivable are recorded as bad debt; and the circumstances, if any, under which bad debt or contractual allowances are attributed to charity care or some similar account.

26. For each year in the relevant period, identify the amounts of bad debt and charity care recorded by Respondent Hospitals and the amount of bad debt that was re-recorded as charity care.

27. For each individual employee of Respondents or Faculty Practice Associates who received compensation (including fringe benefits) in excess of \$75,000 in fiscal year 1998, identify the comparable compensation to that employee for each year from fiscal year 1999 through 2004.

28. Identify all contract terms (including, but not limited to per diem formulas, discount of charges formulas, or stop loss provisions) that affect the total consideration Respondent Hospitals will receive under a contract with a health plan and, for each such factor, set forth the method(s) Respondent Hospitals use for assessing the revenue effects of a change to such contract term on the revenues that Respondent Hospitals will receive under a contract with a health plan.

29. Identify each instance in which a health plan with which Respondent Hospitals contracts (or has contracted) has used steerage or similar provisions to influence the choice of hospitals by plan enrollees including the precise terms of the steerage provision(s), the health plan that used the steerage provision, the impact of the steerage provisions on the utilization of Respondent Hospitals by enrollees of the health plan, and your basis for attributing such changes in utilization to the steerage or similar provisions.

30. For each contract in which Respondent Hospital(s) has furnished services on a capitated or other risk-based arrangement, set forth on a monthly basis, the identity of the company with which the Respondent Hospital(s) contracted, the number of covered lives covered by the contract in that month, the scope of services covered by the contract, and the payment the Respondent Hospital(s) received for those services.

31. For each instance since 1995, identify each payment that Respondent Hospital(s) have received in recognition of meeting utilization goals or targets in the provision of care, including the name of the health plan, independent practice association, or network, the applicable utilization goals or targets, the performance of Respondent Hospital(s) that entitled it

to the payment, the total amount of payment, and the formula and amount of distribution of the payment among the Respondent Hospital(s) and any physicians or other entities that received any share of the payment.

32. For each month since 1995, set forth the payment that Highland Park IPA or ENH Medical Group received, directly or indirectly, from HMO Illinois, on a per member per month basis and on an aggregate basis.

33. Identify the budget for charity care at each of Respondent Hospitals during the relevant period, including the criteria for establishing the budget, the number of patient days or dollar amount of charity care actually furnished by Respondent Hospitals; and the reasons for changes (if any) in the budgeted or actual amount of charity care rendered by Respondent Hospitals.

34. Identify each instance in which the Evanston Healthcare Network terminated the employment of a person employed by Respondent Hospital(s) and, in each such instance, identify the grounds for the termination.

35. Identify each instance in which Respondent Hospital(s) deferred or decided to forego capital or operational expenditures because those expenditures were not approved by Evanston Healthcare Network.

Respectfully Submitted,

Dated: \_\_\_\_\_

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Thomas H. Brock, Esq.  
Federal Trade Commission  
600 Pennsylvania Avenue, N.W.  
Room H-360  
Washington, D.C. 20580  
(202) 326-2813  
Fax: (202) 326-2884  
Email: [tbrock@ftc.gov](mailto:tbrock@ftc.gov)

Philip M. Eisenstat, Esq.  
Federal Trade Commission  
601 New Jersey Avenue, N.W.  
Room NJ-5235  
Washington, D.C. 20580  
(202) 326-2769  
Fax: (202) 326-2286  
Email: [peisenstat@ftc.gov](mailto:peisenstat@ftc.gov)

**CERTIFICATE OF SERVICE**

This is to certify that a copy of the foregoing documents were served on counsel for the respondents by electronic mail and first class mail delivery:

Michael L. Sibarium  
Charles B. Klein  
WINSTON & STRAWN, LLP  
1400 L Street, NW  
Washington, DC 20005

Duane M. Kelley  
WINSTON & STRAWN, LLP  
35 West Wacker Drive  
Chicago, IL 60601-9703

Michael T. Hannafan  
Michael T. Hannafan & Associates, Ltd.  
One East Wacker Drive  
Suite 1208  
Chicago, IL 60601

and delivery of two copies to:

The Honorable Stephen J. McGuire  
Federal Trade Commission  
600 Pennsylvania Avenue  
Room 113  
Washington, DC 20580

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Date

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Thomas H. Brock  
Complaint Counsel