

The CNMC clears the acquisition of Centro Médico El Carmen by Hospitales Cosaga, subject to multiple commitments

- The acquisition concerns the provision of private healthcare services in Orense, where only Cosaga will be operating.
- The commitments aim to ensure the quality of these services and to maintain collaboration with the public healthcare system.
- The CNMC will monitor the prices of medical services and the rental of healthcare facilities for five years to ensure access for competitors.
- Cosaga will make investments over three years to renew and improve the current staffing and equipment.

Madrid, 18 April 2024. The National Markets and Competition Commission (CNMC) has approved in Phase I of the merger control procedure, subject to commitments, the acquisition of Centro Médico El Carmen by Hospitales Cosaga (Recoletas Group), in the province of Orense ([C/1438/24](#)).

The commitments aim to enhance the quality of medical services, prevent price increases and ensure access for competitors. The CNMC will monitor compliance for five years.

Risks to competition

After the transaction, Cosaga will be the sole provider of in-patient healthcare services in Orense. The CNMC therefore conducted an investigation and a market test with competitors, insurers, public administrations and other players affected by the acquisition.

This analysis identified three main problems: deterioration of the quality of services (including a potential reduction in specialities and specialists), price increases, and access issues to in-patient facilities (operating rooms) by other competitors.

The identified risks relate to several markets: private provision of healthcare to private patients (in- and out-patients), private provision of healthcare to public referrals (in- and out-patients) and rental or leasing of in-patient facilities.

Commitments offered

The CNMC considers that the commitments offered by Cosaga in Phase I of the merger control procedure are sufficient to avoid these competition concerns.

- **Quality assurance in healthcare services**

The vast majority of the commitments aim to avoid a reduction in the quality of services and to ensure continued collaboration with the public healthcare system.

Cosaga has committed to implement general and specific quality indicators, and to maintain the current quality certificates (ISO 9001 and the quality certificate from the Regional Ministry of Health of the Government of Galicia).

It will also maintain the existing legal relationship with all medical professionals, guarantee their access to healthcare facilities, and invest in healthcare improvements over the next three years.

Cosaga has also committed to maintain the current global portfolio of services and medical staff.

To ensure continued collaboration with the public healthcare system, Cosaga will keep providing the same service portfolio to the Galician Public Health Service and will not worsen the quality of care indicators for patients referred from the public healthcare system. Nor will it discontinue the provision of certain specialities, such as those not provided by the Public Hospital of Orense.

- **Price monitoring**

Cosaga will report annually on the evolution of prices for the rental of consultation and operating rooms, and on the ten procedures with the highest billing for private and public patient services. This will allow the CNMC to monitor and detect potential abusive price increases, in accordance with Article 2 of the Spanish Competition Act (Ley de Defensa de la Competencia).

Furthermore, some of the commitments — such as the maintenance of the portfolio of services and further investments to improve the quality of care — will help prevent potential price increases.

- **Rental of hospital facilities to third parties**

Finally, to avoid the risk of market closure vis-à-vis other actual or potential competitors, Cosaga has undertaken to maintain legal relationships with healthcare professionals already providing services in its hospitals and to ensure access for doctors renting its facilities.

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