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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-K

Mark One:
[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934 [FEE REQUIRED]

For the Fiscal Year Ended December 31, 1995

OR

[_] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]

For the Transition Period from   to   .

COMMISSION FILE NUMBER 1-11239

COLUMBIA/HCA HEALTHCARE CORPORATION
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE (State or Other Jurisdiction of Incorporation or Organization)	75-2497104 (I.R.S. Employer Identification No.)
ONE PARK PLAZA NASHVILLE, TENNESSEE (Address of Principal Executive Offices)	37203 (Zip Code)

Registrant's Telephone Number, Including Area Code: (615) 327-9551

Securities Registered Pursuant to Section 12(b) of the Act:

TITLE OF EACH CLASS	NAME OF EACH EXCHANGE ON WHICH REGISTERED
Common Stock, $.01 Par Value	New York Stock Exchange

Securities Registered Pursuant to Section 12(g) of the Act: None

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [_]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [_]

As of March 15, 1996, there were outstanding 433,354,931 shares of the Registrant's Common Stock and 14,000,000 shares of the Registrant's Nonvoting Common Stock. As of March 15, 1996 the aggregate market value of the Common Stock held by non-affiliates was approximately $22,866,000,000. For purposes of the foregoing calculation only, the Registrant's directors, executive officers, and The Columbia/HCA Healthcare Corporation Stock Bonus Plan have been deemed to be affiliates.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Registrant's 1995 Annual Report to Stockholders for the year ended December 31, 1995 are incorporated by reference into Parts I, II and IV. Portions of the Registrant's definitive Proxy Statement for its 1996 Annual Meeting of Stockholders are incorporated by reference into Part III hereof.

The Exhibit Index is on page 29.

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PART I

ITEM 1. BUSINESS.

GENERAL

Columbia/HCA Healthcare Corporation is one of the largest health care services companies in the United States. At December 31, 1995, the Company operated 313 general, acute care hospitals and 25 psychiatric hospitals in 32 states and two foreign countries. The Company is a partner in several 50/50 joint ventures that own and operate 19 hospitals and 3 outpatient surgery centers, which are accounted for using the equity method. Such facilities are included in the hospitals operated totals, but are not consolidated for financial statement purposes and for purposes of reporting certain operating statistics. In addition, as part of its comprehensive health care networks, the Company operates facilities that provide a broad range of outpatient and ancillary services. At December 31, 1995, the Company operated more than 130 outpatient surgery centers and 200 home health agencies. The term the "Company" as used herein refers to Columbia/HCA Healthcare Corporation and its direct and indirect subsidiaries and affiliated partnerships, unless otherwise stated or indicated by context.

The Company's primary objective is to provide to the markets it serves a comprehensive array of quality health care services in the most cost effective manner possible. The Company's general, acute care hospitals usually provide a full range of services commonly available in hospitals to accommodate such medical specialties as internal medicine, general surgery, cardiology, oncology, neurosurgery, orthopedics and obstetrics, as well as diagnostic and emergency services. Outpatient and ancillary health care services are provided by the Company's general, acute care hospitals as well as at freestanding facilities operated by the Company including outpatient surgery and diagnostic centers, rehabilitation facilities, home health care agencies and other facilities. In addition, the Company operates psychiatric hospitals which generally provide a full range of mental health care services in inpatient, partial hospitalization and outpatient settings.

On April 24, 1995, the Company acquired Healthtrust, Inc.--The Hospital Company ("Healthtrust") pursuant to a merger transaction accounted for as a pooling of interests (the "Healthtrust Merger"). Healthtrust began operations through the acquisition of a group of hospitals and related assets (the "Healthtrust Formation") from Hospital Corporation of America (the predecessor to HCA) in September 1987. On May 5, 1994, Healthtrust acquired EPIC Holdings, Inc. ("EPIC") in a transaction accounted for as a purchase (the "EPIC Merger"). On September 16, 1994, the Company acquired Medical Care America, Inc. ("MCA") in a transaction accounted for as a purchase (the "MCA Merger"). On February 10, 1994, the Company acquired HCA-Hospital Corporation of America ("HCA") pursuant to a merger transaction accounted for as a pooling of interests (the "HCA Merger"). Effective September 1, 1993, the Company acquired Galen Health Care, Inc. ("Galen") pursuant to a merger transaction accounted for as a pooling of interests (the "Galen Merger"). Galen began operations as an independent publicly held corporation upon the distribution of all of its common stock (the "Spinoff") by its then 100% owner, Humana Inc. ("Humana"), on March 1, 1993.

The Company, through various predecessor entities, began operations on July 1, 1988. The Company was incorporated in Nevada in January 1990 and reincorporated in Delaware in September 1993. The Company's principal executive offices are located at One Park Plaza, Nashville, Tennessee 37203, and its telephone number at such address is (615) 327-9551.

BUSINESS STRATEGY

The Company's strategy is to become a significant, comprehensive provider of quality health care services in targeted markets. The Company pursues its strategy by acquiring the health care facilities necessary to develop a comprehensive health care network with wide geographic presence throughout the market. Typically, the Company enters a market by acquiring one or more mid- to large-size general, acute care hospitals (over 150 licensed beds), which have either desirable physical plants or ones which can be upgraded on an economically feasible basis. The Company then upgrades equipment and facilities and adds new services to increase the attractiveness of the hospital to local physicians and patient populations. The Company typically develops a network by acquiring additional health care facilities including additional general, acute care hospitals, psychiatric hospitals and outpatient facilities such as surgery centers, diagnostic centers, physical therapy centers and other treatment or wellness facilities including home health care agencies. By developing a comprehensive health care network in a local market, the Company achieves greater visibility and is better able to attract physicians and patients by offering a full range of services in the entire market area. The Company is also able to reduce operating costs by sharing certain services among several facilities in the same market and is better positioned to work with health maintenance organizations ("HMOs"), preferred provider organizations ("PPOs") and employers.

Upon acquisition of a facility, the Company hires experienced executives to manage its operations and decentralizes operational decision making to the local level, while providing local physicians and managers the opportunity to purchase equity interests in the operations through a partnership or corporate structure. Management believes the Company's strategy of co-ownership of its facilities with physicians and management produces significant operational advantages. Physicians who have an ownership interest in a facility take a more active role in recruiting other physicians and in improving efficiency by containing costs and making more rational capital expenditure decisions, and often are more active supporters of operations and medical staff quality assurance activities, as they have a direct personal interest in the success and reputation of the facility. Moreover, because the Company's facilities are co-owned with and operated by prominent members of the local medical community, both community support for the facilities and the Company's ability to recruit physicians to the facilities are enhanced. In addition, by providing local managers of its facilities the opportunity to purchase equity interests in such facilities, the Company creates incentives on the part of its local managers to operate their facilities successfully with a long-term perspective.

HEALTH CARE FACILITIES

The Company currently owns, manages or operates hospitals, ambulatory surgery centers, diagnostic centers, cardiac rehabilitation centers, physical therapy centers, radiation oncology centers, comprehensive outpatient rehabilitation centers and home health care agencies and programs.

The Company currently operates 313 general, acute care hospitals with 62,936 licensed beds. Most of the Company's general, acute care hospitals provide medical and surgical services, including inpatient care, intensive and cardiac care, diagnostic services and emergency services. The general, acute care hospitals also provide outpatient services such as outpatient surgery, laboratory, radiology, respiratory therapy, cardiology and physical therapy. A local advisory board, which usually includes members of the hospital's medical staff, generally makes recommendations concerning the medical, professional and ethical practices at each hospital and monitors such practices. However, the hospital is ultimately responsible for ensuring that these practices conform to established standards. When the Company acquires a hospital, it establishes quality assurance programs to support and monitor quality of care standards and to meet accreditation and regulatory requirements. Patient care evaluations and other quality of care assessment activities are monitored on a continuing basis.

Like most hospitals, the Company's hospitals do not engage in extensive medical research and medical education programs. However, some of the Company's hospitals have an affiliation with medical schools, including the clinical rotation of medical students.

The Company currently operates 25 psychiatric hospitals with 2,866 licensed beds. The Company's psychiatric hospitals provide therapeutic programs tailored to child psychiatric, adolescent psychiatric, adult psychiatric, adolescent alcohol or drug abuse and adult alcohol or drug abuse patients. The hospitals use the treatment team concept whereby the admitting physician, team psychologist, social workers, nurses, therapists and counselors coordinate each phase of therapy. Services provided by this team include crisis intervention, individual psychotherapy, group and family therapy, social services, chemical dependency counseling, behavioral modification and physical medicine. Family aftercare plans are actively promoted from the time of admission, through hospitalization and after discharge. An aftercare plan measures each patient's post-program progress and utilizes one or more self-help groups. Program procedures are designed to ensure that quality standards are achieved and maintained. Certain of the Company's general, acute care hospitals also have a limited number of licensed psychiatric beds.

Other outpatient or related health care services operated by the Company include ambulatory surgery centers, diagnostic centers, outpatient physical therapy/rehabilitation centers, outpatient radiation therapy centers, cardiac rehabilitation centers, skilled nursing services and home health/infusion services. These outpatient and related services are an integral component of the Company's strategy to develop a comprehensive health care network in each of its target markets. The Company currently operates more than 130 outpatient surgery centers and 200 home health agencies (nearly all of which are hospital-based).

In addition to providing capital resources, the Company makes available a variety of management services to its health care facilities, most significantly: national supply and equipment purchasing and leasing contracts; financial policies; accounting, financial and clinical systems; governmental reimbursement assistance; construction planning and coordination; information systems; legal; personnel management; and internal audit.

SOURCES OF REVENUE

Hospital revenues depend upon inpatient occupancy levels, the extent to which ancillary services and therapy programs are ordered by physicians and provided to patients, the volume of outpatient procedures and the charges or negotiated payment rates for such services. Charges and reimbursement rates for inpatient routine services vary significantly depending on the type of service (e.g., medical/surgical, intensive care or psychiatric) and the geographic location of the hospital. The Company has experienced an increase in the percentage of patient revenues attributable to outpatient services. This increase is primarily the result of advances in technology (which allow more services to be provided on an outpatient basis), acquisitions of additional outpatient facilities and increased pressures from Medicare, Medicaid, HMOs, PPOs, employers and insurers to reduce hospital stays and provide services, where possible, on a less expensive outpatient basis.

The Company receives payment for patient services from the federal government primarily under the Medicare program, state governments under their respective Medicaid programs, HMOs, PPOs and other private insurers and directly from patients. The approximate percentages of patient revenues of the Company's facilities from such sources during the periods specified below were as follows:

	YEARS ENDED DECEMBER 31,		
	1995	1994	1993
Medicare	36%	35%	34%
Medicaid	6	6	6
Other sources	58	59	60
Total	100%	100%	100%

Medicare is a federal program that provides certain hospital and medical insurance benefits to persons age 65 and over, some disabled persons and persons with end-stage renal disease. Medicaid is a federal-state program administered by the states which provides hospital benefits to qualifying individuals who are unable to afford care. Substantially all of the Company's hospitals are certified as providers of Medicare and Medicaid services. Amounts received under the Medicare and Medicaid programs are generally significantly less than the hospital's customary charges for the services provided.

