



DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

March 10, 2025

J. Allen Overby
Bass, Berry & Sims PLC

Re: HCA Healthcare, Inc. (the "Company")
Incoming letter dated December 20, 2024

Dear J. Allen Overby:

This letter is in response to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by Julie Mayfield (the "Proponent") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders.

The Proposal requests the board of directors publish a report describing the healthcare consequences of the Company's acquisition strategy and the impact its hospital acquisitions within the last 10 years have had on impacted communities.

We are unable to concur in your view that the Company may exclude the Proposal under Rule 14a-8(i)(4). We are unable to conclude that the Proposal relates to the redress of a personal claim or grievance against the Company. We are also unable to conclude that the Proposal is designed to result in a benefit to the Proponent, or to further a personal interest, which is not shared by the other shareholders at large.

We are unable to concur in your view that the Company may exclude the Proposal under Rule 14a-8(i)(7). In our view, the Proposal transcends the Company's ordinary business operations and does not seek to micromanage the Company.

Copies of all of the correspondence on which this response is based will be made available on our website at <https://www.sec.gov/corpfin/2024-2025-shareholder-proposals-no-action>.

Sincerely,

Rule 14a-8 Review Team

cc: Julie Mayfield

December 20, 2024

VIA ONLINE SHAREHOLDER PROPOSAL PORTAL

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, NE Washington, DC 20549

Re: HCA Healthcare, Inc. – Exclusion of Shareholder Proposal Submitted by Julie Mayfield

Dear Sir or Madam:

On behalf of our client, HCA Healthcare, Inc. (the “Company”), we respectfully submit this letter pursuant to Rule 14a-8(j) promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), to notify the Securities and Exchange Commission (the “Commission”) of the Company’s intention to exclude from the Company’s proxy materials for its 2025 annual meeting of shareholders (the “2025 Proxy Materials”) a shareholder proposal and statements in support thereof submitted to the Company by Julie Mayfield (the “Proponent”) in a letter dated November 15, 2024 and received by the Company on November 15, 2024 (the “Shareholder Proposal”). All references to “Company,” “HCA” and “HCA Healthcare” as used throughout this document refer to HCA Healthcare, Inc. and its affiliates. The Company’s 2025 annual meeting of shareholders will be held on or about April 24, 2025. In order to timely commence mailing, the Company intends to begin printing the 2025 Proxy Materials no later than March 10, 2025 and intends to file its preliminary 2025 Proxy Materials with the Commission on or about March 4, 2025 and its definitive 2025 Proxy Materials on or about March 14, 2025.

The Company requests confirmation that the Commission’s staff (the “Staff”) will not recommend to the Commission that enforcement action be taken against the Company if the Company excludes the Shareholder Proposal from its 2025 Proxy Materials pursuant to Exchange Act:

- Rule 14a-8(i)(7), on the basis that the Shareholder Proposal relates to, and does not transcend, the Company’s ordinary business operations; and
- Rule 14a-8(i)(4), on the basis that the Shareholder Proposal relates to the redress of a personal grievance and is designed to benefit the Proponent in a manner that is not in the common interest of the Company’s shareholders.

Pursuant to Exchange Act Rule 14a-8(j) and Staff Legal Bulletin No. 14D (Nov. 7, 2008) (“SLB 14D”), the Company is submitting electronically to the Commission this letter and the exhibit attached hereto, and is concurrently sending a copy of this correspondence to the Proponent, no later than eighty (80) calendar days before the Company intends to file its definitive 2025 Proxy Materials with the Commission.

Exchange Act Rule 14a-8(k) and SLB 14D provide that shareholder proponents are required to send companies a copy of any correspondence that the proponents elect to submit to the Commission or the Staff. Accordingly, we are taking this opportunity to inform the Proponent that if the Proponent elects to submit additional correspondence to the Commission or the Staff with respect to the Shareholder

Proposal, a copy of that correspondence should be furnished concurrently to the undersigned on behalf of the Company pursuant to Rule 14a-8(k) and SLB 14D.

The Shareholder Proposal

On November 15, 2024, the Company received the Shareholder Proposal from the Proponent for inclusion in the 2025 Proxy Materials:

Shareholder Proposal

Resolved: HCA Healthcare, Inc. (“HCA”) shareholders request that its Board of Directors publish a report within one year of the upcoming annual meeting (at reasonable expense and omitting proprietary and personally protected information) describing the healthcare consequences of its acquisition strategy and the impact its hospital acquisitions within the last 10 years have had on impacted communities. The report should include information related to (i) the number of physician departures post-acquisition; (ii) a comparison of pre and post-acquisition patient satisfaction ratings; (iii) a comparison of the number of staff per occupied beds pre and post-acquisition; and (iv) an overview of the impacted community’s perception of the acquisition.

Supporting Statement

Studies illustrate that hospital acquisitions can have a significant impact on the patients served by such hospitals, especially in rural areas with lower incomes and high poverty rates.¹ HCA’s latest Form 10-K states that “a component of [HCA’s] business strategy is acquiring hospitals and other health care businesses.” HCA has spent a significant amount of money acquiring hospitals in various states, and shareholders are interested in understanding the healthcare consequences of such activities in the communities impacted by these acquisitions.

HCA’s acquisition of Mission Health (“Mission”) in 2019 illustrates the potentially harmful impact such acquisitions can have on impacted communities. After HCA acquired Mission, over 200 physicians² left the hospital. In addition, almost immediately after the Mission acquisition, HCA allegedly raised prices by 10%, started charging patients surprise fees³ and reduced the number of staff per occupied bed from 6 full time equivalents pre-sale to 3.7 after the sale (average across North Carolina is 5.1).⁴ Patient satisfaction ratings declined precipitously from 4’s and 5’s pre-sale to 1’s and 2’s in 2023, and there were significant staff reductions and/or departures in services such as chaplaincy, pharmacy, rehabilitation, sterile processing, laboratory, and environmental services.⁵ Lastly, nursing shortages at Mission coincided with an Immediate Jeopardy citation based on nine cases, including four deaths, and an Emergency Medical Treatment and Labor Act violation in February 2024.⁶

¹ <https://www.advisory.com/daily-briefing/2024/04/29/hospital-mergers>

² <https://avlwatdog.org/how-many-doctors-have-left-mission-hca-wont-say/>

³ https://www.economicliberties.us/our-work/the-harms-of-hospital-mergers-and-how-to-stop-them/#_ftnref3

⁴ <https://hlp.law.wfu.edu/wp-content/uploads/sites/11/2024/04/HCA-Mission-Financial-Performance-working-draft-WFU.pdf>; <https://reclaimhealthcarewnc.org/in-the-news>

⁵ <https://hlp.law.wfu.edu/wp-content/uploads/sites/11/2024/08/HCA-Mission-Changes-in-Patient-Care-Following-HCAs-Purchase-working-draft-WFU.pdf>; <https://avlwatdog.org/former-mission-chaplain-the-moral-injury-that-is-happening-there-daily-is-staggering/>

⁶ <https://www.asheville.com/news/2024/05/asheville-watchdog-deadly-failures-in-care-at-hca-mission-coincided-with-hundreds-of-vacant-nurse-positions/>

Prior to HCA's acquisition, Mission was the only health system designated as one of the nation's Top 15 Health Systems in six of seven years by IBM/Watson Health (2012-2015; 2017-2018). Since 2019, Mission has experienced a steep decline in the quality of care and patient experience,⁷ regulatory censure, lawsuits from the North Carolina Attorney General and community opposition.⁸

There is robust evidence that hospital acquisitions can cause an array of problems, including higher prices, worse health outcomes, shutdowns and reduced access.⁹

Understanding the impact of HCA's acquisitions on healthcare outcomes is important for shareholders, and it is imperative that HCA consider how its actions potentially contribute to the healthcare crisis impacting our society. For these reasons, I urge you to vote FOR this proposal.

