

March 16, 1989

Mr. Jeffrey Kaplan Staff Attorney Premerger Notification Office Bureau of Competition Room 303 Federal Trade Commission Washington, D.C. 20580

Re: Proposed Transaction between and

Dear Mr. Kaplan:

This will confirm our telephone conversation of March 15, 1989, wherein you responded to my letter of March 9, 1989, on the abovementioned transaction.

At that time, you informed me that the transaction as I described it on page 2 of my letter is a reportable event in the opinion of the Federal Trade Commission, as normally a not-for-profit becoming the sole corporate member of another not-for-profit corporation is considered an "acquisition" for your purposes.

You then discussed, however, my position on page three of my letter in that you agreed with me that the particular proposed transaction fits within the minimum dollar exemption of 16 C.F.R 802.20. We had a brief discussion concerning "net annual sales" and my use of the words "net operating revenues" as that latter term applies to hospitals as opposed to the former term used in the regulation. You did agree, however, that the exemption would apply on the basis of the facts as I presented them.

I asked if I was to file any additional documents, and you indicated that was not necessary but that you would keep my letter of March 9, 1989, on file.



Mr. Jeffrey Kaplan March 16, 1989 Page 2

If any of the above information does not adequately reflect our telephone conversation, please inform me immediately. Otherwise, the parties will proceed with the proposed transaction without further notification to the Federal Trade Commission or the Department of Justice. I would appreciate if you would add this letter to our file.

Thank you again for your prompt response to our inquiry.

Very truly yours,