To attract additional volume, most of the Company's hospitals offer discounts from established charges to certain large group purchasers of health care services, including Blue Cross, other private insurance companies, employers, HMOs, PPOs and other managed care plans. Blue Cross is a private health care program that funds hospital benefits through independent plans that vary in each state. These discount programs limit the Company's ability to increase charges in response to increasing costs. See "Competition." Patients are generally not responsible for any difference between customary hospital charges and amounts reimbursed for such services under Medicare, Medicaid, some Blue Cross plans, HMOs or PPOs, but are responsible to the extent of any exclusions, deductibles or co-insurance features of their coverage. The amount of such exclusions, deductibles and co-insurance has generally been increasing each year. Collection of amounts due from individuals is typically more difficult than from governmental or business payors.

Medicare

Under the Medicare program the Company receives reimbursement under a prospective payment system ("PPS") for the routine and ancillary operating costs of most Medicare inpatient hospital services. Psychiatric, long-term care, rehabilitation, pediatric and certain designated cancer research hospitals, as well as psychiatric or rehabilitation units that are distinct parts of a hospital, are currently exempt from PPS and are reimbursed on a cost based system, subject to certain cost caps. It is uncertain what impact, if any, the federal efforts to reform the health care system or balance the federal budget will have on the current method of Medicare reimbursement.

Under PPS, fixed payment amounts per inpatient discharge were established based on the patient's assigned diagnosis related group ("DRG"). DRG's classify patients' treatments for illnesses according to the estimated intensity of hospital resources necessary to furnish care for each principal diagnosis. DRG rates have been established for each individual hospital participating in the Medicare program and are based upon a statistically normal distribution of severity. Patients falling well outside the normal distribution are afforded additional payments and defined as "outliers." Under PPS, hospitals may retain payments in excess of costs but must absorb costs in excess of such payments; therefore, hospitals are encouraged to operate more efficiently.

DRG rates are updated and recalibrated periodically and have been affected by several recent federal enactments. The index used by the Health Care Financing Administration ("HCFA") to adjust the DRG rates gives consideration to the inflation experienced by hospitals in purchasing goods and services ("market basket"). However, for several years the percentage increases to the DRG rates have been lower than the percentage increases in the costs of goods and services purchased by hospitals. The market basket is adjusted each federal fiscal year ("FY") which begins on October 1. The market basket for FY 1993 was 4.1%, FY 1994 was 4.3%, FY 1995 was 3.6% and for FY 1996 is 3.5%.

The Omnibus Budget Reconciliation Act of 1993 ("OBRA-93") extended the reduction enacted by the Omnibus Budget Reconciliation Act of 1990 ("OBRA-90") in the Medicare DRG payments to healthcare providers through 1997. A substantial number of the Company's hospitals are classified as urban hospitals for reimbursement purposes. The net updates of DRG rates for large urban and other urban hospitals are established as follows: FY 1994 and FY 1995 market basket minus 2.5%; FY 1996 market basket minus 2%; and FY 1997 market basket minus 0.5%. Management cannot predict how future adjustments by Congress and HCFA will affect the profitability of the Company's health care facilities.

The provisions of OBRA-90 required the Secretary (the "Secretary") of the Department of Health and Human Services ("HHS") to develop a proposal for a PPS for all hospital-based outpatient services and inpatient psychiatric care. The Secretary's report, which was due on September 1, 1991, was submitted to Congress on March 17, 1995. The Secretary's report recommends a phase-in of PPS for outpatient services with prospective payment rates being established initially for surgical and radiological services and other diagnostic procedures that account for almost half of hospital outpatient Medicare charges. Other groups of outpatient services would be brought under PPS as appropriate methodologies are developed. The report also addressed changes to beneficiary coinsurance and the computation of coinsurance under the current blended payment method. Implementation of the Secretary's proposals would require Congress to enact legislation. The Company is unable to assess whether such legislation, if any, will be enacted in connection with changes to Medicare reimbursement of hospital outpatient services. Until such time as the Secretary has implemented a PPS for all hospital-based outpatient services, OBRA-90 directs that payments for the reasonable cost of outpatient hospital services (other than for capital related costs) be reimbursed at 94.2% of such reasonable costs for cost reporting periods falling within FY 1991 through FY 1995. OBRA-93 extended this reduction through FY 1998.

Subsequent to September 30, 1991 and through FY 1992, capital related payments for inpatient hospital services were made at the rate of 90% of reasonable capital costs. The PPS capital costs reimbursement applies an estimated national average of FY 1989 Medicare capital costs per patient discharge updated to FY 1992 by the estimated increase in Medicare capital costs per discharge (the "Federal Rate"). Capital PPS is applicable to cost reports beginning on or after October 1, 1991. Under capital PPS reimbursement a 10 year transition period has been established. A hospital is paid under one of the following two different payment methodologies during this transition period: (i) hospitals with a hospital-specific rate (the rate established for a hospital based on the cost report ending on or before December 31, 1990) below the Federal Rate would be paid on a fully prospective payment methodology and (ii) hospitals with a hospital-specific rate above the Federal Rate would be paid based on a hold-harmless payment methodology or 100% of the Federal Rate whichever results in a higher payment. A hospital is paid under one methodology throughout the entire transition. After the transition period, all hospitals would be paid the Federal Rate.

The impact of PPS capital reimbursement in the first two years has not been material to Medicare capital reimbursement. The hospital-specific rates for FY 1994 decreased 2.16%. The established Federal Rate for FY 1994 was reduced by 9.33% to $378 per patient discharge and for FY 1995 was reduced by 0.4% to $377 per patient discharge. The hospital-specific rate for FY 1996 increased 18.6%. The Federal Rate for FY 1996 increased 21.2% to $457 per patient discharge. These increases were primarily the result of the expiration of a budget neutrality provision of OBRA-90 that limited payments to 90% of payments estimated to have been made on a reasonable cost basis during the fiscal year. Legislation passed by Congress and vetoed by the President would have resulted in a reduction of capital payment rates for FY 1996.

Medicaid

Most state Medicaid payments are made under a prospective payment system or under programs which negotiate payment levels with individual hospitals. Medicaid reimbursement is generally substantially less than a hospital's cost of services. Medicaid is currently funded approximately 50% by the states and approximately 50% by the federal government. The federal government and many states are currently considering significant reductions in the level of Medicaid funding while at the same time expanding Medicaid benefits, which could adversely affect future levels of Medicaid reimbursement received by the Company's hospitals.

On November 27, 1991, Congress enacted the Medicaid Voluntary Contribution and Provider-Specific Tax Amendments of 1991 (the "Medicaid Amendments"), which limit the amount of voluntary contributions and provider-specific taxes that can be used by states to fund Medicaid and require the use of broad-based taxes for such funding. As a result of enactment of the Medicaid Amendments, certain states in which the Company operates have adopted broad-based provider taxes to fund their Medicaid programs. To date, the impact upon the Company of these new taxes has not been materially adverse. However, the Company is unable to predict whether any additional broad-based provider taxes will be adopted by the states in which it operates and, accordingly, is unable to assess the effect thereof on its results of operations or financial position.

Annual Cost Reports

The Company's annual cost reports which are required under the Medicare and Medicaid programs are subject to audit which may result in adjustments to the amounts ultimately determined to be due the Company under these reimbursement programs. These audits often require several years to reach the final determination of amounts earned under the programs. Providers also have rights of appeal, and the Company is currently contesting certain issues raised in audits of prior years' reports. Management believes that adequate provision has been made in its financial statements for any material retroactive adjustments that might result from all of such audits and that final resolution of all of these issues will not have a material adverse effect upon the Company's results of operations or financial position. Since the inception of the Medicare prospective payment system in 1983, the amount of reimbursement to the Company's general, acute care hospitals potentially affected by audit adjustments has substantially diminished.

Commercial Insurance

The Company's hospitals provide services to individuals covered by private health care insurance. Private insurance carriers either reimburse their policy holders or make direct payments to the Company's hospitals based upon the particular hospital's established charges and the particular coverage provided in the insurance policy. Blue Cross is a health care financing program that provides its subscribers with hospital benefits through independent organizations that vary from state to state. The Company's hospitals are paid directly by local Blue Cross organizations on the basis agreed to by each hospital and Blue Cross by a written contract.

Recently, several commercial insurers have undertaken efforts to limit the costs of hospital services by adopting prospective payment or DRG based systems. To the extent such efforts are successful, and to the extent that the insurers' systems fail to reimburse hospitals for the costs of providing services to their beneficiaries, such efforts may have a negative impact on the operating results of the Company's hospitals.

HOSPITAL UTILIZATION

The Company believes that the two most important factors relating to the overall utilization of a hospital are the quality and market position of the hospital and the number and quality of physicians providing patient care within the facility. Generally, the Company believes that the ability of a hospital to be a market leader is determined by its breadth of services, level of technology, emphasis on quality of care and convenience for patients and physicians. Other factors which impact utilization include the growth in local population, local economic conditions and market penetration of managed care programs.

The following table sets forth certain operating statistics for hospitals owned and operated by the Company for each of the most recent five years. Medical/surgical hospital operations are subject to certain seasonal fluctuations, including decreases in patient utilization during holiday periods and increases in the cold weather months. Psychiatric hospital operations are also subject to certain seasonal fluctuations, including decreases in patient occupancy during the summer months and holiday periods.

	YEARS ENDED DECEMBER 31,				
	1995(E)	1994	1993	1992	1991
Number of hospitals (a).	319	311	274	281	301
Weighted average licensed beds (b)......	61,617	57,517	53,247	51,955	54,072
Admissions (c)..........	1,774,800	1,565,500	1,451,000	1,448,000	1,486,200
Average length of stay (days).................	5.3	5.6	5.8	6.0	6.3
Average daily census....	25,917	23,841	22,973	23,569	25,816
Occupancy rate (d)......	42%	41%	43%	45%	48%

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(a) End of period.

(b) Weighted average licensed beds is defined as the number of licensed beds after giving effect to the length of time the beds have been licensed during the period.

(c) Admissions represent the number of patients admitted for inpatient treatment.

(d) Occupancy rates are calculated by dividing average daily census by weighted average licensed beds.

(e) This does not include 19 facilities that are not consolidated for financial reporting purposes.

Beginning in 1983, hospitals began experiencing significant shifts from inpatient to outpatient care as well as decreases in average lengths of inpatient stay, primarily as a result of hospital payment changes by Medicare, insurance carriers and self-insured employers. These changes generally encouraged the utilization of outpatient, rather than inpatient, services whenever possible, and shortened lengths of stay for inpatient care. Another factor affecting hospital utilization levels is improved treatment protocols as a result of medical technology and pharmacological advances.

