

Completed acquisition by Cygnet Health Care Limited and Universal Health Services, Inc of Care Aspirations Developments Limited, Cambian Healthcare Limited and Cambian Care Services Limited

Terms of reference

1. In exercise of its duty under section 22(1) of the Enterprise Act 2002 (the **Act**) the Competition and Markets Authority (**CMA**) believes that it is or may be the case that:
 - (a) a relevant merger situation has been created, in that:
 - (i) enterprises carried on by Cygnet Health Care Limited and Universal Health Services, Inc (**Cygnet**) have ceased to be distinct from enterprises carried on by Care Aspirations Developments Limited, Cambian Healthcare Limited and Cambian Care Services Limited (**Cambian**); and
 - (ii) the condition specified in section 23(1)(b) of the Act is satisfied; and
 - (b) the creation of that situation has resulted, or may be expected to result, in a substantial lessening of competition within a market or markets in the United Kingdom for goods or services, including in the supply of hospital-based inpatient rehabilitation services to local authorities and NHS clinical commissioning groups (CCGs) in England, and to NHS Wales.
2. Therefore, in exercise of its duty under section 22(1) of the Act, the CMA hereby makes a reference to its chair for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013 in order that the group may investigate and report, within a period ending on 17 October 2017, on the following questions in accordance with section 35(1) of the Act:
 - (a) whether a relevant merger situation has been created; and
 - (b) if so, whether the creation of that situation has resulted, or may be expected to result, in a substantial lessening of competition within any market or markets in the United Kingdom for goods or services.

Andrea Coscelli
Chief Executive
Competition and Markets Authority
3 May 2017