A copy of the Shareholder Proposal is attached hereto as Exhibit A.

Basis for Exclusion

We respectfully request that the Staff concur in our view that the Shareholder Proposal may be excluded from the 2025 Proxy Materials pursuant to Exchange Act (i) Rule 14a-8(i)(7), on the basis that the Shareholder Proposal relates to, and does not transcend, the Company's ordinary business operations; and (ii) Rule 14a-8(i)(4), on the basis that the Shareholder Proposal relates to the redress of a personal grievance and is designed to benefit the Proponent in a manner that is not in the common interest of the Company's shareholders.

Analysis

I. The Shareholder Proposal May Be Excluded Pursuant to Rule 14a-8(i)(7) Because The Shareholder Proposal Relates To, And Does Not Transcend, The Company's Ordinary Business Operations.

A. Background of the Ordinary Business Exclusion.

Rule 14a-8(i)(7) permits a company to exclude a shareholder proposal from the company's proxy materials if the proposal "deals with a matter relating to the company's ordinary business operations." According to the Commission's release accompanying the 1998 amendments to Rule 14a-8, the term "ordinary business" refers to matters that are not necessarily "ordinary" in the common meaning of the word, but instead the term "is rooted in the corporate law concept [of] providing management with flexibility in directing certain core matters involving the company's business and operations." Exchange Act Release No. 34-40018 (May 21, 1998) (the "1998 Release"). The Staff stated in the 1998 Release that the underlying policy of the ordinary business exclusion is "to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting," and that this underlying policy rests on two central considerations that form the basis of the Commission's application of the ordinary business exclusion.

⁷ <https://www.statnews.com/2023/11/30/hca-mission-hospital-cost-cutting-appalachia/>

⁸ <https://reclaimhealthcarewnc.org>

⁹ https://www.economicliberties.us/our-work/the-harms-of-hospital-mergers-and-how-to-stop-them/#_ftnref3

The first consideration relates to the subject matter of the proposal. The 1998 Release recognizes that “[c]ertain tasks are so fundamental to management’s ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight.” Examples of such tasks cited by the Staff in the 1998 Release include “management of the workforce, such as the hiring, promotion, and termination of employees, decisions on production quality and quantity, and the retention of suppliers.”

The second consideration relates to the degree to which the proposal seeks to “micro-manage” the company by “probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment.” The Staff recently explained in Staff Legal Bulletin No. 14L (Nov. 3, 2021) (“SLB 14L”) that it “focuses on the level of granularity sought in the proposal and whether and to what extent it inappropriately limits discretion of the board or management.” The Staff continued that this approach is “consistent with the Commission’s views on the ordinary business exclusion, which is designed to preserve management’s discretion on ordinary business matters but not prevent shareholders from providing high-level direction on large strategic corporate matters.”

Notwithstanding these considerations, the Staff explained in the 1998 Release that a proposal relating to a company’s ordinary business operations is nonetheless generally not excludable if the proposal focuses on “sufficiently significant social policy issues (e.g., significant discrimination matters)” that “transcend the day-to-day business matters and raise policy issues so significant that it would be appropriate for a shareholder vote.” In determining whether a proposal presents a policy issue that transcends the ordinary business of the company, the Staff noted in SLB 14L that it will focus on “whether the proposal raises issues with a broad societal impact” and on the related “social policy significance,” regardless of whether a nexus exists between the policy issue and the company.

Further, a shareholder proposal being framed in the form of a request for a report, analysis or other information does not change the nature of the proposal. The Commission has stated that a proposal requesting the dissemination of a report may be excludable under Rule 14a-8(i)(7) if the subject matter of the proposed report is within the ordinary business of the issuer. *See* Exchange Act Release No. 20091 (Aug. 16, 1983); *Johnson Controls, Inc.* (Oct. 26, 1999) (“[Where] the subject matter of the additional disclosure sought in a particular proposal involves a matter of ordinary business . . . it may be excluded under [R]ule 14a-8(i)(7).”); *see also Ford Motor Co.* (Mar. 2, 2004) (concurring with the exclusion of a proposal requesting that the company publish a report about global warming/cooling, where the report was required to include details of indirect environmental consequences of its primary automobile manufacturing business).

As discussed below, the Shareholder Proposal implicates each of the central considerations underlying the ordinary business exclusion: the subject matter of the Shareholder Proposal deals with issues that are “fundamental to management’s ability to run the company on a day-to-day basis” and seeks to micromanage the Company by limiting its discretion with respect to complex, day-to-day operations. Furthermore, the Shareholder Proposal does not focus on sufficiently significant social policy issues that transcend day-to-day business matters. Accordingly, the Shareholder Proposal relates to, and does not transcend, the Company’s ordinary business operations and therefore may be excluded from the 2025 Proxy Materials pursuant to Rule 14a-8(i)(7).

B. The Subject Matter of the Shareholder Proposal Relates to the Company’s Ordinary Business Operations.

The Shareholder Proposal requests that the Company commission a report that describes the healthcare consequences and impacts on local communities of the Company’s acquisition strategy. At its core, the

Shareholder Proposal attempts to direct the Company to provide information about its general business and acquisition strategy and the Company's operations following an acquisition, and, therefore, involves the Company's "ordinary business."

In accordance with Exchange Act Release No. 20091, discussed above, in analyzing the Shareholder Proposal under Rule 14a-8(i)(7), it is necessary to examine whether the underlying subject matter of the report involves matters of ordinary business. Here, the underlying subject matter of the Shareholder Proposal is directly concerned with the Company's ordinary business operations because it seeks a report relating to the Company's general business and acquisition strategy and its operations following an acquisition.

The Shareholder Proposal's principal focus is the Company's general business strategy, as the Shareholder Proposal in essence requests that the Company report on its acquisition strategy and related operations. The Company's acquisition strategy is part of its general operations and overall business strategy and implicates strategic decisions such as new markets the Company may enter into and overall budget for purchasing new facilities. The Shareholder Proposal also explicitly references matters relating to ordinary business operations such as physician relations and certain staffing matters. The Shareholder Proposal does not relate to an extraordinary transaction (such as a material acquisition or the wind-down or sale of a significant portion of its business) and instead only implicates aspects of the Company's general operations. *Compare Sears, Roebuck & Co.* (Feb. 7, 2000) (concurring with exclusion of a proposal seeking a change in the company's general business plans and strategy) with *Viacom Inc.* (Mar. 30, 2007) (proposal relating to an extraordinary transaction not a matter of ordinary business). Additionally, the Staff has consistently concurred that proposals addressing a company's general business strategies may be excluded under Rule 14a-8(i)(7). *See, e.g., HP Inc.* (Dec. 20, 2019) (concurring with the exclusion of a proposal under Rule 14a-8(i)(7) where the company argued that the proposal's principal thrust and focus were on decision-making with respect to, among other things, the sale of a particular product despite the proposal's references to broad questions relating to the "Purpose of a Corporation"); *Amazon.com, Inc. (W. Andrew Mims Trust)* (Mar. 28, 2019) (concurring with the exclusion of a proposal seeking a societal risk oversight committee to offer guidance on strategic decisions and provide ongoing review of corporate policies and procedures beyond legal and regulatory matters to assess the potential societal consequences of the company's products and services as relating to ordinary business matters); *CVS Corporation (Central Laborers' Pension Fund)* (Feb. 1, 2000) (concurring with the exclusion of a proposal requesting the company prepare an annual strategic plan report describing its goals, strategies, policies and programs as relating to "ordinary business operations (i.e., business practices and policies)"); *Mobil Corp.* (Feb. 13, 1989) (concurring with the exclusion of a proposal seeking to establish a stockholder committee "to review corporate objectives and their implementation" because "it appear[ed] to deal with a matter relating to the ordinary business operations of the [c]ompany (i.e., questions of corporate objectives and goals)").