COMPETITION

Generally, other hospitals in the local markets served by most of the Company's hospitals provide services that are offered by the Company's hospitals. Additionally, in the past several years, the number of free-standing outpatient surgery and diagnostic centers in the geographic areas in which the Company operates has increased significantly. As a result, most of the Company's hospitals operate in an increasingly competitive environment. The rates charged by the Company's hospitals are intended to be competitive with those charged by other local hospitals for similar services. In some cases, competing hospitals are more established than the Company's hospitals. Also, some competing hospitals are owned by tax-supported government agencies and many others by tax-exempt corporations which may be supported by endowments and charitable contributions and which are exempt from sales, property and income taxes. Such exemptions and support are not available to the Company's hospitals. In addition, in certain localities served by the Company there are large teaching hospitals which provide highly specialized facilities, equipment and services which may not be available at most of the Company's hospitals. Psychiatric hospitals frequently attract patients from areas outside their immediate locale and, therefore, the Company's psychiatric hospitals compete with both local and regional hospitals, including the psychiatric units of general, acute care hospitals.

The Company believes that its hospitals compete within local markets on the basis of many factors, including the quality of care, ability to attract and retain quality physicians, location, breadth of services, technology offered and prices charged. The competition among hospitals and other health care providers has intensified in recent years as hospital occupancy rates have declined. The Company's strategies are designed, and management believes that its hospitals are positioned, to be competitive under these changing circumstances.

One of the most significant factors in the competitive position of a hospital is the number and quality of physicians affiliated with the hospital. Although physicians may at any time terminate their affiliation with a hospital operated by the Company, the Company seeks to retain physicians of varied specialties on its hospitals' medical staffs and to attract other qualified physicians. The Company believes that physicians refer patients to a hospital primarily on the basis of the quality of services it renders to patients and physicians, the quality of other physicians on the medical staff, the location of the hospital and the quality of the hospital's facilities, equipment and employees. Accordingly, the Company strives to maintain high ethical and professional standards and quality facilities, equipment, employees and services for physicians and their patients.

Another major factor in the competitive position of a hospital is its management's ability to negotiate service contracts with purchasers of group health care services. HMOs and PPOs attempt to direct and control the use of hospital services through managed care programs and to obtain discounts from hospitals' established charges. In addition, employers and traditional health insurers are increasingly interested in containing costs through negotiations with hospitals for managed care programs and discounts from established charges. Generally, hospitals compete for service contracts with group health care service purchasers on the basis of price, market reputation, geographic location, quality and range of services, quality of the medical staff and convenience. The importance of obtaining contracts with managed care organizations varies from market to market depending on the market strength of such organizations.

State certificate of need ("CON") laws, which place limitations on a hospital's ability to expand hospital services and add new equipment, may also have the effect of restricting competition. The application process for approval of covered services, facilities, changes in operations and capital expenditures is, therefore, highly competitive. In those states which have no CON laws or which set relatively high levels of expenditures before they become reviewable by state authorities, competition in the form of new services, facilities and capital spending is more prevalent. The Company has not experienced, and does not expect to experience, any material adverse effects from state CON requirements or from the imposition, elimination or relaxation of such requirements. See "Regulation and Other Factors."

The Company, and the health care industry as a whole, face the challenge of continuing to provide quality patient care while dealing with rising costs, strong competition for patients and a general reduction of reimbursement rates by both private and government payors. As both private and government payors reduce the scope of what may be reimbursed and reduce reimbursement levels for what is covered, federal and state efforts to reform the United States health care system may further impact reimbursement rates. Changes in medical technology, existing and future legislation, regulations and interpretations and competitive contracting for provider services by private and government payors may require changes in the Company's facilities, equipment, personnel, rates and/or services in the future.

The hospital industry and the Company's hospitals continue to have significant unused capacity, and, thus, there is substantial competition for patients. Inpatient utilization, average lengths of stay and average occupancy rates continue to be negatively affected by payor-required pre- admission authorization, utilization review and by payor pressure to maximize outpatient and alternative health care delivery services for less acutely ill patients. Increased competition, admissions constraints and payor pressures are expected to continue. To meet these challenges, the Company has expanded many of its hospitals' facilities to include outpatient centers, offers discounts to private payor groups, enters into capitation contracts in some service areas, upgrades facilities and equipment and offers new programs and services.

REGULATION AND OTHER FACTORS

Licensure, Certification and Accreditation

Health care facility construction and operation is subject to federal, state and local regulations relating to the adequacy of medical care, equipment, personnel, operating policies and procedures, fire prevention, rate-setting and compliance with building codes and environmental protection laws. Facilities are subject to periodic inspection by governmental and other authorities to assure continued compliance with the various standards necessary for licensing and accreditation. All of the Company's health care facilities are properly licensed under appropriate state laws. Substantially all of the Company's general, acute care hospitals are certified under the Medicare program or are accredited by the Joint Commission on Accreditation of Health Care Organizations ("Joint Commission"), the effect of which is to permit the facilities to participate in the Medicare and Medicaid programs. Certain of the Company's psychiatric hospitals do not participate in these programs. Should any facility lose its Joint Commission accreditation, or otherwise lose its certification under the Medicare program, the facility would be unable to receive reimbursement from the Medicare and Medicaid programs. Management believes that the Company's facilities are in substantial compliance with current applicable federal, state, local and independent review body regulations and standards. The requirements for licensure, certification and accreditation are subject to change and, in order to remain qualified, it may be necessary for the Company to effect changes in its facilities, equipment, personnel and services.

Certificates of Need

The construction of new facilities, the acquisition of existing facilities, and the addition of new beds or services may be subject to review by state regulatory agencies under a CON program. The Company operates hospitals in some states that require approval under a CON program. Such laws generally require appropriate state agency determination of public need and approval prior to the addition of beds or services or certain other capital expenditures. Failure to obtain necessary state approval can result in the inability to expand facilities, complete an acquisition or change ownership. Further, violation may result in the imposition of civil or, in some cases, criminal sanctions, the denial of Medicare or Medicaid reimbursement or the revocation of a facility's license.

State Rate Review

Some states in which the Company owns hospitals have adopted legislation mandating rate or budget review for hospitals or have adopted taxes on hospital revenues, assessments or licensure fees to fund indigent health care within the state.

In Florida, a budget review process and limitations on net revenue increases per admission have been in effect with respect to the Company's hospitals since January 1, 1986. The increase in hospital net revenues per admission is limited to an annually-determined percentage increase in costs that Florida hospitals pay for goods and services plus a statutory 2%, plus additional amounts which recognize the effect of patient days related to Medicare, Medicaid and uncompensated charity care. This law limits the ability of Florida hospitals to increase rates to maintain operating margins. The Company owned 55 hospitals aggregating 13,378 beds in Florida as of December 31, 1995.

In the aggregate, state rate or budget review and indigent tax provisions have not materially adversely affected the Company's results of operations. The Company is unable to predict whether any additional state rate or budget review or indigent tax provisions will be adopted and, accordingly, is unable to assess the effect thereof on its results of operations or financial condition.

Utilization Review

Federal law contains numerous provisions designed to ensure that services rendered by hospitals to Medicare and Medicaid patients meet professionally recognized standards, are medically necessary and that claims for reimbursement are properly filed. These provisions include a requirement that a sampling of admissions of Medicare and Medicaid patients must be reviewed by peer review organizations ("PROs"), which review the appropriateness of Medicare and Medicaid patient admissions and discharges, the quality of care provided, the validity of DRG classifications and the appropriateness of cases of extraordinary length of stay or cost. PROs may deny payment for services provided, may assess fines and also have the authority to recommend to HHS that a provider which is in substantial noncompliance with the standards of the PRO be excluded from participating in the Medicare program. Utilization review is also a requirement of most non- governmental managed care organizations.

Medicare Regulations and Fraud and Abuse

Participation in the Medicare program is heavily regulated by federal statute and regulation. If a hospital provider fails substantially to comply with the numerous conditions of participation in the Medicare program or performs certain prohibited acts (e.g., (i) making false claims to Medicare for services not rendered or misrepresenting actual services rendered in order to obtain higher reimbursement; (ii) paying remuneration for Medicare referrals (so called "fraud and abuse" which is prohibited by the "anti-kickback" provisions of the Social Security Act); (iii) failing to stabilize all individuals who come to its emergency room who have an "emergency medical condition," whether or not any such individual is eligible for Medicare; (iv) transferring any stabilized patient to another health care facility before such other facility has agreed to the transfer of such patient, while such other facility does not have sufficient room and staff to treat the patient, without the patient's emergency department medical records, or without appropriate life support equipment; and (v) transferring any unstabilized patient except those transferred at the patient's request or with physician certification that the medical risks from the transfer are less harmful than continued treatment at the transferring facility), such hospital's participation in the Medicare program may be terminated or civil or criminal penalties may be imposed upon such hospital under certain provisions of the Social Security Act.

Moreover, HHS and the courts have interpreted the "fraud and abuse" anti-kickback provisions of the Social Security Act (presently codified in Section 1128B(b) of the Social Security Act, hereinafter the "Antifraud Amendments") broadly to include the intentional offer, payment, solicitation or receipt of anything of value if one purpose of the payment is to induce the referral of Medicare business. Health care providers generally are concerned that many relatively innocuous, or even beneficial, commercial arrangements with their physicians may technically violate this strict interpretation of the Antifraud Amendments.

In 1976 Congress established the Office of Inspector General ("OIG") at HHS to identify and eliminate fraud, abuse and waste in HHS programs and to promote efficiency and economy in HHS departmental operations. The OIG carries out this mission through a nationwide program of audits, investigations and inspections. In order to provide guidance to health care providers on ways to engage in legitimate business practices and avoid scrutiny under the fraud and abuse statute, the OIG has from time to time issued "fraud alerts" identifying features of transactions, which, if present, may indicate that the transaction violates the fraud and abuse law. In May 1992, the OIG issued a special fraud alert regarding hospital incentives to physicians. The alert identified the following incentive arrangements as potential violations of the statute: (a) payment of any sort of incentive by the hospital each time a physician refers a patient to the hospital, (b) the use of free or significantly discounted office space or equipment (in facilities usually located close to the hospital), (c) provision of free or significantly discounted billing, nursing or other staff services, (d) free training for a physician's office staff in areas such as management techniques, CPT coding and laboratory techniques, (e) guarantees which provide that, if the physician's income fails to reach a predetermined level, the hospital will supplement the remainder up to a certain amount, (f) low-interest or interest-free loans, or loans which may be forgiven if a physician refers patients (or some number of patients) to the hospital, (g) payment of the costs of a physician's travel and expenses for conferences, (h) coverage on the hospital's group health insurance plans at an inappropriately low cost to the physician and (i) payment for services (which may include consultations at the hospital) which require few, if any, substantive duties by the physician, or payment for services in excess of the fair market value of services rendered. In this fraud alert the OIG encouraged persons having information about hospitals who offer the above types of incentives to physicians to report such information to the OIG.

