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CARONDELET-HCA DEAL

Brianne Pfannenstiel: FTC fears unhealthy competition in HCA-Carondelet merger



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Carondelet Health discontinued plans to sell two area hospitals to **HCA Midwest Health System**, primarily because the **Federal Trade Commission** would not approve the transaction.

In May, HCA agreed to buy **St. Joseph Medical Center** in Kansas City and St. Mary's Medical Center in Blue Springs from **Ascension Health**, which is owned by St. Louis-based Carondelet Health.

"We are disappointed that all of the anticipated regulatory approvals have not been forthcoming," HCA spokesman [Rob Dyer](#) said in a statement.

Ascension Health officials declined to comment on the FTC decision.

"In any proposed merger or sale between two players, the FTC's primary concern is that a decrease in competition will result in fewer choices for patients, higher prices and potential reduction in patient care," said [Brandon Boulware](#), a partner with **Rouse Hendricks German May PC** who has worked on hospital antitrust cases in Kansas City. He was not involved in the HCA-Carondelet transaction.

Boulware said the FTC is most likely to deny deals because they will have anti-competitive effects.

The first thing the FTC does is look at a market to see how many choices patients have, he said. St. Joseph Medical Center is off Interstate 435 and State Line Road. To the south is HCA-owned **Menorah Medical Center**. To the west is **Overland Park Regional Medical Center**, also owned by HCA. St. Mary's, off Interstate 70 and Missouri Highway 7, also is bracketed by HCA hospitals: **Centerpoint Medical Center** and **Lee's Summit Medical Center**.

Hospitals typically frame the market broadly to show multiple competitors and active competition, Boulware said.

However, in this case, it appears the FTC couldn't be convinced.

Brianne covers legal affairs, health care, life sciences, animal health and biosciences.