Further, the Staff has also previously concurred with the exclusion of proposals that—like the Shareholder Proposal—seek disclosure regarding the impact of, and alternatives to, particular strategic decisions regarding a company's general operations. For example, in *Apple Inc.* (Dec. 5, 2014), the proposal sought a report on the costs associated with the company's decision to "obtain some or most of the electricity that powers its operations via renewable sources." Specifically, the proposal sought an estimate of the company's "total investment in these renewable sources of electricity," "the average cost per kilowatt-hour through 2013 and the projected costs over the life of the renewable sources." The proposal also sought disclosure regarding alternative energy sources, stating that "[i]f available the report should also compare the cost of power from the renewable electricity sources" (i.e., the company's chosen source), "with the cost of electricity from the power companies serving the communities in which [the company's] facilities are located." The supporting statement further noted that an executive had "implied

that cost was a secondary consideration in generating or purchasing electricity for [the company's] facilities" and that "[the] report would help [stock]holders judge whether this [was] a prudent decision." The Staff concurred with exclusion of the proposal under Rule 14a-8(i)(7) as relating to "the manner in which the company manages its expenses." Similarly, in *Corrections Corp. of America* (Mar. 18, 2013), the proposal asked the board to issue a report addressing specific items related to the company's potential conversion to a REIT, which the company had previously announced. The proposal sought disclosure of certain details, such as the known advantages to the company and disadvantages to stockholders if the company elected a stock rather than cash REIT dividend distribution; the extent to which the board had accounted for the company's prior conversion to a REIT and the outcome of that conversion, including related stockholder lawsuits; and how the company would comply and monitor compliance with Internal Revenue Service rules and federal tax implications. The Staff concurred with the exclusion of the proposal under Rule 14a-8(i)(7), noting it concerned the company's legal compliance program.

Like the proposals in *Apple* and *Corrections Corp.*, and the other precedent cited above, the Shareholder Proposal may be excluded under Rule 14a-8(i)(7) because it relates to the Company's general business strategy and operations; specifically, it focuses on the Company's decision-making as it relates to its acquisition strategy. As confirmed by the precedent above, management's strategic decisions regarding ordinary business matters are not appropriate subjects for stockholder review. Allowing shareholders to dictate the Company's hospital acquisition strategy and related operations would inappropriately delegate management functions to shareholders, and it would not be practical to allow shareholders to oversee such decisions.

A cornerstone to the Company's day-to-day operations includes pursuing, evaluating and executing acquisition and divestiture strategies, which inherently involve complex operational and business issues requiring knowledge of ordinary business and operational matters. Assessing these and the many other factors that influence the Company's overall business strategy requires the real-time judgment of the Company's management and employees, who, unlike the Company's shareholders, are well-positioned—and have the necessary knowledge, information and resources—to make informed decisions on such business and operational matters. With significant access to information regarding the Company's broader corporate objectives and goals, management is best positioned to determine how to allocate Company resources internally and to monitor and adjust the objectives, strategy and execution related to its acquisition strategy after appropriately weighing and analyzing all applicable factors. The ability to implement these decisions without direct shareholder oversight is integral to management's ability to run a company on a day-to-day basis.

C. The Shareholder Proposal Would Permit Shareholders to Micromanage the Company's Ordinary Business Operations.

The underlying subject matter of the Shareholder Proposal, like those addressed in the letters cited above, seeks to probe too deeply into matters of a complex nature that are not appropriate for shareholder determination. Numerous complex factors, many of which require analysis of constantly changing information to which the Company's shareholders do not have access, are considered by the Company in connection with its acquisition strategy and related operations. Additionally, instead of "providing high-level direction on large strategic corporate matters," the Shareholder Proposal would "inappropriately limit discretion of the board or management" by usurping the day-to-day decision-making process involved in the Company's acquisition strategy and related operations. The ability of the Company to address constantly changing information, to which the Company's shareholders do not have access, related to its acquisition and divestiture strategy is fundamental to the Company's business operations, and cannot properly be submitted to shareholders to micromanage.

D. The Shareholder Proposal Does Not Focus on a Sufficiently Significant Social Policy Issue That Transcends the Company's Ordinary Business Operations.

The Commission noted in the 1998 Release that shareholder proposals relating to ordinary business operations but “focusing on sufficiently significant social policy issues . . . generally would not be considered to be excludable, because the proposals would transcend the day-to-day business matters and raise policy issues so significant that it would be appropriate for a shareholder vote.”

The Shareholder Proposal, however, fails to focus on a sufficiently significant social policy issue that transcends the ordinary business of the Company. Moreover, despite references to certain public-health considerations, the Shareholder Proposal is fundamentally concerned with the Company's ordinary business operations, including physician relations and certain staffing matters. The Staff has long distinguished between proposals that focus on a significant social policy issue and those that contain references to a significant social policy issue but are actually directed at a company's ordinary business matters. Proposals with passing references touching upon topics that might raise significant social policy issues—but which do not focus on or have only tangential implications for such issues—are not transformed from an otherwise ordinary business proposal into one that transcends ordinary business, and as such, remain excludable under Rule 14a-8(i)(7). *See, e.g., Amazon.com Inc.* (Apr. 7, 2022) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting a report on risks to the company related to staffing of its business and operations, despite the proponent's assertion that the proposal focused on human capital management); *Amazon.com, Inc.* (Apr. 8, 2022) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting reports concerning the distribution of stock-based incentives to employees and related EEO-1 employee classification data, despite the proponent's assertion that the proposal focused on wealth inequality and other equity issues).

For the above reasons, the Shareholder Proposal relates to, and does not transcend, the Company's ordinary business operations and may be excluded from the 2025 Proxy Materials in reliance on Rule 14a-8(i)(7).

II. The Shareholder Proposal May Be Excluded Pursuant To Rule 14a-8(I)(4) Because The Shareholder Proposal Relates To The Redress Of A Personal Grievance And Is Designed To Benefit The Proponent In A Manner That Is Not In The Common Interest Of The Company's Shareholders.

A. Background of the Personal Grievance Exclusion.

Rule 14a-8(i)(4) permits the exclusion of shareholder proposals that are either (i) related to the redress of a personal claim or grievance against a company or any other person or (ii) designed to result in a benefit to a proponent or to further a personal interest of a proponent, which other shareholders at large do not share. The Commission has stated that Rule 14a-8(i)(4) is designed to “insure that the security holder proposal process [is] not abused by proponents attempting to achieve personal ends that are not necessarily in the common interest of the issuer's shareholders generally.” Exchange Act Release No. 20091 (Aug. 16, 1983). In addition, the Commission has stated, in discussing the predecessor of Rule 14a-8(i)(4) (Rule 14a-8(c)(4)), that Rule 14a-8 “is not intended to provide a means for a person to air or remedy some personal claim or grievance or to further some personal interest. Such use of the security holder proposal procedures is an abuse of the security holder proposal process. . . .” Exchange Act Release No. 19135 (Oct. 14, 1982) (the “1982 Release”). Moreover, the Commission has noted that “[t]he cost and time involved in dealing with” a shareholder proposal involving a personal grievance or furthering a personal interest not shared by other shareholders is “a disservice to the interests of the issuer and its security holders at large.” 1982 Release. Thus, Rule 14a-8(i)(4) provides a means to exclude a

shareholder proposal the purpose of which is to “air or remedy” a personal grievance or advance some personal interest. This interpretation is consistent with the Commission’s statement at the time the rule was adopted that “the Commission does not believe that an issuer’s proxy materials are a proper forum for airing personal claims or grievances.” Exchange Act Release No. 12999 (Nov. 22, 1976).