In addition, on July 29, 1991, the OIG issued final regulations outlining certain "safe harbor" practices, which, although potentially capable of inducing prohibited referrals of business under Medicare or state health programs, would not be subject to enforcement action under the Social Security Act. The practices covered by the regulations include certain physician joint venture transactions, rental of space and equipment, personal services and management contracts, sales of physician practices, referral services, warranties, discounts, payments to employees, group purchasing organizations and waivers of beneficiary deductibles and co-payments. Additional proposed safe harbors are expected to be published in the near future by the OIG, including a safe harbor regulation for physician recruitment. Certain of the Company's current arrangements with physicians, including joint ventures, do not qualify for the current safe harbor exemptions and, as a result, such arrangements risk scrutiny by the OIG and may be subject to enforcement action. The failure of these arrangements to satisfy all of the conditions of the applicable safe harbor criteria does not mean that the arrangements are illegal. Nevertheless, certain of the Company's current financial arrangements with physicians, including joint ventures, and the Company's future development of joint ventures and other financial arrangements with physicians, could be adversely affected by the failure of such arrangements to comply with the safe harbor regulations, or the future adoption of other legislation or regulation in these areas.

Effective January 1, 1991, Section 1877 of the Social Security Act (commonly known as "Stark I") prohibited referrals of Medicare and Medicaid patients to clinical laboratories with which a referring physician has a financial relationship. OBRA-93 included certain amendments to Section 1877 (such amendments commonly known as "Stark II") which substantially broadened the scope of prohibited physician self-referrals to include referrals by physicians to entities with which the physician has a financial relationship and which provide certain "designated health services" which are reimbursable by Medicare or Medicaid. "Designated health services" include not only the clinical laboratory services which were the only such services covered by Stark I, but also, among other things, physical and occupational therapy services, radiology services, durable medical equipment, home health, and inpatient and outpatient hospital services. Sanctions for violating Stark I or II include civil money penalties up to $15,000 per prohibited service provided, assessments equal to 200% of the dollar value of each such service provided and exclusion from the Medicare and Medicaid programs. Stark II contains certain exceptions to the self-referral prohibition, including an exception if the physician has an ownership interest in the entire hospital. Stark II became effective January 1, 1995 and contemplates the promulgation of regulations implementing the new provisions. The Company cannot predict the final form that such regulations will take or the effect that Stark II or the regulations to be promulgated thereunder will have on the Company.

The Social Security Act also imposes criminal and civil penalties for making false claims to Medicare and Medicaid for services not rendered or for misrepresenting actual services rendered in order to obtain higher reimbursement. Like the Antifraud Amendments, this statute is very broad. Careful and accurate coding of claims for reimbursement must be performed to avoid liability under the false claims statutes.

The OIG has requested information regarding the Company's procedures for preparing Medicare cost reports. The Company is cooperating with the OIG and has provided various information in order to explain the Company's practices. Management believes that any claims in this regard, if asserted, would not have a material adverse effect on the Company's financial position or results of operations.

Certain of the Company's current financial arrangements with physicians, including joint ventures, and the Company's future development of joint ventures and other financial arrangements with physicians, could be adversely affected by the failure of such arrangements to comply with the Antifraud Amendments, Section 1877, current state laws or other legislation or regulation in these areas adopted in the future. The Company is unable to predict the effect of such regulations or whether other legislation or regulations at the federal or state level in any of these areas will be adopted, what form such legislation or regulations may take or their impact on the Company. The Company is continuing to enter into new financial arrangements with physicians and other providers in a manner structured to comply in all material respects with these laws. There can be no assurance, however, that (i) governmental officials charged with the responsibility for enforcing these laws will not assert that the Company is in violation thereof or (ii) such statutes will ultimately be interpreted by the courts in a manner consistent with the Company's interpretation.

The federal Medicaid regulations also prohibit fraudulent and abusive practices and authorize the exclusion from such program of providers in violation of such regulations.

State Legislation

Some of the states in which the Company operates have laws that prohibit corporations and other entities from employing physicians and practicing medicine for a profit or that prohibit certain direct and indirect payments or fee-splitting arrangements between health care providers that are designed to induce or encourage the referral of patients to, or the recommendation of, particular providers for medical products and services. In addition, some states restrict certain business relationships between physicians and pharmacies. Possible sanctions for violation of these restrictions include loss of licensure and civil and criminal penalties. These statutes vary from state to state, are often vague and have seldom been interpreted by the courts or regulatory agencies. Although the Company exercises care in an effort to structure its arrangements with health care providers to comply with the relevant state statutes, and although management believes that the Company is in compliance with these laws, there can be no assurance that (i) governmental officials charged with responsibility for enforcing these laws will not assert that the Company or certain transactions in which it is involved are in violation of such laws and (ii) such state laws will ultimately be interpreted by the courts in a manner consistent with the practices of the Company.

Health Care Reform

Health care, as one of the largest industries in the United States, continues to attract much legislative interest and public attention. In recent years, an increasing number of legislative proposals have been introduced or proposed in Congress and in some state legislatures that would effect major changes in the health care system, either nationally or at the state level. Among the proposals under consideration are cost controls on hospitals, insurance market reforms to increase the availability of group health insurance to small businesses, requirements that all businesses offer health insurance coverage to their employees and the creation of a single government health insurance plan that would cover all citizens. The costs of certain proposals would be funded in significant part by reductions in payments by governmental programs, including Medicare and Medicaid, to health care providers such as hospitals. There can be no assurance that future health care legislation or other changes in the administration or interpretation of governmental health care programs will not have a material adverse effect on the Company's business, financial condition or results of operations.

ENVIRONMENTAL MATTERS

The Company is subject to various federal, state and local statutes and ordinances regulating the discharge of materials into the environment. Management does not believe that the Company will be required to expend any material amounts in order to comply with these laws and regulations or that compliance will materially affect its capital expenditures, earnings or competitive position.

INSURANCE

As is typical in the health care industry, the Company is subject to claims and legal actions by patients in the ordinary course of business. Through a wholly-owned insurance subsidiary, the Company insures a substantial portion of its general and professional liability risks. The Company's health care facilities are insured by the insurance subsidiary for losses of up to $25 million per occurrence. The Company also maintains general and professional liability insurance with unrelated commercial carriers for losses in excess of amounts insured by its insurance subsidiary.

The Company and its insurance subsidiary maintain allowances for loss for professional and general liability risks which totalled $1.2 billion at December 31, 1995. Management considers such allowances, which are based on actuarially determined estimates, to be adequate for such liability risks. Any losses incurred in excess of the established allowances for loss will be reflected as a charge to earnings of the Company. Any losses incurred in excess of amounts funded and maintained with commercial excess liability insurance carriers will be funded from the Company's working capital. While the Company's cash flow has been adequate to provide for alleged and unforeseen liability claims in the past, there can be no assurance that such amounts will continue to be adequate. If payments for general and professional liabilities exceed anticipated losses, the results of operations and financial condition of the Company could be adversely affected.

EMPLOYEES AND MEDICAL STAFFS

At December 31, 1995, the Company had approximately 240,000 employees, including approximately 77,000 part-time employees. Employees at 14 hospitals are represented by various labor unions. The Company considers its employee relations to be satisfactory. While the Company's hospitals experience union organizational activity from time to time, the Company does not expect such efforts to materially affect its future operations. The Company's hospitals, like most hospitals, have experienced labor costs rising faster than the general inflation rate. In recent years, the Company generally has not experienced material difficulty in recruiting and retaining employees, including nurses and professional staff members, primarily as a result of staff retention programs and general economic conditions. There can be no assurance as to future availability and cost of qualified medical personnel.

The Company's hospitals are staffed by licensed physicians who have been admitted to the medical staff of individual hospitals. With limited exceptions, physicians generally are not employees of the Company's hospitals. However, some physicians provide services in the Company's hospitals under contracts, which generally describe a term of service, provide and establish the duties and obligations of such physicians, require the maintenance of certain performance criteria and fix compensation for such services. Any licensed physician may apply to be admitted to the medical staff of any of the Company's hospitals, but admission to the staff must be approved by the hospital's medical staff and the appropriate governing board of the hospital in accordance with established credentialling criteria. Members of the medical staffs of the Company's hospitals often also serve on the medical staffs of other hospitals, and may terminate their affiliation with a hospital at any time.

PENDING HCA TAX LITIGATION; SPINOFF TAX RULING

As a result of examinations by the Internal Revenue Service (the "IRS") of HCA's federal income tax returns, HCA received statutory notices of deficiency for the years 1981 through 1988. HCA has filed petitions in the U.S. Tax Court opposing these claimed deficiencies. Additionally, the IRS completed its examination for the years 1989 and 1990 and has issued proposed adjustments, which HCA has protested. In the aggregate, the IRS is claiming additional taxes and interest of approximately $600 million. Management of the Company is of the opinion that HCA has properly reported its income and paid its taxes in accordance with applicable laws and in accordance with agreements established with the IRS during previous examinations. In management's opinion, the final outcome from the IRS's examinations of prior years' income taxes will not have a material adverse effect on the results of operations, financial position or liquidity of the Company. If all or the majority of the positions of the IRS are upheld, however, the financial position, results of operations and liquidity of the Company could be materially adversely affected. Management believes that any cash payments necessary as a result of such final outcome would be funded with cash from operations and, if necessary, with amounts available under the Company's revolving credit or other borrowing facilities.

Certain actions or events both in and beyond the control of the Company could render the Spinoff or certain related transactions taxable. In connection with the Spinoff, Humana received rulings from the IRS to the effect, among other things, that the Spinoff was tax-free under Section 355 of the Internal Revenue Code of 1986, as amended (the "Code"). Prior to the Galen Merger, Galen received a supplemental tax ruling that the Galen Merger would not alter such tax rulings. Although generally binding on the IRS, each of the tax rulings and the supplemental tax ruling is subject to the accuracy of certain factual representations and assumptions contained in the ruling requests made by Humana and Galen. While the Company is not aware of any facts or circumstances which would cause such representations and assumptions to be inaccurate, there can be no assurances in this regard. Each of Galen and Humana would be liable for the full amount of any tax if the Spinoff were held taxable, although as between Galen and Humana, Galen would be liable for approximately 61% of that tax under a Tax Sharing and Indemnification Agreement entered into in connection with the Spinoff (unless the Spinoff became taxable by reason of actions or events deemed to be in the control of Galen, in which event Galen would be responsible for 100% of such tax).

ERISA MATTERS

In connection with the Healthtrust Formation in 1987, Healthtrust's Employee Stock Ownership Plan (the "ESOP") purchased approximately 50.9 million shares of Healthtrust common stock for $810 million. The purchase price was based on the determination of the committee administering the ESOP (the "ESOP Committee") as to the fair market value of such shares at that time. Based on such determination, and subject to limitations contained in the Code, Healthtrust has claimed income tax deductions for contributions to the ESOP for the years to which such contributions relate. Contributions to the ESOP were used by the ESOP to pay interest and principal on the loans owed to Healthtrust. These payments were in turn used by Healthtrust to pay interest and principal on the ESOP term loans under a Healthtrust bank credit agreement and certain other indebtedness related to the ESOP. As a result, Healthtrust was effectively able to obtain a deduction for principal, as well as interest payments, on ESOP related borrowings. If the ESOP Committee's determination of fair market value was incorrect, Healthtrust's contribution to the ESOP may not be fully deductible, which could have a material adverse effect on the Company.

