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**TN ATTORNEY GENERAL'S OFFICE JOINS FTC CHALLENGE TO MEMPHIS
HOSPITAL SYSTEM ACQUISITION**

Nashville-Attorney General Herbert H. Slatery III released the following statement on joining the Federal Trade Commission's complaint filed today in federal court.

"After carefully considering the proposed acquisition of two Memphis hospitals, known as St. Francis, by Methodist Le Bonheur Healthcare, I have decided that the Tennessee Attorney General's Office will join the Federal Trade Commission in challenging the proposed transaction.

The numbers are striking. If this deal were to go forward, Methodist would control roughly 60% of the inpatient General Acute Care (GAC) market in Memphis. That's nearly twice the share of its next closest competitor. We have concluded that if Methodist controlled that much of the market, Tennesseans in Memphis would face higher prices and fewer options for their healthcare.

As Attorney General, it is my role to enforce anti-trust laws that ensure competition in our state marketplaces. Methodist, which already operates the major children's hospital in the Memphis area that all insurers want in their networks, would also control seven of the twelve hospitals serving the adult GAC market, including the only hospital in Bartlett. We are not convinced that any positive effects of the proposed transaction would offset the harms it would cause.

We recognize and respect Methodist's significant contributions to the Memphis community, but we believe the proposed acquisition would simply give it too much power over the Memphis healthcare market and eliminate incentives to continue to improve quality, expand service, increase access, and recruit the best doctors.

For these reasons, the Tennessee Attorney General's office joins the unanimous 5-0 decision of the Commission in moving to protect consumers and the healthcare marketplace in Memphis."

To read the administrative complaint filed by the FTC last week, click here:
<https://www.ftc.gov/system/files/documents/cases/d09396complaint.pdf>