The Commission also has confirmed that this basis for exclusion applies even to proposals phrased in terms that “might relate to matters which may be of general interest to all security holders,” and thus that Rule 14a-8(i)(4) justifies the omission of neutrally worded proposals “if it is clear from the facts presented by the issuer that the proponent is using the proposal as a tactic designed to redress a personal grievance or further a personal interest.” 1982 Release. Consistent with this interpretation of Rule 14a-8(i)(4), the Staff on numerous occasions has concurred with the exclusion of a proposal that included a facially neutral resolution, but the facts demonstrated that the proposal’s true intent was to further a personal interest or redress a personal claim or grievance. *See General Electric Co.* (Mar. 4, 2024) (concurring with the exclusion of a proposal requesting that senior executives of the company hold any shares they receive in connection with exercises of stock options for the life of the executive, where the facts surrounding the submission of the proposal indicated that the proponent was using the proposal to redress a personal claim or grievance against the company and its former officers); *Sempra Energy* (Mar. 15, 2022) (concurring with the exclusion of a proposal to create a committee to oversee the company’s response to developments in human rights, where both the proposal’s supporting statement and facts surrounding the submission of the proposal indicated that the proponent was using the shareholder proposal process to assert his personal grievances against both the company and an affiliate of the company’s public accounting firm, based on the company’s affiliation with its public accounting firm); *General Electric Co.* (Feb. 14, 2020) (concurring with the exclusion of a proposal requesting that the company hire an investment bank to explore the sale of the company when the supporting statement included references to the proponent’s history of employment-related grievances with the company, noting that “[t]he Staff’s determination was heavily influenced by the inclusion of a link in the supporting statement to prior correspondence that discussed in detail the [p]roponent’s personal grievance against the [c]ompany” and stating “[t]he Commission has explained that it ‘does not believe an issuer’s proxy materials are a proper forum for airing personal claims or grievances’”); *American Express Co. (Lindner)* (Jan. 13, 2011) (concurring with the exclusion of a proposal to amend an employee code of conduct to include mandatory penalties for non-compliance when brought by a former employee who previously sued the company on several occasions for discrimination, defamation and breach of contract); *State Street Corp.* (Jan. 5, 2007) (concurring with the exclusion of a proposal requesting that the company separate the positions of chairman and CEO and provide for an independent chairman, brought by a former employee after that employee was ejected from the company’s previous annual meeting for disruptive conduct and engaged in a lengthy campaign of public harassment against the company and its CEO); *International Business Machines Corp.* (Jan. 31, 1995) (concurring with the exclusion of a proposal to institute an arbitration mechanism to settle customer complaints, brought by a customer who had an ongoing complaint against the company in connection with the purchase of a software product).

As addressed below, although the Shareholder Proposal is phrased in terms that “might relate to matters which may be of general interest to all security holders,” it is clear from the supporting statement accompanying the Shareholder Proposal (the “Supporting Statement”) and the facts surrounding the submission of the Shareholder Proposal, including the Proponent’s political activities, her role as a founder and member of the “Leadership Team” of a coalition formed against the Company relating to Mission Health, and other actions, that the Proponent is attempting to use the shareholder proposal process as a tactic to assert her personal grievance against the Company’s acquisition of one particular hospital system. Thus, the Shareholder Proposal is designed to further a personal interest of the Proponent, which is not shared by other shareholders at large. Accordingly, the Shareholder Proposal is properly excludable under Rule 14a-8(i)(4).

B. Background on the Proponent's Personal Grievance Against the Company

The Proponent's personal grievance relates to the Company's 2019 acquisition of Mission Health in North Carolina, which the Proponent contends has led to negative healthcare consequences in the communities where Mission Health is located.

In 2020, the Proponent was first elected to serve as a state senator for North Carolina District 49, which is served by Mission Health. The Proponent's campaign website, <https://mayfieldfornscenate.com>, states that her role as a State Senator has "required taking on a Goliath," that she is against "greedy hospital profiteers" and that she is "leading a community coalition to stop the decline in the quality of our healthcare in [Western North Carolina] due to HCA's ownership of Mission Health." Additionally, the Proponent has "made it [her] mission to stand . . . against . . . greedy hospitals."¹⁰ Recently, the Proponent told a Company representative that she has staked her reputation on "hating HCA."

In addition, the Proponent is a founding member of, and on the leadership team for, a volunteer-led coalition known as Reclaim Healthcare WNC (the "Coalition") formed in response to HCA's acquisition of Mission Health. The Coalition is "engaging in a campaign to: replace [the Company] with a with a non-profit owner committed to meeting the healthcare needs of the people of [Western North Carolina], hold HCA accountable for their harmful culture and practices, and restore best-in-class care throughout Mission Health."¹¹ As noted in the Supporting Statement, the Proponent asserts that hospital acquisitions can cause problems such as "higher prices, worse health outcomes, shutdown and reduced access" generally and tries to take these generalized allegations and apply them to the Company's Mission Health acquisition. The Supporting Statement also includes a link to the Coalition's website, which is a website dedicated to its campaign against the Company and argues that the Company's "corporate culture and decision-making have negatively affected patient safety and the quality of care at Mission Hospital."¹² The Proponent and the Coalition have been outspoken against the Company and its ownership of Mission Health.

As part of this Coalition, the Proponent, in addition to other members of the Coalition, has spoken negatively about the Company to news media outlets. Notably, since January 2022, the Proponent has been quoted over 70 times by various news outlets as part of her public campaign against the Company.¹³

¹⁰ See <https://mayfieldfornscenate.com/issues/>.

¹¹ See <https://reclaimhealthcarewnc.org/>.

¹² *Id.*

¹³ See below for a sample of related quotations by the Proponent:

- "These physicians were a key part of what made Mission a world-class hospital system that prioritized patient care," Mayfield said, "and it is truly unfortunate that HCA chose from the start to prioritize its profit over its people." See <https://avlwatdog.org/how-many-doctors-have-left-mission-hca-wont-say/>.
- "This is a failure of leadership to foster a healthy hospital culture and to keep patient care, rather than profit, at the forefront of decision-making." See <https://avlwatdog.org/state-ag-threatens-litigation-over-mission-cancer-emergency-care/>.
- "So the issue is not lack of resources. It's about lack of will to invest in our people, our providers and our facilities to provide the best in class care that we used to have and deserve to have again." See <https://www.citizen-times.com/story/news/local/2024/06/12/us-nc-health-officials-asheville-mission-hospital-passes-inspection/74073982007/>.
- "We should explore options to mitigate the fact of a for-profit monopoly health care system in WNC." See <https://www.citizen-times.com/story/news/local/2024/07/03/new-nc-rules-for-unregulated-missionhca-health-care-monopoly/74278247007/#:~:text=ASHEVILLE%20%2D%20North%20Carolina%20eliminated%20caps,monopoly%20in%20Western%20North%20Carolina.>

According to a news report, the Proponent has encouraged nurses and the public to continue sending complaints to the Department of Health and Human Services so that “[m]aybe someone will hit on a hot button issue that demands a response or maybe we will eventually be the squeaky wheel that gets the grease.”¹⁴ The Proponent also states in another news report, “I am glad to see physicians coming together with a collective voice. They know firsthand how much the healthcare system and the medical community have been degraded since the sale of Mission. I am encouraged that they now want to collectively dig in and work to repair it.”¹⁵ And further, the Proponent has stated that HCA “must leave” Mission.¹⁶

Moreover, based on publicly available information, the Proponent is in a personal relationship and shares a residential address with a doctor who formerly practiced medicine at Mission Health who has sued the Company and is also involved with the Coalition. Notably, this person has also filed a shareholder proposal for inclusion in the Company’s 2025 Proxy Materials relating to the Mission Health acquisition.

The Shareholder Proposal is the latest effort to further the Proponent’s personal grievances against the Company.