It was intended that qualified holders of the ESOP term loans and the other indebtedness incurred in connection with the ESOP be entitled to exclude from taxable income 50% of the interest received on such indebtedness. In addition, the loans to the ESOP and the purchase of

Healthtrust common stock by the ESOP were intended to qualify for exemption from the "prohibited transaction" rules under the Code and the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), which rules generally prohibit sale and loan transactions between an employer and a qualified retirement plan. The 50% interest exclusion and the prohibited transaction exemption were available only if the plan was designed to invest primarily in "employer securities". It is likely that if Healthtrust and HCA were deemed to have been members of the same "controlled group of corporations" for purposes of the relevant section in the Code or ERISA, the stock of HCA, and not Healthtrust's common stock, would have been "employer securities" for these purposes. Healthtrust and HCA concluded that they were not in the same "controlled group of corporations" (as defined in Section 409(l) of the Code). If, notwithstanding such conclusion, HCA's common stock were deemed to have been "employer securities" for such purposes, there could be severe adverse consequences to Healthtrust, including violation of the prohibited transaction rules discussed above (which could subject Healthtrust or other disqualified persons with respect to the ESOP to an excise tax and could require that certain corrective action be taken) and retroactive increases in the rate of interest payable on certain of Healthtrust's previously outstanding ESOP related indebtedness as a result of the loss of the 50% interest exclusion. In addition, the 50% interest exclusion and the prohibited transaction exemption were available only if the price paid by the ESOP reflected the fair market value of the employer securities as determined in good faith by the plan fiduciaries. Accordingly, if the ESOP Committee's determination of fair market value was incorrect, the 50% interest exclusion might not have been fully available and Healthtrust or other disqualified persons may have committed prohibited transactions, either of which events could have a material adverse effect on the Company.

The purchase of EPIC common stock by the EPIC Employee Stock Ownership Plan (the "EPIC ESOP") in connection with EPIC's acquisition (the "EPIC Formation") of its facilities from American Medical International, Inc. ("AMI") in 1988 was structured in a manner similar to the purchase of Healthtrust common stock by the ESOP in connection with the Healthtrust Formation and was intended to (i) qualify for exemption from the "prohibited transaction" rules of the Code and ERISA, (ii) permit EPIC to deduct for federal income tax purposes its contributions to the EPIC ESOP used to pay principal and interest on loans made by EPIC to the EPIC ESOP and (iii) permit qualified holders of indebtedness incurred in connection with the EPIC ESOP to benefit from the 50% interest exclusion provision referred to above. Exemption from the prohibited transaction rules and the availability of the ESOP related benefits described above depends on (i) the amount the EPIC ESOP paid for EPIC common stock not having exceeded the fair market value of that EPIC common stock, (ii) the EPIC common stock being "employer securities" and (iii) compliance with the other relevant provisions of the Code and ERISA. If (i) the EPIC ESOP paid an amount in excess of fair market value for the EPIC common stock, (ii) the EPIC common stock were to fail to qualify as "employer securities" or (iii) the EPIC ESOP were to fail to comply with the other relevant provisions of the Code or ERISA, such events could have a material adverse effect on the Company.

EXECUTIVE OFFICERS OF THE REGISTRANT

The executive officers of the Company as of March 28, 1996, were as follows:

NAME	AGE	POSITION(S)
R. Clayton McWhorter....	62	Chairman of the Board
Thomas F. Frist, Jr., M.D....................	57	Vice Chairman of the Board
Richard L. Scott........	43	President and Chief Executive Officer
David T. Vandewater.....	45	Chief Operating Officer
Stephen T. Braun........	40	Senior Vice President and General Counsel
Victor L. Campbell......	49	Senior Vice President
Richard E. Chapman......	47	Senior Vice President--Information Systems
David C. Colby..........	42	Senior Vice President and Treasurer
Kenneth C. Donahey......	45	Senior Vice President and Controller
W. Leon Drennan.........	40	Senior Vice President--Internal Audit
Samuel A. Greco.........	44	Senior Vice President--Operations Finance
Neil D. Hemphill........	42	Senior Vice President--Human Resources/Administration
Jamie E. Hopping........	42	President--Western Group
Daniel J. Moen..........	44	President--Columbia Sponsored Network Group
Joseph D. Moore.........	49	Senior Vice President--Development
Lindy B. Richardson.....	49	Senior Vice President--Marketing/Public Affairs
Richard A. Schweinhart..	46	Senior Vice President--Columbia Sponsored Networks
James D. Shelton........	42	President--Central Group
Donald E. Steen.........	49	President--International Group
David R. White..........	48	President--Mid-America Group

R. Clayton McWhorter has served as Chairman of the Board of the Company since April 1995. Mr. McWhorter was Chairman and Chief Executive Officer of Healthtrust from 1987 to April 1995 and was President of Healthtrust from 1991 to April 1995. Mr. McWhorter served as President and Chief Operating Officer of Hospital Corporation of America (HCA's predecessor) from 1985 to 1987, and as a Director of Hospital Corporation of America from 1983 to 1987.

Thomas F. Frist, Jr., M.D. has served as Vice Chairman of the Board of the Company since April 1995. From February 1994 to April 1995, he was Chairman of the Board of the Company. Dr. Frist was Chairman of the Board, President and Chief Executive Officer of HCA-Hospital Corporation of America ("HCA") from 1988 to February 1994. Dr. Frist, a founder of the predecessor of HCA, was previously Chairman and Chief Executive Officer of such predecessor from August 1985 until September 1987.

Richard L. Scott has served as President, Chief Executive Officer and a director of the Company since September 1993. Mr. Scott was Chairman, Chief Executive Officer and a director of the Company or its predecessors from July 1988 to September 1993. Mr. Scott is also a director of Banc One Corporation.

David T. Vandewater has served as Chief Operating Officer of the Company since September 1993. Mr. Vandewater was President of the Company from February 1991 to September 1993 and served as its Executive Vice President from May 1990 until February 1991. From July 1988 until February 1990, Mr. Vandewater was an Executive Vice President and Chief Operating Officer of Republic Health Corporation (presently called OrNda Healthcorp).

Stephen T. Braun has served as Senior Vice President and General Counsel of the Company since September 1993. Mr. Braun served as Vice President and General Counsel of the Company from October 1991 until September 1993. From July 1987 to October 1991, Mr. Braun practiced law with the law firm of Doherty, Rumble & Butler, Professional Association, Saint Paul, Minnesota.

Victor L. Campbell has served as Senior Vice President of the Company since February 1994. For more than five years prior to that time, Mr. Campbell served as HCA's Vice President for Investor, Corporate, and Government Relations. Mr. Campbell is currently a director of the Federation of American Health Systems and the American Hospital Association.

Richard E. Chapman has served as Senior Vice President--Information Systems of the Company since February 1995. Mr. Chapman served as Vice President--Information Systems for Columbia from September 1993 until February 1995. Mr. Chapman also served as Vice President--Information Systems for both Galen and Humana from 1988 until September 1993.

David C. Colby has served as Senior Vice President and Treasurer of the Company since February 1994. Mr. Colby served as Chief Financial Officer of the Company or its predecessors from July 1988 until April 1995. Mr. Colby was elected Treasurer of the Company in November 1991.

Kenneth C. Donahey has served as Senior Vice President and Controller of the Company since April 1995. Prior to that time, Mr. Donahey served as Senior Vice President and Controller of Healthtrust from April 1993 to April 1995. Mr. Donahey also served as Vice President and Controller of Healthtrust from 1987 to 1993.

W. Leon Drennan has served as Senior Vice President--Internal Audit of the Company since February 1995. From February 1994 to January 1995, Mr. Drennan served as Vice President of the Company. Mr. Drennan served as Vice President--Internal Audit for HCA from 1987 until 1994.

Samuel A. Greco has served as Senior Vice President--Operations Finance of the Company since July 1992. Mr. Greco served as Senior Vice President of Finance--South Florida Division of the Company from November 1990 to July 1992. Mr. Greco was Chief Financial Officer of University Hospital, Tamarac, Florida, which is owned and operated by the Company, from January 1990 to November 1990.

Neil D. Hemphill has served as Senior Vice President--Human Resources of the Company since February 1994. Mr. Hemphill served as Vice President--Human Resources of the Company from June 1992 to February 1994. Mr. Hemphill was a Director of Human Resources of Republic Health Corporation (presently called OrNda Healthcorp) from January 1985 to June 1992.

Jamie E. Hopping has served as President--Western Group of the Company since January 1996. From January 1993, Ms. Hopping was Chief Operating Officer of the Company's South Florida Division and in February 1994 was named President of the South Florida Division. From 1990 to 1993, Ms. Hopping was Chief Executive Officer of Deering Hospital in South Florida.

Daniel J. Moen has served as President--Columbia Sponsored Network Group since March 1996, and served as President of the Company's Florida Group from February 1994 until March 1996. Mr. Moen was President of the Company's South Florida Division from October 1991 until February 1994. From 1989 until September 1991, he served as Vice President, South Florida Market for Humana Inc.

Joesph D. Moore has served as Senior Vice President--Development of the Company since February 1994. Mr. Moore was Senior Vice President--Finance and Development of HCA from January 1993 to February 1994. Mr. Moore was Senior Vice President--Development of HCA from April 1992 until January 1993 and Vice President--Development of HCA from 1980 until April 1992.

Lindy B. Richardson has served as Senior Vice President--Marketing/Public Affairs of the Company since February 1994. Ms. Richardson served as Vice President--Marketing/Public Affairs of the Company from September 1993 to February 1994. Ms. Richardson served as Director of Marketing/Public Affairs for both Galen and Humana from 1988 to September 1993.

Richard A. Schweinhart has served as Senior Vice President--Columbia Sponsored Networks of the Company since March 1996. From April 1995 until March 1996, Mr. Schweinhart served as Senior Vice President--Nonhospital Operations, and from September 1993 until April 1995 as Senior Vice President--Finance of the Company. Mr. Schweinhart served as Senior Vice President--Finance for both Galen and Humana from November 1991 to September 1993. Mr. Schweinhart also served as Vice President--Finance of Humana from 1988 until November 1991.

James D. Shelton has served as President--Central Group of the Company since June 1994. From May 1993 to June 1994, Mr. Shelton was employed by National Medical Enterprises, Inc. ("NME") (presently called Tenet Healthcare Corporation) as Executive Vice President of the Central Division. Mr. Shelton served as Senior Vice President of Operations for NME from August 1986 until May 1993.

Donald E. Steen has served as President--International Group of the Company since November 1995. From September 1994 until November 1995, Mr. Steen served as President--Western Group of the Company. Mr. Steen was formerly President and Chief Executive Officer of Medical Care America from September 1992 until September 1994 and President, Chief Executive Officer of Medical Care International from September 1981 to September 1992.

