

802.2(a)

Verne, B. Michael

From: [Redacted]
Sent: Thursday, January 05, 2006 5:10 PM
To: Verne, B. Michael
Subject: HSR question

Mike,
A client has asked me to contact you to confirm whether an HSR filing will be required for the proposed acquisition of a hospital. Currently, the hospital is being built by a health system that has decided to sell it. Although the hospital has yet to begin operations and will not begin operations prior to its sale, the hospital was not built by the acquired person for the purpose of being sold; thus the acquisition would not appear to fall within the 802.2(a) exemption for new facilities. Immediately upon acquisition, the client intends to enter into a long-term lease with the [Redacted] to have the hospital operated as [Redacted] hospital. The client will own the hospital and receive revenue under the lease, but it will not otherwise be involved in the operations of the hospital.

The statutory filing thresholds are satisfied, and I have preliminarily concluded that none of the exemptions apply. Thus, it appears a filing will be required. Can you confirm? Thanks much.

Regards,

[Redacted]

[Redacted]

[Redacted]

AGREE - THIS IS REPORTABLE.
B. Michael
1/5/06