C. The Shareholder Proposal Is Designed to Redress the Proponent’s Personal Grievance Against the Company

As noted above, Rule 14a-8(i)(4) permits the exclusion of shareholder proposals that are (i) related to the redress of a personal claim or grievance against a company or any other person, or (ii) designed to result in a benefit to a proponent or to further a personal interest of a proponent, which other shareholders at large do not share. While a shareholder proposal may be excluded if either prong (i) or prong (ii) is satisfied, here, both prongs of Rule 14a-8(i)(4) are satisfied in this case. In particular:

- (i) the Proponent has a personal grievance with the Company stemming from its 2019 acquisition of one hospital system operating in the Proponent’s district, as evidenced by the Proponent’s political activities, her founding of and leadership role with the Coalition, which is actively engaging in a campaign against the Company with respect to Mission Health, and by her other actions referred to herein;
- (ii) the Proponent, a State Senator, is using public opposition to the Company and her Mission Health related activism in an attempt to bolster her political career, an interest not shared by other shareholders at large; and
- (iii) while the Shareholder Proposal’s request is facially neutral, portions of the Supporting Statement make unequivocal reference to the Proponent’s personal grievance, including the Coalition’s website.

Here, the Shareholder Proposal’s express language demonstrates the Proponent’s personal grievance. The Supporting Statement states that the Company’s acquisition of Mission Health has created a “potentially harmful impact” on the communities where the health system is located. The Supporting Statement then alleges several statistics following the Company’s acquisition to bolster its argument that all acquisition activity and strategy of the Company should be the subject of a report. Notably, even though the

¹⁴ See <https://avlwatdog.org/mission-patients-endangered-by-emergency-department-transfer-procedures-nurses-say/>.

¹⁵ See <https://www.northcarolinahealthnews.org/2023/10/22/50-doctors-including-a-former-board-member-publicly-decry-hcas-management-of-mission-hospital-system/>.

¹⁶ See <https://www.northcarolinahealthnews.org/2024/07/27/coalition-mission-hospital-hca-healthcare/>.

Company is widely engaged in acquisitions, the Shareholder Proposal only discusses one specific acquisition. The Supporting Statement then cites to there being “robust evidence that hospital acquisitions can cause an array of problems.” As evidenced above, the Proponent has a personal grievance with the Company with respect to Mission Health and is using the shareholder proposal process to further a personal interest. It is clear that the Shareholder Proposal is just another chapter in a series of attempts to advance the Proponent’s personal grievance and personal political objectives, and to create a public forum for her claims concerning the Company’s Mission Health acquisition.

The Staff has consistently concurred that proposals may be excluded pursuant to Rule 14a-8(i)(4) where the proposals are neutrally worded, but reference to the proponent’s personal grievance is made either in the supporting statement or in prior correspondence, or where the proponent simply has a history of confrontation with the company. For example, in *MGM Mirage* (Mar. 19, 2001), the Staff concurred with the exclusion of a proposal that would require the company to adopt a written policy regarding political contributions and furnish a list of any of its political contributions submitted on behalf of a proponent who had filed a number of lawsuits against the company based on the company’s decisions to deny the proponent credit at the company’s casino and, subsequently, to bar the proponent from the company’s casinos, amongst other things. The company argued that the proponent was using the proposal to further his personal agenda, none of which was referenced in the proposal or supporting statement. *See also General Electric Co.* (Feb. 2, 2005) (concurring with the exclusion of a proposal requesting that the CEO “reconcile the dichotomy between the diametrically opposed positions represented by his acquiescence in allegations of criminal conduct, and the personal certification requirements of Sarbanes Oxley,” submitted by a former employee, where the proposal was neutrally worded but included links to websites containing details of the personal grievance); *Pfizer, Inc.* (Jan. 31, 1995) (concurring with the exclusion of a proposal related to CEO compensation saying, “the [S]taff has particularly noted that the proposal, while drafted to address other considerations, appears to involve one in a series of steps relating to the longstanding grievance against the [c]ompany by the proponent,” where the proposal was submitted by a former employee who contested the circumstances of his retirement, claiming that he had been forced to retire as a result of illegal age discrimination); *International Business Machines Corp. (Ludington)* (Jan. 31, 1994) (concurring with the exclusion of a proposal requesting a list of all groups and parties that receive corporate donations in excess of a specified amount, including “details and names pertinent to the gift,” where the company pointed to the proponent’s prior communications with the company over the past year trying to stop corporate donations to charities that the proponent believed supported illegal immigration, including a request that the company provide the names of individuals at the charities that the company had communicated with, and argued that the proposal was thus an attempt to gain information on the charities, harass them, and stop donations to them).

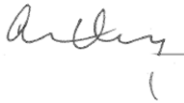
As in the letters cited above, here the Proponent is employing the shareholder proposal process to advance her personal agenda and pursue a personal grievance against the Company, which is not shared by the other shareholders generally. The Supporting Statement contains references to the Proponent’s personal grievance with the Company by specifically citing to the Coalition’s website. Rule 14a-8(i)(4) contemplates looking beyond the four corners of a proposal for purposes of identifying the personal grievance to which the submission of the proposal relates. Here, as evidenced by the Proponent’s founding of and leadership with a Coalition specifically formed against the Company and the Proponent’s personal political agenda, this Shareholder Proposal is intended to assert the Proponent’s personal grievance with the Company. This Shareholder Proposal, while ostensibly about the Company’s hospital acquisitions generally, is just a veiled attempt to air the Proponent’s personal grievance with respect to Mission Health by giving the Proponent a public forum for her allegations. As such, the Shareholder Proposal is part of the Proponent’s attempt to abuse the shareholder proposal process to achieve personal ends “that are not necessarily in the common interest of the issuer’s shareholders generally.”

Rule 14a-8(i)(4) was promulgated “because the Commission does not believe that an issuer’s proxy materials are a proper forum for airing personal claims or grievances.” Thus, in keeping with the well-established precedent cited above, we believe that the Shareholder Proposal properly is excludable under Rule 14a-8(i)(4) because “it is clear from the facts presented by the issuer that the proponent is using the proposal as a tactic designed to redress a personal grievance or further a personal interest.” Requiring the Company to include this Shareholder Proposal would allow the Proponent to subvert and abuse the Rule 14a-8 process to advance her personal campaign that is not in the common interest of the Company’s shareholders.

Conclusion

For the foregoing reasons, we respectfully request that the Staff not recommend any enforcement action from the Commission if the Company excludes the Shareholder Proposal from its 2025 Proxy Materials. Should you have any questions, or if the Staff is unable to concur in our view without additional information or discussions, we respectfully request the opportunity to confer with members of the Staff prior to the issuance of any written response to this letter. If the Staff has any questions regarding this request or requires additional information, please contact the undersigned by phone at (615) 742-6211 or by email at aoverby@bassberry.com.

Sincerely,



J. Allen Overby

cc: John M. Franck II, HCA Healthcare, Inc.
Julie Mayfield

Exhibit A

Shareholder Proposal

November 15, 2024

Corporate Secretary
HCA Healthcare, Inc.
One Park Plaza
Nashville, TN 37203

Re: Shareholder Proposal Submission

Dear Corporate Secretary,

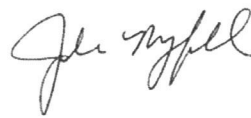
I write to give notice that pursuant to the 2024 proxy statement of HCA Healthcare, Inc. (the "Company"), I intend to present the proposal attached hereto as Exhibit A (the "Proposal") at the 2025 annual meeting of stockholders (the "Annual Meeting").

I formally request that the Company include the Proposal in the Company's proxy statement for the Annual Meeting in accordance with Rule 14a-8 of the Securities Exchange Act of 1934, as amended.

A letter from my custodian documenting my continuous ownership of the requisite amount of the Company's common stock is also included. I intend to continue my ownership of at least the minimum number of shares required under the rules and regulations promulgated by the Securities and Exchange Commission (the "SEC") through the date of the Annual Meeting. I represent that I (or one of my representatives) intend to appear at the Annual Meeting to present the attached Proposal.