David R. White joined the Company in March 1994 and has served as President--National Group of the Company since June 1995. Before this period, he served as Executive Vice President and Chief Operating Officer with Community Health Systems, Inc. for eight years.

ITEM 2. PROPERTIES.

The following table lists, by state, the number of hospitals owned, managed or operated by the Company as of December 31, 1995:

STATE	HOSPITALS	LICENSED BEDS
Alabama	8	1,218
Alaska	1	238
Arizona	5	777
Arkansas	3	554
California	13	1,755
Colorado	10	2,324
Delaware	1	74
Florida	55	13,378
Georgia	19	3,207
Idaho	2	436
Illinois	9	2,964
Indiana	2	466
Kansas	3	1,260
Kentucky	14	2,946
Louisiana	22	3,413
Mississippi	2	264
Missouri	3	786
Nevada	1	688
New Hampshire	3	295
New Mexico	2	381
North Carolina	7	980
Ohio	3	1,168
Oklahoma	7	1,131
Oregon	2	198
South Carolina	5	903
Tennessee	28	4,372
Texas	69	13,318
Utah	10	1,277
Virginia	15	3,155
Washington	1	110
West Virginia	6	909
Wyoming	1	70
INTERNATIONAL		
Switzerland	1	185
United Kingdom	5	602
	338	65,802

In addition to the hospitals listed in the above table, the Company operates more than 135 outpatient surgery centers. The Company also operates medical office buildings in conjunction with its hospitals. These office buildings are primarily occupied by physicians who practice at the Company's hospitals.

The Company owns and maintains its headquarters in approximately 400,000 square feet of space in four office buildings in Nashville, Tennessee.

The Company's headquarters, hospitals and other facilities are suitable for their respective uses and are, in general, adequate for the Company's present needs.

ITEM 3. LEGAL PROCEEDINGS.

The Company is currently, and from time to time, subject to claims and suits arising in the ordinary course of business, including claims for personal injuries or for wrongful restriction of, or interference with, physicians' staff privileges. In certain of these actions the claimants have asked for punitive damages against the Company, which are usually not covered by insurance. In the opinion of management, the ultimate resolution of any of these pending claims and legal proceedings will not have a material adverse effect on the Company's results of operations or financial position.

A class action styled Mary Forsyth et al. v. Humana Inc. et al., Case #CV-S-89-249-PMP (L.R.L.), was filed on March 29, 1989, in the United States District Court for the District of Nevada (the "Forsyth" case). On August 12, 1991, a Second Amended Complaint was filed in the Forsyth case which significantly increased the amount of damages claimed by the plaintiffs in previously filed complaints. The claimed damages increased from $10 million to $84,520,143 in connection with a count which alleges a violation of the Employee Retirement Income Security Act (the "ERISA Count"); from $10 million to $181,034,570 (before trebling) in connection with an alleged violation of the Sherman Anti-Trust Act (the "Anti-Trust Count"); and from $10 million to $181,034,570 (before trebling) for an alleged violation of the Racketeer Influenced and Corrupt Organization Act (the "RICO Count"). In late March 1992, as part of the discovery process, the plaintiffs provided information in regard to their calculation of damages which indicates they are seeking recovery of $49,440,000 of damages plus approximately $15,396,000 of interest in the ERISA Count and $103,562,165 of damages (before trebling) plus approximately $31,800,000 of interest in the RICO Count. Specific amounts were not readily apparent for the Anti-Trust Count but it appears the plaintiffs believe their claimed damages in the Anti-Trust Count would be similar to those in the RICO Count. The ERISA Count, which is being asserted by the Co-Payer Class, claims that Humana Inc. ("Humana") violated a fiduciary duty in connection with (i) the calculation of co-insurance payments required under policies issued by Humana's insurance subsidiary ("Humana Insurance") for insureds who were treated at Sunrise Hospital in Las Vegas (now owned by the Company), and (ii) payments to the hospital by Humana Insurance. The Anti-Trust Count, which is being asserted by the Premium Payer Class, alleges that Sunrise Hospital has monopolized or has attempted to monopolize the for-profit, acute care hospital services market in Clark County, Nevada, and that Humana Insurance engaged in predatory pricing in connection with the sale of insurance policies to members of such class. The plaintiffs have also indicated damages with respect to the Co-Payer Class. The RICO Count, which is being asserted by both the Premium Payer and Co-Payer Classes, alleges fraud in connection with (i) the sale of insurance policies to members of the Premium Payer Class and (ii) the calculation of the co-insurance payments. On June 22, 1992, defendants filed a Motion for Summary Judgment on all three counts of the Complaint. On July 21, 1993, Summary Judgment was entered in favor of defendants on all counts, although the Court allowed the Co-Payer Class to file a Third Amended Complaint. On August 24, 1993, the plaintiffs filed a Third Amended Complaint against Humana Insurance, seeking to recover at least $2,000,000, plus interest, which represents the difference between their co-insurance payments and what the payments would have been if calculated based on the discounted payments made by Humana Insurance to Sunrise Hospital. The plaintiffs filed a Motion for Summary Judgment on the Third Amended Complaint on November 10, 1993. The Court granted the plaintiff's Motion for Summary Judgment on June 3, 1994. The plaintiffs have appealed the grant of defendants Motion for Summary Judgment on the RICO Count and the Anti-Trust Count. The matter was argued before the Ninth Circuit Court of Appeals on December 4, 1995. There has been no ruling as of the date hereof. Pursuant to an Assumption of Liabilities and Indemnification Agreement entered into in connection with the Spinoff, Humana assumed approximately 39% and Galen assumed approximately 61% of all liabilities, costs and expenses arising out of certain identified legal proceedings and claims, including the Forsyth case.

A class action, In re Medical Care America, Inc. Securities Litigation, is pending in the United States District Court for the Northern District of Texas, Dallas Division (Civil Action No. 3-92-CV-1996-R). A class has been certified by the Court consisting of all persons who owned securities of Medical Care America, Inc. ("MCA") at the close of trading on September 24, 1992 and who acquired those securities either in purchases in the open market following the September 9, 1992 merger of Medical Care International, Inc. ("MCI") and Critical Care America, Inc. ("CCA") forming MCA or through exchange of their securities in said companies pursuant to the merger, and who allegedly sustained damages as a result of such purchases, subject to certain exclusions (the "Class Members"). The named defendants include MCA, MCI, CCA as well as certain officers and/or directors of MCA, MCI or CCA. The plaintiffs seek to recover damages sustained by Class Members as a result of alleged violations by the defendants of Section 11 of the Securities Act of 1933, as amended, and Section 10(b) of the Securities Exchange Act of 1934, as amended, and Rule 10b-5 promulgated thereunder. In addition, the complaint asserts claims under the state law of Texas which have not been certified for class treatment at the present time, without prejudice to any party's rights regarding certification of such claims in the future. The complaint alleges a course of conduct in which the defendants knowingly or recklessly failed to state material information and released false and misleading information to the investing public, regarding the earnings, profitability and business prospects of MCA and of MCI and CCA prior to their merger. The plaintiffs allege that, as a result of this false and misleading information, the market price of MCA securities was artificially inflated throughout the class period. The plaintiffs further allege that, upon the dissemination on September 25, 1992 of the true facts concerning MCA's earnings, profitability and business prospects, the market price of MCA common stock dropped precipitously, resulting in a significant market loss of over $1 billion, and causing damages to plaintiffs and the other Class Members. The litigation has been tentatively settled for $60 million. The settlement is subject to the approval of the Court as well as a majority of the Class Members.

A lawsuit captioned United States of America ex rel. James Thompson v. Columbia/HCA Healthcare Corporation et al., was filed on March 10, 1995 in the United States District Court for the Southern District of Texas, Corpus Christi Division (Civil Action No. C-95-110). The lawsuit is a qui tam action brought by a private party (or "relator") on behalf of the United States of America. The relator claims that the defendants (the Company and certain subsidiaries and affiliated partnerships) engaged in a widespread strategy to pay physicians money for referrals and engaged in other conduct to induce referrals, such as: (i) offering physicians equity interests in hospitals; (ii) offering loans to physicians; (iii) paying money under the guise of "consultation fees" to physicians to guarantee their capital investment; (iv) paying consultation fees, rent or other monies to physicians; (v) providing free or reduced rate rents for office space; (vi) providing free or reduced-rate vacations and trips; (viii) providing income guarantees; and (ix) granting physicians exclusive rights to perform procedures in particular fields of practice. The lawsuit is premised on alleged violations of the False Claims Act, 31 U.S.C. (S)3729 et seq. The complaint seeks damages of three times the amount of all Medicare claims (involving false claims) presented by the defendants to the federal government, a civil penalty of not less than $5,000 nor more than $10,000 for each such Medicare or Medicaid claim, attorneys' fees and costs. Although expressly permitted to do so, the United States has thus far declined to intervene in the case and assume prosecution of the claims asserted by the relator. The defendants filed a Motion to Dismiss the Second Amended Complaint on November 29, 1995. Discovery has been stayed pending a ruling on the motion. The Company believes that the allegations in the complaint are without merit and intends to pursue the defense of this action vigorously.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

No matters were submitted to a vote of security holders during the fourth quarter of 1995.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS.

The information required by this item is set forth in the Company's 1995 Annual Report to Stockholders under the heading "Stock Information and Dividends," which information is incorporated herein by reference.

ITEM 6. SELECTED FINANCIAL DATA.

The information required by this item is set forth in the Company's 1995 Annual Report to Stockholders under the heading "Selected Financial Data," which information is incorporated herein by reference.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The information required by this item is set forth in the Company's 1995 Annual Report to Stockholders under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations," which information is incorporated herein by reference.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

The information required by this item is set forth on pages 16 through 39 in the Company's 1995 Annual Report to Stockholders, which information is incorporated herein by reference.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT.

The information required by this Item is set forth under the heading "Election of Directors" in the definitive proxy materials of the Company to be filed in connection with its 1996 Annual Meeting of Stockholders, except for the information regarding executive officers of the Company, which is contained in Item 1 of Part I of this Annual Report on Form 10-K. The information required by this Item contained in such definitive proxy materials is incorporated herein by reference.

ITEM 11. EXECUTIVE COMPENSATION.

The information required by this Item is set forth under the heading "Executive Compensation" in the definitive proxy materials of the Company to be filed in connection with its 1996 Annual Meeting of Stockholders, which information is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT.

The information required by this Item is set forth under the heading "Principal Stockholders" in the definitive proxy materials of the Company to be filed in connection with its 1996 Annual Meeting of Stockholders, which information is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS.

The information required by this Item is set forth under the heading "Certain Transactions" in the definitive proxy materials of the Company to be filed in connection with its 1996 Annual Meeting of Stockholders, which information is incorporated herein by reference.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K.

(a) Documents filed as part of the report:

1. Financial Statements

The consolidated financial statements to be included in Part II, Item 8, are incorporated by reference to the Company's 1995 Annual Report to Stockholders (See Exhibit 13).

