

## CASE STUDY

# Securing FTC Clearance for a Healthcare Merger

*“The agreement has cleared the federal regulatory review process, enabling North Shore-LIJ to establish its 16th hospital in the metropolitan area.” —Press release from Pillsbury’s client, the North Shore-LIJ Health System*



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| Client:      | <b>North Shore-LIJ Health System</b>  |
| Industry:    | Healthcare  |
| Area of Law: | Antitrust and competition   |
| Venue:       | U.S. Federal Trade Commission   |
| Result:      | Based on preparation that anticipated regulators’ concerns, the FTC cleared the proposed transaction without any conditions |



As healthcare’s importance in the U.S. economy continues to grow, those charged with enforcing antitrust laws have stepped up their scrutiny of any plans by healthcare providers to combine forces. By anticipating the concerns of antitrust regulators and proactively showing how these concerns had been addressed, Pillsbury helped an important merger quickly earn a clean bill of health.

North Shore-LIJ is the largest health system in its region, providing inpatient and ambulatory behavioral health services in Manhattan, Staten Island, Queens and Long Island. In 2012, North Shore-LIJ was joined by The Long Island Home, adding a 16th hospital to the system, as well as an additional long-term, sub-acute rehabilitation facility in Suffolk County.

Mindful that in recent years the FTC has challenged similar combinations, Pillsbury attorneys started working closely with both parties several months before their respective boards approved the transaction.

The Pillsbury team conducted interviews with a wide range of personnel—CEOs, strategic planners, treating psychiatrists, admissions officers and nursing administrators—to demonstrate important differences in the nature of the services offered and the patients admitted to their respective facilities.

Pillsbury also helped the buyer develop plans for further increasing the quantity, scope and quality of services in the region as a result of the merger. This preparatory work anticipated the FTC’s concerns before the agency’s review even began, and promptly led to a favorable result.