In accordance with applicable SEC requirements, I am available to meet with the Company via teleconference anytime on November 26, 2024 or December 5, 2024, or at other times that are mutually convenient. Please direct all future correspondence regarding this proposal to me via the information below.

Sincerely,



Julie Mayfield

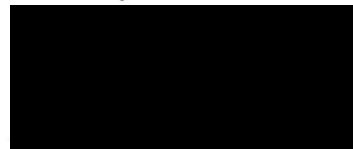


Exhibit A

Shareholder Proposal

Resolved: HCA Healthcare, Inc. (“HCA”) shareholders request that its Board of Directors publish a report within one year of the upcoming annual meeting (at reasonable expense and omitting proprietary and personally protected information) describing the healthcare consequences of its acquisition strategy and the impact its hospital acquisitions within the last 10 years have had on impacted communities. The report should include information related to (i) the number of physician departures post-acquisition; (ii) a comparison of pre and post-acquisition patient satisfaction ratings; (iii) a comparison of the number of staff per occupied beds pre and post-acquisition; and (iv) an overview of the impacted community’s perception of the acquisition.

Supporting Statement

Studies illustrate that hospital acquisitions can have a significant impact on the patients served by such hospitals, especially in rural areas with lower incomes and high poverty rates.¹ HCA’s latest Form 10-K states that “a component of [HCA’s] business strategy is acquiring hospitals and other health care businesses.” HCA has spent a significant amount of money acquiring hospitals in various states, and shareholders are interested in understanding the healthcare consequences of such activities in the communities impacted by these acquisitions.

HCA’s acquisition of Mission Health (“Mission”) in 2019 illustrates the potentially harmful impact such acquisitions can have on impacted communities. After HCA acquired Mission, over 200 physicians² left the hospital. In addition, almost immediately after the Mission acquisition, HCA allegedly raised prices by 10%, started charging patients surprise fees³ and reduced the number of staff per occupied bed from 6 full time equivalents pre-sale to 3.7 after the sale (average across North Carolina is 5.1).⁴ Patient satisfaction ratings declined precipitously from 4’s and 5’s pre-sale to 1’s and 2’s in 2023, and there were significant staff reductions and/or departures in services such as chaplaincy, pharmacy, rehabilitation, sterile processing, laboratory, and environmental services.⁵ Lastly, nursing shortages at Mission coincided with an Immediate Jeopardy citation based on nine cases, including four deaths, and an Emergency Medical Treatment and Labor Act violation in February 2024.⁶

¹ <https://www.advisory.com/daily-briefing/2024/04/29/hospital-mergers>

² <https://avlwatdog.org/how-many-doctors-have-left-mission-hca-wont-say/>

³ https://www.economicliberties.us/our-work/the-harms-of-hospital-mergers-and-how-to-stop-them/#_ftnref3

⁴ <https://hlp.law.wfu.edu/wp-content/uploads/sites/11/2024/04/HCA-Mission-Financial-Performance-working-draft-WFU.pdf>; <https://reclaimhealthcarewnc.org/in-the-news>

⁵ <https://hlp.law.wfu.edu/wp-content/uploads/sites/11/2024/08/HCA-Mission-Changes-in-Patient-Care-Following-HCAs-Purchase-working-draft-WFU.pdf>; <https://avlwatdog.org/former-mission-chaplain-the-moral-injury-that-is-happening-there-daily-is-staggering/>

⁶ <https://www.asheville.com/news/2024/05/asheville-watchdog-deadly-failures-in-care-at-hca-mission-coincided-with-hundreds-of-vacant-nurse-positions/>

Prior to HCA's acquisition, Mission was the only health system designated as one of the nation's Top 15 Health Systems in six of seven years by IBM/Watson Health (2012-2015; 2017-2018). Since 2019, Mission has experienced a steep decline in the quality of care and patient experience,⁷ regulatory censure, lawsuits from the North Carolina Attorney General and community opposition.⁸

There is robust evidence that hospital acquisitions can cause an array of problems, including higher prices, worse health outcomes, shutdowns and reduced access.⁹

Understanding the impact of HCA's acquisitions on healthcare outcomes is important for shareholders, and it is imperative that HCA consider how its actions potentially contribute to the healthcare crisis impacting our society. For these reasons, I urge you to vote FOR this proposal.

⁷ <https://www.statnews.com/2023/11/30/hca-mission-hospital-cost-cutting-appalachia/>

⁸ <https://reclaimhealthcarewnc.org>

⁹ https://www.economicliberties.us/our-work/the-harms-of-hospital-mergers-and-how-to-stop-them/#_ftnref

Edward Jones

David E Matz

Julie Mayfield
[REDACTED]

November 15, 2024

Dear Julie Mayfield:

I am following up with your request for information regarding your shares of HCA Healthcare Inc (HCA).

Your accounts currently hold 105.00 shares of HCA Healthcare Inc (HCA).

Our records indicate that 105.00 shares were purchased on November 15, 2023 and have been continuously held in your accounts since the purchase date.

This information was gathered from sources believed to be reliable, but cannot be guaranteed by Edward Jones. Your account statements are the official record for your accounts.

With personal service,

David E Matz
Financial Advisor



This is for informational purposes only. Your account statement is the official record of your holdings, activity and balances.

David E Matz, CFP®
Financial Advisor
david.matz@edwardjones.com

[REDACTED]
edwardjones.com

January 22, 2025

Via Online Shareholder Proposal Form

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, N.E.
Washington, D.C. 20549

Re: HCA Healthcare, Inc. December 20, 2024 Letter Seeking to Exclude Julie Mayfield's Shareholder Proposal

To whom it may concern:

I am writing in response to the request by HCA Healthcare, Inc. (the “*Company*”) to the Staff of the Division of Corporation Finance (the “*Staff*”) of the U.S. Securities and Exchange Commission (the “*Commission*”) seeking Staff concurrence with the Company’s view that it may properly exclude the shareholder proposal and supporting statement (the “*Proposal*”) that I submitted for inclusion in the Company’s proxy materials to be distributed in connection with its 2025 Annual Meeting of Shareholders (the “*Proxy Materials*”).

I respectfully request that the Staff not concur with the Company’s view that it may exclude the Proposal from its Proxy Materials, as the Company has failed to meet its burden of persuasion to demonstrate that it may properly omit the Proposal. A copy of this letter has also been sent to the Company.

By letter dated December 20, 2024 (the “*No-Action Request*”), the Company requested that the Staff concur in its view that it may exclude the Proposal from its Proxy Materials on two grounds. First, the Company seeks concurrence in its view that it may exclude the Proposal pursuant to Rule 14a-8(i)(7) because the Proposal “relates to, and does not transcend, the Company’s ordinary business operations”. Secondly, the Company seeks concurrence in its view that the Proposal may be excluded pursuant to Rule 14a-8(i)(4) because the Proposal “relates to the redress of a personal claim or grievance and is designed to benefit the Proponent in a manner that is not in the common interest of the Company’s shareholders.”

For the reasons set forth below, I submit that the Company has failed to meet its burden of persuasion under Rule 14a-8(i)(7) or Rule 14a-8(i)(4), and thus should not be permitted to exclude the Proposal from its Proxy Materials.

I. The Proposal and Supporting Statement

As background, the Proposal that I submitted reads as follows:

Resolved: HCA Healthcare, Inc, (“HCA”) shareholders request that its Board of Directors publish a report within one year of the upcoming annual meeting (at reasonable expense and omitting proprietary and personally protected information) describing the healthcare consequences of its acquisition strategy and the impact its hospital acquisitions within the last 10 years have had on impacted communities. The report should include information related to (i) the number of physician departures post-acquisition; (ii) a comparison of pre and post-acquisition patient satisfaction ratings; (iii) a comparison of the number of staff per occupied beds pre and post-acquisition; and (iv) an overview of the impacted community’s perception of the acquisition.