2. List of Financial Statement Schedules

Schedule II--Valuation and Qualifying Accounts for the years ended December 31, 1995, 1994 and 1993 is included in Page S-1 of this Annual Report on Form 10-K. All other schedules are omitted because the required information is not present or not present in material amounts.

3. List of Exhibits

3.1	Restated Certificate of Incorporation of the Company (filed as Exhibit 3(a) to the Company's Current Report on Form 8-K dated February 11, 1994, and incorporated herein by reference).
3.2(a)	By-laws of the Company (filed as Exhibit 2.2 to the Company's Registration Statement on Form 8-A dated August 31, 1993, and incorporated herein by reference).
3.2(b)	Amendment to By-laws of the Company (filed as Exhibit 3(b).1 to the Company's Current Report on Form 8-K dated February 11, 1994, and incorporated herein by reference).
4.1	Specimen Certificate for shares of Common Stock, par value $.01 per share, of the Company (filed as Exhibit 4.1 to the Company's Form SE to Form 10-K for the fiscal year ended December 31, 1993, and incorporated herein by reference).
4.2	Columbia Hospital Corporation 9% Subordinated Mandatory Convertible Note Due June 30, 1999 (filed as Exhibit 4.4 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1990, and incorporated herein by reference).
4.3	Registration Rights Agreement between the Company and The 1818 Fund, L.P. dated March 18, 1991 (filed as Exhibit 4.5 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1990, and incorporated herein by reference).
4.4	Securities Purchase Agreement by and between the Company and The 1818 Fund, L.P. dated as of March 18, 1991 (filed as Exhibit 4.6 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1990, and incorporated herein by reference).

4.5	Warrant to purchase shares of Common Stock, par value $.01 per share, of the Company (filed as Exhibit 4.7 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1990, and incorporated herein by reference).
4.6	Registration Rights Agreement dated as of March 16, 1989, by and among HCA- Hospital Corporation of America and the persons listed on the signature pages thereto (filed as Exhibit (g)(24) to Amendment No. 3 to the Schedule 13E-3 filed by HCA-Hospital Corporation of America, Hospital Corporation of America and The HCA Profit Sharing Plan on March 22, 1989, and incorporated herein by reference).
4.7	Assignment and Assumption Agreement dated as of February 10, 1994, between HCA-Hospital Corporation of America and the Company relating to the Registration Rights Agreement, as amended (filed as Exhibit 4.7 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1993, and incorporated herein by reference).
4.8	Amended and Restated Rights Agreement dated February 10, 1994 between the Company and Mid-America Bank of Louisville and Trust Company (filed as Exhibit 4.8 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1993, and incorporated herein by reference).
4.9(a)	$1 Billion Credit Agreement dated as of February 10, 1994 (the "364 Day Agreement"), among the Company, the Several Banks and Other Financial Institutions, and Chemical Bank as Agent and as CAF Loan Agent (filed as Exhibit 4.9 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1993, and incorporated herein by reference).
4.9(b)	Agreement and Amendment to the 364 Day Agreement dated as of September 26, 1994 (filed as Exhibit 4.9 to the Company's Registration Statement on Form S-4 (File No. 33-56803), and incorporated herein by reference).
4.9(c)	Agreement and Amendment to the 364 Day Agreement dated as of February 28, 1996 (which Agreement and Amendment is filed herewith).
4.10(a)	$2 Billion Credit Agreement dated as of February 10, 1994 (the "Credit Facility"), among the Company, the Several Banks and Other Financial Institutions, and Chemical Bank as Agent and as CAF Loan Agent (filed as Exhibit 4.10 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1993, and incorporated herein by reference).
4.10(b)	Agreement and Amendment to the Credit Facility dated as of September 26, 1994 (filed as Exhibit 4.10 to the Company's Registration Statement on Form S-4 (File No. 33-56803), and incorporated herein by reference).
4.10(c)	Agreement and Amendment to the Credit Facility dated as of February 28, 1996 (which Agreement and Amendment is filed herewith).
4.11	Indenture dated as of December 15, 1993 between the Company and The First National Bank of Chicago, as Trustee (filed as Exhibit 4.11 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1993, and incorporated herein by reference).
10.1	Agreement and Plan of Merger among the Company, COL Acquisition Corporation and Healthtrust, Inc.--The Hospital Company dated as of October 4, 1994 (filed as Exhibit 2 to the Company's Registration Statement on Form S-4 (File No. 33-56803), and incorporated herein by reference).
10.2	Agreement and Plan of Merger among the Company, CHOS Acquisition Corporation and HCA-Hospital Corporation of America dated as of October 2, 1993 (filed as Exhibit 2 to the Company's Registration Statement on Form S-4 (File No. 33-50735), and incorporated herein by reference).

10.3	Agreement and Plan of Merger between Galen Health Care, Inc. and the Company dated as of June 10, 1993 (filed as Exhibit 2 to the Company's Registration Statement on Form S-4 (File No. 33-49773), and incorporated herein by reference).
10.4	Agreement and Plan of Merger among Hospital Corporation of America, HCA- Hospital Corporation of America and TF Acquisition, Inc. dated November 21, 1988 plus a list identifying the contents of all omitted exhibits to the Agreement and Plan of Merger plus an agreement of Hospital Corporation of America to furnish supplementally to the Securities and Exchange Commission upon request a copy of all omitted exhibits (filed as Exhibit 2 to Hospital Corporation of America's Current Report on Form 8-K dated November 21, 1988, and incorporated herein by reference).
10.5	Amendment No. 1 to Agreement and Plan of Merger dated as of February 7, 1989, among Hospital Corporation of America, HCA-Hospital Corporation of America and TF Acquisition, Inc. (filed as Exhibit 2(b) to Hospital Corporation of America's Annual Report on Form 10-K for the year ended December 31, 1988, and incorporated herein by reference).
10.6	Columbia Hospital Corporation Stock Option Plan (filed as Exhibit 10.13 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1990, and incorporated herein by reference).*
10.7	Columbia Hospital Corporation 1992 Stock and Incentive Plan (filed as Exhibit 10.14 to the Company's Registration Statement on Form S-1 (Reg. No. 33-48886), and incorporated herein by reference).*
10.8	Columbia Hospital Corporation Outside Directors Nonqualified Stock Option Plan (filed as Exhibit 28.1 to the Company's Registration Statement on Form S-8 (File No. 33-55272), and incorporated herein by reference).*
10.9	HCA-Hospital Corporation of America 1989 Nonqualified Stock Option Plan, as amended through December 16, 1991 (filed as Exhibit 10(g) to HCA-Hospital Corporation of America's Registration Statement on Form S-1 (File No. 33-44906), and incorporated herein by reference).*
10.10	Form of Stock Option Agreement under the HCA-Hospital Corporation of America 1989 Nonqualified Stock Option Plan (filed as Exhibit 10(j) to HCA-Hospital Corporation of America's Annual Report on Form 10-K for the year ended December 31, 1989, and incorporated herein by reference).*
10.11	HCA-Hospital Corporation of America Nonqualified Initial Option Plan (filed as Exhibit 4.6 to the Company's Registration Statement on Form S-3 (File No. 33-52379), and incorporated herein by reference).*
10.12	Termination Agreement between the Company and Carl F. Pollard dated December 16, 1993 (filed as Exhibit 10.11 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1993, and incorporated herein by reference).*
10.13	Form of Indemnity Agreement with certain officers and directors (filed as Exhibit 10(kk) to Galen Health Care, Inc.'s Registration Statement on Form 10, as amended, and incorporated herein by reference).
10.14	Form of Severance Pay Agreement between Galen Health Care, Inc. and certain executives (filed as Exhibit 10(jj) to Galen Health Care, Inc.'s Registration Statement on Form 10, as amended, and incorporated herein by reference).*
10.15	Form of Severance Agreement between HCA-Hospital Corporation of America and certain executives dated as of November 1, 1993 (filed as Exhibit 10.15 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1993, and incorporated herein by reference).*

10.16	Assumption Agreement among the Company, CHOS Acquisition Corporation and HCA-Hospital Corporation of America dated as of February 10, 1994, relating to the Severance Agreements (filed as Exhibit 10.16 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1993, and incorporated herein by reference).*
10.17	Form of Severance Pay Agreement between the Company and certain executives dated as of June 10, 1993 (filed as Exhibit 10.17 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1993, and incorporated herein by reference).*
10.18	Form of Galen Health Care, Inc. 1993 Adjustment Plan (filed as Exhibit 4.15 to the Company's Registration Statement on Form S-8 (File No. 33-50147), and incorporated herein by reference).*
10.19	Columbia/HCA Healthcare Corporation Annual Incentive Plan (filed as Exhibit 10.19 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1993, and incorporated herein by reference).*
10.20	Columbia/HCA Healthcare Corporation Directors' Retirement Policy (filed as Exhibit 10.20 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1993, and incorporated herein by reference).*
10.21	HCA-Hospital Corporation of America 1992 Stock Compensation Plan (filed as Exhibit 10(t) to HCA-Hospital Corporation of America's Registration Statement on Form S-1 (File No. 33-44906), and incorporated herein by reference).*
10.22	Columbia/HCA Healthcare Corporation 1995 Management Stock Purchase Plan (which plan is filed herewith).*
10.23	Employment Agreement, dated November 15, 1993 by and between Medical Care America, Inc. and Donald E. Steen (which agreement is filed herewith).*
10.24	Employment Agreement, dated April 24, 1995 by and between the Company and R. Clayton McWhorter (which agreement is filed herewith).*
11	Statement re Computation of Earnings Per Common and Common Equivalent Share.
12	Statement re Computation of Ratio of Earnings to Fixed Charges.
13	Portions of the 1995 Annual Report to Stockholders of the Company.
21	List of Subsidiaries.
23.1	Consent of Ernst & Young LLP.
23.2	Consent of Sr. Judith Ann Karam, CSA.
27	Financial Data Schedule.

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* Management compensatory plan or arrangement.

(b) Reports on Form 8-K.

