UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION



WASHINGTON, D.C. 20580

November 23, 2009

C. Cruise Commonwealth of Virginia

Re: In the Matter of Carilion Clinic, Docket No. 9338

Dear Mr. Cruise:

Thank you for your comments regarding the proposed consent order accepted by the Federal Trade Commission for public comment in the above-captioned matter. The Commission has reviewed your comments in connection with its decision whether to accord final approval to the proposed consent order, and has also placed your comments on the public record.

Your letter indicates that you are concerned about what you describe as Carilion's practice of referring patients to its employed physicians, which you believe has the effect of restricting patient choice. Your concerns relate to Paragraph III.A of the proposed order, which requires that for one year Carilion maintain existing referral patterns for any employed physician who has previously referred to CAI. Specifically, you express concern that this one year prohibition is of insufficient duration and should be made permanent.

The purpose of Paragraph III.A. of the proposed consent order is to facilitate the acquirer of CAI in its efforts to reestablish CAI as a viable, independent competitor in the Roanoke marketplace. The proposed consent order is designed to remedy the competitive harm that resulted from Carilion's acquisition of CAI and CSE. The consent order does not constitute a determination by the Commission that Carilion's referral practices more generally are either legal or illegal. The Commission reserves the right, however, to take such future action as the public interest may require.

For these reasons, the Commission has determined that the public interest would best be served by issuing the Decision and Order in final form without modification. A copy of the final Decision and Order is enclosed for your information. Relevant materials also are available from the Commission's website at http://www.ftc.gov.

It helps the Commission's analysis to hear from a variety of sources in its work on antitrust and consumer protection issues, and we appreciate your interest in this matter.

By direction of the Commission.

Donald S. Clark Secretary