The supporting statement (the “**Supporting Statement**”) notes that several studies have illustrated the potential negative consequences of hospital acquisitions on the patients served by such hospitals, especially in rural areas with lower incomes and high poverty rates. The Company acknowledges in its No-Action Request that it is “widely engaged” in acquisitions. The overwhelming majority of Americans, at some point in their lives, will require access to healthcare services, and a potential deterioration in the quality of healthcare services by virtue of certain corporate actions is an issue that affects the public at large.

II. The No-Action Request Submitted by HCA Misrepresents the Objective of the Proposal in Order to Attempt to Convince the Staff it is Excludable under Rule 14a-8(i)(7)

The No-Action Request submitted by the Company misrepresents and, in certain instances, completely distorts the objective of the Proposal in an attempt to argue that the Proposal is excludable under Rule 14a-8(i)(7). For example, the Company inaccurately claims the principal focus of the Proposal is the Company’s general business strategy and that the Proposal “in essence requests that the Company report on its acquisition strategy and related operations.” In addition, the Company erroneously characterizes the Proposal as an “attempt[s] to direct the Company to provide information about its general business and acquisition strategy.” However, the Proposal does not ask the Company to provide any details about its decision-making with respect to how it identifies potential acquisition targets or information about its overall acquisition strategy. A report that provided such information would not be responsive to the report requested by the Proposal.

Similarly, contrary to claims made by the Company in the No-Action Request, the Proposal does not seek to “limit[] [the Company’s] discretion with respect to complex, day-to-day operations” by micromanaging it. The requested report does not require the Company to employ a certain number of physicians, a certain number of staff per occupied bed, or to maintain a certain patient satisfaction rating. Instead, the Proposal asks for a report that would provide shareholders with the information necessary to assess how the Company’s previous acquisitions have impacted the quality of healthcare in populations served by the hospitals it has acquired.

The information that the Proposal requests to be provided in the report includes metrics that are commonly used to assess the quality of healthcare. The fundamental concern of the

Proposal is not, as the Company suggests, the “Company’s ordinary business operations, including physician relations and certain staffing matters.” The fundamental concern of the Proposal is understanding whether the Company’s acquisitions are resulting in reduced access to or access to inferior healthcare when compared to the quality of healthcare that was available before these acquisitions were completed. In order to assess the impact of the Company’s acquisitions, the report asks for certain common, routinely reported, and readily available information that is regularly used to evaluate the quality of healthcare services.

The Supporting Statement includes certain statistics related to Mission Health in order to provide an illustration of why such a report is necessary. I believe it is important for Company shareholders to understand whether the Mission Health example is an anomaly or whether it suggests a more pervasive pattern that access to high-quality healthcare in hospitals acquired by the Company is routinely reduced and, if so, to what extent. If the Mission Health example is not an anomaly, then there are potentially significant implications with respect to the Company’s acquisitions that the Board of Directors and shareholders should closely consider and evaluate.

III. The Proposal Focuses on a Significant Policy Issue that Transcends the Ordinary Business.

The Proposal focuses on a significant policy issue that transcends the ordinary business, as it relates to understanding how certain actions may be contributing to a deterioration in the quality of healthcare at the acquired hospitals. The No-Action Request acknowledges that certain proposals are not excludable if they present a policy issue that transcends the ordinary business of the Company, and it further notes that in determining whether a proposal presents a policy issue that transcends a company’s ordinary business, the Staff focuses on “whether the proposal raises issues with a broad societal impact.”

As previously mentioned, virtually everybody will need healthcare at some point, and having access to high-quality healthcare can literally be a matter of life and death. The Staff has a longstanding history of refusing to permit a company from excluding shareholder proposals under Rule 14a-8(i)(7) when the proposals deal with significant policy issues. *See, e.g., Exxon Mobil Corporation* (March 13, 2017) (proposal requesting company to report on its actions to minimize methane emissions not excludable under 14a-8(i)(7), with the Staff noting “the proposal transcends ordinary business matters and does not seek to micro-manage the company to such a degree that exclusion of the proposal would be appropriate”); *Revlon Inc.* (Mar. 18, 2014) (no-action request denied because the proposal focused on the significant policy issue of the humane treatment of animals); *McDonald’s Corporation* (Mar. 14, 2012) (shareholder proposal that addressed the fast food industry’s contribution to childhood obesity was not excludable because the proposal addressed a significant social policy issue); *Aqua America, Inc.* (Mar. 13, 2012) (proposal for water supply company to adopt a policy regarding the human right to water was not excludable because the proposal focused primarily on the significant policy issue of human rights); *Corrections Corp. of America* (Feb. 10, 2012) (no-action request denied for proposal seeking biannual reports to shareholders on Company’s efforts to reduce incidents of rape and sexual abuse of prisoners housed in facilities operated

by the Company); *Chevron Corp.* (Mar. 28, 2011) (proposal would amend the bylaws to establish a board committee on human rights).

The No-Action Request simply states, without elaboration, that the Proposal “fails to focus on a sufficiently significant social policy issue that transcends the ordinary business of the Company.” This conclusory statement does little to carry the Company’s burden of persuasion that the Proposal is excludable. In addition, the Company fails to distinguish how the Proposal is different from the social policy issues that the Staff has previously found to rise to the level of a significant policy issue. Cited above, for example, are issues such as childhood obesity (*McDonald’s*), treatment of the environment (*Exxon Mobil Corporation*), humane treatment of animals (*Revlon, Inc.*) and sexual abuse of prisoners (*Corrections Corp. of America*) that the Staff has found to rise to the level of a significant policy issue. If these issues are considered important social policy concerns, then understanding how certain actions may be impacting and potentially diminishing access to high-quality healthcare, which, again, is a service we will likely all need at some point, is also undoubtedly an important social policy concern.

IV. Since the Arguments HCA Advances for Why the Proposal Is Excludable Under Rule 14a-8(i)(7) Are Weak, HCA Then Attempts to Manufacture a Personal Grievance That Simply Does Not Exist in Order to Convince the Staff the Proposal is Excludable.

The No-Action Request attempts to manufacture a personal grievance that does not exist in order to argue that the Proposal is excludable. The Company initially contends that because the Supporting Statement only discusses one specific acquisition, that is evidence of a personal grievance. Admittedly, I do reside in the community served by Mission Health, and my family and I utilize Mission Health for some of our healthcare needs. As such, I am intimately aware of how the acquisition has impacted healthcare in my community. As the Staff knows and appreciates, a shareholder proposal is limited in the number of words that it can contain. If the Proposal included more than 500 words, the Company would have been able to exclude it under Rule 14a-8(d). I included the example of Mission Health not out of a personal grievance, but because it provides a succinct example with which I am familiar and that complies with SEC rules and regulations to illustrate to shareholders why the requested report is important and necessary. Although Mission Health is referenced in the Supporting Statement, the report requested in the Proposal does not focus exclusively on Mission Health. If the Company prepared a report that only focused on Mission Health, it would not be responsive to the Proposal. The requested report would enable shareholders to better understand how the Company’s acquisitions are impacting health outcomes in all communities in which the Company has acquired hospitals, not just those impacted by the Mission Health acquisition.

HCA next provides irrelevant information about a lawsuit that my partner filed without providing any context related to the circumstances surrounding such lawsuit. This lawsuit was a whistleblower suit related to possible fraudulent billing practices. My partner is a retired emergency room physician who worked at Mission Health for 27 years as part of a private physician group providing contracted emergency room services. He was never directly employed by Mission Health or the Company, was not a disgruntled employee, and was not impacted by the acquisition more than any other physician working at Mission. He retired in

2022, but he and I remain committed and passionate about ensuring access to high-quality healthcare in our community and beyond. The reference to this lawsuit is simply a misleading attempt to manufacture a personal grievance that does not exist.

