



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Office of the Director
Bureau of Competition

JUL 01 2013

E. Perry Johnson, Esq.
Brian Cave LLP
One Metropolitan Square
211 North Broadway, Suite 3600
St. Louis, MO 63102-2750

Re: Capella Healthcare/St. Joseph's Mercy Health System (now "Mercy Hot Springs"), File No. 121-0117

Dear Mr. Johnson:

The Federal Trade Commission's Bureau of Competition has been conducting a nonpublic investigation to determine whether the proposed acquisition of Mercy Hot Springs by Capella Healthcare ("Capella") may violate Section 7 of the Clayton Act or any other statute enforced by the Commission.

On June 27, 2013, Capella announced that Mercy Health and Capella had mutually terminated their acquisition agreement. As a result, it now appears that no further action is warranted by the Commission at this time. Accordingly, the investigation has been closed. This action is not to be construed as a determination that a violation may not have occurred, just as the pendency of an investigation should not be construed as a determination that a violation has occurred. The Commission reserves the right to take such further action as the public interest may require.

Sincerely yours,

A handwritten signature in cursive script that reads "Deborah L. Feinstein".

Deborah L. Feinstein
Director
Bureau of Competition