

PRESS RELEASE

The CNMC approves the Quirón Group's acquisition, with a complete package of commitments, of the Santa Cristina Clinic in Albacete

- The merger is approved following intense work in the second phase and a complete package of commitments, which was subjected to successive market tests with its competitors.
- Extensive conditions were imposed to guarantee the quality of the health services provided and improve collaboration with the public health system for five years.
- The prices of health services and the hiring of spaces will be monitored to guarantee the relationship with professionals and access by competitors.
- Quirón will invest 1.5 million euros over three years to implement new specialities.

Madrid, 24 April 2019.- The CNMC (National Commission on Markets and Competition) has approved the acquisition by Helios Healthcare Spain S.L.U. (Quirón Group) of the health care business of the Santa Cristina Clinic (CSC) in Albacete. This decision was made following an extensive investigation in the second phase and includes a complete package of commitments aimed at improving the quality of the private medical services provided, avoiding price increases and guaranteeing access by competitors to Quirón's hospitals. Compliance with these terms will be monitored for five years. (C/0966/18).

This acquisition removes the Quirón Group's only private competitor in the province, meaning it will have a monopoly on the private provision of in-patient health services. Because of this, the CNMC conducted a thorough investigation and after successive proposals accepted a package of commitments aimed at avoiding all the risks and adverse effects identified for the competition. The CNMC will monitor compliance with these guarantees, which the Quirón Group cannot modify without authorisation until 2024.

This package of commitments is aimed at improving the quality of the private medical services provided by ensuring that competing providers of medical services have access to the hospital spaces of the Quirón Group, and maintaining the relationship with existing competitors. In addition, the public health services currently being provided to patients will be maintained to avoid overwhelming or worsening the public health system; and new specialities and management improvements will be implemented. Finally, Quirón is committed to annual price checks to avoid cost increases in the collaboration between the public and private sectors.

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To this end, the CNMC conducted an initial market test aimed at gauging the opinion of competitors, insurers, government agencies and other parties affected by the operation. In October, it agreed to advance the operation to the "second phase", the goal of which was to conduct an in-depth analysis of the potential adverse effects on competition arising from the operation.

In January, the Competition Office drew up a statement of facts that identified three potential competition problems: lower quality (including a reduction in the number of specialities and specialists), higher prices and restricted access. These issues were identified in three markets: the private provision of in-patient health services to private patients, the private provision of health services to patients referred from the public health service, and the hiring and assignment of in-patient spaces (mainly operating theatres).

This led the Quirón Group to present its initial commitments in an effort to address these problems, which were deemed insufficient and rejected. Subsequently, several additional proposals were presented and subjected to successive market tests among its competitors. Eventually, a complete package of assurances was prepared that was deemed sufficient to avoid the competition problems identified when the operation was reported.

Quality assurance in health services

The vast majority of the commitments presented are aimed at avoiding a reduction in service quality and ensuring the existing collaboration with the public health system. In this regard, Quirón has committed to implementing general and specific quality indicators, as well as to obtaining the ISO 9001 certification for the entire Santa Cristina Clinic.

Regarding its relationship with health professionals, Quirón is committed to maintaining the current legal relationship with all of them, as well as to guaranteeing access to health care spaces. The health group will invest 1.5 million euros in health care improvements over the next three years.

Quirón will also maintain the general services portfolio of the two centres and provide a series of new services that were not previously available through private health care in Albacete.

To guarantee collaboration with the public health system under the current conditions, Quirón agreed to provide the Health Service of Castilla-La Mancha (SESCAM) the same portfolio of services it currently provides, and not to lower the quality of care indicators for patients referred from the public health system. It also agreed not to close certain specialities, including those that are not provided by the Public Hospital of Albacete.

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Price monitoring

Some of the commitments also make it possible to avoid potential price increases by keeping the health professionals who had been providing their services in both hospitals and allowing access to the health care spaces under the same conditions as prior to the operation; and by not rearranging medical staffing and maintaining the portfolio of services and committed investments, especially those earmarked for the implementation of new specialities.

In addition, Quirón has agreed to provide detailed data on the annual trend in rental prices for offices and operating theatres, and on the prices of the 10 procedures with the highest billing cost for private and public patients. This will allow the CNMC to constantly monitor and identify price hikes that could be deemed abusive, pursuant to Article 2 of Law 15/2007 on the Protection of Competition.

Rental of hospital spaces to third parties

Finally, regarding the risk that the market will be closed off to other real or potential competitors, Quirón has agreed to maintain the legal relationships with those health professionals who were already providing their services in said hospitals and to guarantee access to the medical professionals who were renting spaces in Quirón.

Quirón also committed to continuing its collaboration with the public health service so as not to make the current services contracted with SESCAM contingent upon the provision of new services, and not to deny processes that are currently linked.

Quirón is committed to maintaining its current relationship with Mansilla, a competitor entity that currently provides diagnostic testing services to SESCAM from facilities at the Santa Cristina Clinic.

[More information on the merger analysis.](#)

[Read the background of the operation here](#)

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Summary table of commitments

Quality commitments	Public patient care commitments	Commitments to access by third parties	Information commitments
Implementation of quality, tracking and improvement indicators	Not condition the SESCAM to contract joint services	Maintain relationships with health professionals who already provide services	Monitor and audit quality commitments (by independent company)
Obtain ISO 9001 certification for the CSC	Not deny services of the current agreement and offer them for five years	Maintain the conditions that link CSC and Mansilla for a period of five years	Keep the CNMC informed of the trend in the prices of services for private and public patients
Maintain the general portfolio of services		Ensure medical professionals have access to health care spaces in hospitals	Formally notify health professionals of the commitments that affect them
Invest no less than 1.5 million to improve quality		The CNMC will arbitrate in conflicts involving access by medical professionals	
New services: 24-hour paediatric, gynaecological and traumatology emergencies; neonatology and natural childbirth unit.			

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