





Telecopier:

April 11, 1995

VIA TELECOPY

Ms. Alice Villavicencio
Premerger Notification Office
Bureau of Competition
Room 303
Federal Trade Commission
6th Street and Pennsylvania Ave.
Washington, D.C. 20580

Dear Ms. Villavicencio:

Pursuant to your request during our phone conversation

At issue is whether the proposed transaction is exempt from reporting under Section 7A(c)(4) of the Clayton Act or Section 801.1(a)(2) of the implementing rules. You may assume for purposes of your analysis that the proposed transaction would be reportable if it does not qualify for one of these exemptions.

The proposed transaction involves two The

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affairs and expenditures of its funds. The constitution of State B describes board of governors as a "body corporate."

does not have a board of directors. An executive director is responsible for the overall operation of the executive director reports to an officer of the president reports to the president reports

maintenance organizations. The first is owned and operated by a nonprofit corporation which is controlled by

A. The second is a nonprofit corporation which is organized on a nonstock membership basis. The sole member of is the board of governors of the business and affairs of the managed by a board of directors, a majority of whom are appointed by the board of governors of the state of the directors of the state of the directors.

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Act. It you have any further questions, please call me at

Sincerely,