While my partner intends to respond more fully, since the Company brought up the shareholder proposal he submitted in its No-Action Request for the Proposal (again without any context), I will briefly mention that his proposal is almost a verbatim resubmission of the proposal submitted by Michael Frerichs that was included in the Company's proxy statement in connection with its 2023 annual meeting. The Company failed to convince the Staff that Mr. Frerichs' proposal was excludable in 2023, so the Company is now attempting to manufacture a personal grievance to get another bite at the apple, presumably under the hope the Staff will be too busy to realize the proposal is virtually identical to a proposal that has already been included in the Company's proxy statement and garnered a sufficient level of support to permit resubmission under Rule 14a-8.

The Company also brings up the fact I am an elected official as evidence that I have a personal grievance against the Company. However, I submitted the Proposal in my capacity as an individual investor, not as an elected official. I am passionate about healthcare generally, as evidenced by my service on the North Carolina Senate's Healthcare Committee. There is a healthcare crisis in the United States, in part fueled by for-profit entities entering the healthcare field in increasing numbers, and this issue is getting attention nationally as well as in North Carolina. Although I advocate on behalf of my constituents, I also care deeply about impacts to others outside of my district.

The Company also inaccurately and, quite frankly, offensively suggests that my motivations are selfish, that my interest is to bolster my political career, that my interests are not shared by other shareholders at large, and that I am using the shareholder proposal process to create a public forum for my claims. I fail to see how I personally benefit and other shareholders do not by requesting that the report included in my Proposal be commissioned and publicized. Although I am a North Carolina State Senator, my position as an elected official does not preclude me from having passions or advocating for issues (such as healthcare), and it should not preclude me, as a shareholder in the Company, from including a proposal in the Company's proxy statement pursuant to Rule 14a-8. I acknowledge that my campaign website mentions my commitment to stand against "greedy hospital profiteers" and that I talk about the quality, availability, and accessibility of healthcare in my community at campaign and other events. However, I do so not because these issues poll well or because I think they will help me win elections, but because they are important issues that impact both my constituents and many other Americans. Furthermore, I won my first senate election in 2020 with 62% of the vote and my 2022 election with 65% of the vote. Both of these elections occurred before my efforts related to the Company were widely known. In short, I do not need to criticize the Company or submit this shareholder proposal as part of my re-election strategy.

The Commission has stated that the purpose of Rule 14a-8(i)(4) is not to "exclude a proposal relating to an issue in which a proponent was personally committed or intellectually and emotionally interested." (Exchange Act Release No. 20091 (Aug. 16, 1983)). My passion and personal and professional commitment to doing my part to make sure everyone has access

to high-quality, affordable healthcare does not preclude me from submitting a shareholder proposal. If, as the Company suggests, prior critical comments that a proponent has made about a company amount to a personal grievance, the Rule 14a-8(i)(4) basis of exclusion would become incredibly expansive. In addition, it would routinely put the Staff in the position of being a fact finder. I admit that I have been critical of some of the Company's actions, but I have never been gratuitously critical. In addition, I have praised the Company publicly when appropriate, such as in the wake of Hurricane Helene and in response to the opening of a new nursing school in Asheville. I have done so even when it has been politically costly to me. This fact relates to the comment I made to a Company official that I had "staked [my] reputation on 'hating HCA.'" The point of that comment was that the public often expects me to be critical of the Company and that I would be putting myself at political risk by working with the Company instead of against it. Despite that risk, I have on numerous occasions praised and sought to collaborate with the Company, facts that the Company conveniently omitted from its No-Action Request.

In support of its position, the Company cites to no-action letters that are easily factually distinguishable from my case. In *General Electric Co.* (Mar. 4, 2024), the proponent was employed by General Electric from 1990 to 2011. The proponent had filed a claim against General Electric under its alternative dispute resolution process that asserted various allegations related to his employment with General Electric and sought monetary and other relief. Commencing in 2012, that proponent, in coordination with certain other shareholders, submitted shareholder proposals every year. Even though the potential personal grievance was more evident in this no-action request, it is worth noting that many of the proposals submitted by the proponent were included in General Electric's proxy statements in 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2021, 2022 and 2023. *Sempra Energy* (Mar. 15, 2022) involved a situation in which the proponent submitted a proposal because affiliates of Sempra Energy's independent registered public accounting firm had placed certain retirement restrictions on the proponent's father, who was a retired partner of that accounting firm subject to those restrictions. Further, the proponent in question had submitted at least six other shareholder proposals at five other public companies between 2018 and 2021 that used Deloitte as their independent auditor. In *American Express Co.* (Lindner) (Jan. 13, 2011), the proponent, a former employee of American Express who had been terminated in 1998, had a history of engaging in litigation with American Express. He had filed a gender discrimination charge against American Express with the U.S. Equal Employment Opportunity Commission and had filed further lawsuits related to the breach of the settlement agreement and for defamation. In *State Street Corp.* (Jan. 5, 2007), the proponent had a history of filing EDGAR materials that purported to be solicitation materials in connection with an attempt to call a special meeting of shareholders that essentially served as a forum for personal attacks on the chief executive officer and included unsubstantiated allegations of wrongdoing by the company. In addition, the proposal was apparently, at least partially, motivated by a desire to retaliate against the company for the proponent's fairly dramatic removal from the 2006 annual meeting of shareholders. In *International Business Machines Corp.* (Jan. 31, 1995), the proponent was a disgruntled customer that was not satisfied with one of the company's products and who had requested the Commission investigate IBM, which was done.

Unlike the above-cited no-action letters, I have not been involved in litigation with the Company; I am not a former employee of the Company; and I do not have a vendetta against the Company. Additionally, I have never had a billing dispute with the Company, and have never been denied care, or even received substandard care, at a Company facility. Indeed, my family members and I have received only excellent care at Company-owned facilities, a fact I do not hesitate to share. As stated above, prior criticism of the Company and my activism and role as an elected official do not mean that I have a personal grievance. Likewise, my multiple efforts to work with the Company over the last five years are also evidence that I harbor no personal grievance.

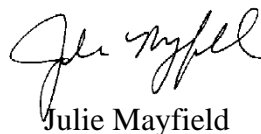
As a final note, I will say that attempting to understand and then subsequently navigate the shareholder proposal process has been a time consuming and laborious process. I undertook that work, however, because I feel passionately about healthcare and because the Company is a dominant player in the healthcare industry, positioned to help ensure millions of people have access to high-quality healthcare. If my sole intention were to embarrass or criticize the Company, there are much less constrained platforms I could utilize to voice such criticisms. Likewise, if my primary objective were to score cheap political points, there are more efficient ways to do so than submitting a shareholder proposal. The concerns reflected in the Proposal are not unique to me and are shared by other shareholders at large. Indeed, there have been several previous shareholder proposals related to the quality of care provided by the Company. I would note that should the Proposal be excluded on the grounds that there was an alleged personal grievance or benefit, any other Company shareholder that qualifies to submit a proposal could essentially copy my proposal verbatim and submit it to the Company next year. Presumably another shareholder would not be viewed to have a personal grievance against the Company, as the Proposal is not related to any personal grievance or personal benefit not shared by other shareholders.

V. Conclusion

For the foregoing reasons, and without addressing or waiving any other possible arguments, I respectfully submit that the Company has failed to meet its burden of persuasion under Rules 14a-8(i)(7) and (i)(4), and thus should not be permitted to exclude the Proposal from the Company's proxy materials.

If additional information is necessary or helpful in support of my position, I would welcome the opportunity to submit it.

Sincerely,

A handwritten signature in cursive script, appearing to read "Julie Mayfield".

Julie Mayfield