DATE OF CURRENT REPORT	ITEM(S) REPORTED
November 24, 1995	Form of 7.19% Debenture due 2015 and 7.50% Debenture due 2095 issued by the Company
December 8, 1995	Form of 7.05% Debenture due 2027 issued by the Company

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: March 29, 1996

COLUMBIA/HCA HEALTHCARE CORPORATION

/s/ Richard L. Scott

By: ________________________________

RICHARD L. SCOTT PRESIDENT AND CHIEF EXECUTIVE OFFICER

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
/s/ R. Clayton McWhorter R. CLAYTON MCWHORTER	Chairman of the Board	March 29, 1996
/s/ Thomas F. Frist, Jr., M.D. THOMAS F. FRIST, JR., M.D.	Vice Chairman of the Board	March 29, 1996
/s/ Richard L. Scott RICHARD L. SCOTT	President, Chief Executive Officer and Director	March 29, 1996
/s/ David C. Colby DAVID C. COLBY	Senior Vice President and Treasurer (Principal Financial Officer)	March 29, 1996
/s/ Kenneth C. Donahey KENNETH C. DONAHEY	Senior Vice President and Controller (Principal Accounting Officer)	March 29, 1996
/s/ Magdalena Averhoff, M.D. MAGDALENA AVERHOFF, M.D.	Director	March 29, 1996

SIGNATURE	TITLE	DATE
/s/ Charles J. Kane CHARLES J. KANE	Director	March 29, 1996
/s/ John W. Landrum JOHN W. LANDRUM	Director	March 29, 1996
/s/ T. Michael Long T. MICHAEL LONG	Director	March 29, 1996
/s/ Donald S. MacNaughton DONALD S. MACNAUGHTON	Director	March 29, 1996
RODMAN W. MOORHEAD III	Director	
/s/ Carl E. Reichardt CARL E. REICHARDT	Director	March 29, 1996
/s/ Frank S. Royal, M.D. FRANK S. ROYAL, M.D.	Director	March 29, 1996
ROBERT D. WALTER	Director	
WILLIAM T. YOUNG	Director	

INDEX TO EXHIBITS

EXHIBIT NO.	DESCRIPTION
1.	Financial Statements
	The consolidated financial statements to be included in Part II, Item 8, are incorporated by reference to the Company's 1995 Annual Report to Stockholders (See Exhibit 13).
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	Schedule II--Valuation and Qualifying Accounts for the years ended December 31, 1995, 1994 and 1993 is included in Page S-1 of this Annual Report on Form 10-K. All other schedules are omitted because the required information is not present or not present in material amounts.
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EXHIBIT NO.	DESCRIPTION
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10.3	Agreement and Plan of Merger between Galen Health Care, Inc. and the Company dated as of June 10, 1993 (filed as Exhibit 2 to the Company's Registration Statement on Form S-4 (File No. 33-49773), and incorporated herein by reference).

EXHIBIT NO.	DESCRIPTION
10.4	Agreement and Plan of Merger among Hospital Corporation of America, HCA- Hospital Corporation of America and TF Acquisition, Inc. dated November 21, 1988 plus a list identifying the contents of all omitted exhibits to the Agreement and Plan of Merger plus an agreement of Hospital Corporation of America to furnish supplementally to the Securities and Exchange Commission upon request a copy of all omitted exhibits (filed as Exhibit 2 to Hospital Corporation of America's Current Report on Form 8-K dated November 21, 1988, and incorporated herein by reference).
10.5	Amendment No. 1 to Agreement and Plan of Merger dated as of February 7, 1989, among Hospital Corporation of America, HCA-Hospital Corporation of America and TF Acquisition, Inc. (filed as Exhibit 2(b) to Hospital Corporation of America's Annual Report on Form 10-K for the year ended December 31, 1988, and incorporated herein by reference).
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10.13	Form of Indemnity Agreement with certain officers and directors (filed as Exhibit 10(kk) to Galen Health Care, Inc.'s Registration Statement on Form 10, as amended, and incorporated herein by reference).
10.14	Form of Severance Pay Agreement between Galen Health Care, Inc. and certain executives (filed as Exhibit 10(jj) to Galen Health Care, Inc.'s Registration Statement on Form 10, as amended, and incorporated herein by reference).*
10.15	Form of Severance Agreement between HCA-Hospital Corporation of America and certain executives dated as of November 1, 1993 (filed as Exhibit 10.15 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1993, and incorporated herein by reference).*

EXHIBIT NO.	DESCRIPTION
10.16	Assumption Agreement among the Company, CHOS Acquisition Corporation and HCA-Hospital Corporation of America dated as of February 10, 1994, relating to the Severance Agreements (filed as Exhibit 10.16 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1993, and incorporated herein by reference).*
10.17	Form of Severance Pay Agreement between the Company and certain executives dated as of June 10, 1993 (filed as Exhibit 10.17 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1993, and incorporated herein by reference).*
10.18	Form of Galen Health Care, Inc. 1993 Adjustment Plan (filed as Exhibit 4.15 to the Company's Registration Statement on Form S-8 (File No. 33-50147), and incorporated herein by reference).*
10.19	Columbia/HCA Healthcare Corporation Annual Incentive Plan (filed as Exhibit 10.19 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1993, and incorporated herein by reference).*
10.20	Columbia/HCA Healthcare Corporation Directors' Retirement Policy (filed as Exhibit 10.20 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1993, and incorporated herein by reference).*
10.21	HCA-Hospital Corporation of America 1992 Stock Compensation Plan (filed as Exhibit 10(t) to HCA-Hospital Corporation of America's Registration Statement on Form S-1 (File No. 33-44906), and incorporated herein by reference).*
10.22	Columbia/HCA Healthcare Corporation 1995 Management Stock Purchase Plan (which plan is filed herewith).*
10.23	Employment Agreement, dated November 15, 1993 by and between Medical Care America, Inc. and Donald E. Steen (which agreement is filed herewith).*
10.24	Employment Agreement, dated April 24, 1995 by and between the Company and R. Clayton McWhorter (which agreement is filed herewith).*
11	Statement re Computation of Earnings Per Common and Common Equivalent Share.
12	Statement re Computation of Ratio of Earnings to Fixed Charges.
13	Portions of the 1995 Annual Report to Stockholders of the Company.
21	List of Subsidiaries.
23.1	Consent of Ernst & Young LLP.
23.2	Consent of Sr. Judith Ann Karam, CSA.
27	Financial Data Schedule.

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* Management compensatory plan or arrangement.

COLUMBIA/HCA HEALTHCARE CORPORATION
SCHEDULE II--VALUATION AND QUALIFYING ACCOUNTS
FOR THE YEARS ENDED DECEMBER 31, 1995, 1994 AND 1993
(DOLLARS IN MILLIONS)

	BALANCE AT BEGINNING OF PERIOD	ADDITIONS CHARGED TO COSTS AND EXPENSES	DEDUCTIONS OR PAYMENTS	BALANCE AT END OF PERIOD
Allowances for doubtful accounts:				
Year ended December 31, 1993.....	$583	$699	$(645)	$637
Year ended December 31, 1994.....	637	853	(706)	784
Year ended December 31, 1995.....	784	998	(881)	901

EXHIBIT 4.9C

AGREEMENT AND AMENDMENT

AGREEMENT AND AMENDMENT, dated as of February 28, 1996 (the "February 1996 Agreement and Amendment"), among COLUMBIA/HCA HEALTHCARE CORPORATION, a Delaware corporation formerly known as Columbia Healthcare Corporation (the "Company"), the several banks and other financial institutions from time to time parties hereto (the "Banks"), BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, CREDIT LYONNAIS CAYMAN ISLAND BRANCH, DEUTSCHE BANK AG, THE FIRST NATIONAL BANK OF CHICAGO, THE INDUSTRIAL BANK OF JAPAN, LIMITED, ATLANTA AGENCY, MORGAN GUARANTY TRUST COMPANY OF NEW YORK, NATIONSBANK, N.A., PNC BANK, KENTUCKY, INC., COOPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK B.A. "RABOBANK NEDERLAND", NEW YORK BRANCH, THE SAKURA BANK, LTD. NEW YORK BRANCH, THE SUMITOMO BANK LIMITED, NEW YORK BRANCH, TORONTO DOMINION (TEXAS), INC. AND WACHOVIA BANK OF GEORGIA, N.A., as Co-Agents (collectively, the "Co-Agents"), and CHEMICAL BANK, a New York banking corporation, as agent for the Banks hereunder (in such capacity, the "Agent") and as CAF Loan agent (in such capacity, the "CAF Loan Agent").

W I T N E S S E T H :

WHEREAS, the Company, the Co-Agents, the Agent, the CAF Loan Agent and certain banks and other financial institutions (the "Original Banks") are parties to the Agreement and Amendment, dated as of February 27, 1995 (the "February 1995 Agreement and Amendment"), adopting and incorporating by reference all of the terms and provisions of the Credit Agreement, dated as of February 10, 1994 as incorporated by reference into and amended by the September 1994 Agreement and Amendment (as defined below) (as so adopted and incorporated by reference into and amended by the February 1995 Agreement and Amendment and as further amended, supplemented or otherwise modified to the date hereof, the "Original Credit Agreement"), pursuant to which such parties committed to make loans to the Company for a period of 364 days;

WHEREAS, effective as of the Closing Date (as defined below), the Company intends to terminate the Commitments (as defined in the Original Credit Agreement) of the Original Banks under the Original Credit Agreement pursuant to subsection 2.4(a) of the Original Credit Agreement;

WHEREAS, the Company has requested that the Co-Agents, the Agent, the CAF Loan Agent and the Banks enter into a new agreement adopting and incorporating by reference all of the terms and provisions of the Original Credit Agreement with certain amendments and modifications thereto; and

WHEREAS, the Co-Agents, the Agent, the CAF Loan Agent and the Banks are willing to so enter into a new agreement, but only upon the terms and subject to the conditions set forth below;

NOW THEREFORE, in consideration of the promises and mutual agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties hereto, the parties hereto hereby agree as follows:

SECTION 1. Adoption and Incorporation of Original Credit Agreement. Subject to the amendments and modifications set forth in Sections 3 through 11 of this Agreement, all of the terms and provisions of the Original Credit Agreement are hereby adopted and incorporated by reference into this Agreement, with the same force and effect as if fully set forth herein. This Agreement shall not constitute an amendment or waiver of any provision of the Original Credit Agreement not expressly referred to herein and shall not be construed as an amendment, waiver or consent to any action on the part of the Company that would require an amendment, waiver or consent of the Agent or the Banks except as expressly stated herein. Except as expressly amended hereby, the provisions of the Original Credit Agreement as adopted and incorporated by reference into this Agreement are and shall remain in full force and effect.

SECTION 2. Definitions. As used in this Agreement, terms defined herein are used as so defined and, unless otherwise defined herein, terms defined in the Original Credit Agreement are used herein as therein defined.

SECTION 3. Defined Terms. For purposes of this Agreement, subsection 1.1 of the Original Credit Agreement as adopted and incorporated by reference into this Agreement is hereby amended as follows:

(a) by deleting the defined terms "Agreement", "Applicable Margin", "Closing Date", "Original Banks" and "Original Credit Agreement" in their entirety and substituting in lieu thereof in proper alphabetical order the following:

> "`Agreement': the Original Credit Agreement as adopted and incorporated by reference into the February 1996 Agreement and Amendment, as amended by the February 1996 Agreement and Amendment and as further amended, supplemented or otherwise modified from time to time.";

> "`Applicable Margin': (i) with respect to Alternate Base Rate Loans, 0% per annum and (ii) with respect to Eurodollar Loans, 0.205% per annum.";

"'Closing Date': the date on which all of the conditions precedent for the Closing Date set forth in Section 12 of the February 1996 Agreement and Amendment shall have been fulfilled; provided, however, that for purposes of Section 4 of the Original Credit Agreement, the term "Closing Date" shall mean the Original Closing Date.";

"'Original Banks': as defined in the recitals to the February 1996 Agreement and Amendment."; and

"'Original Credit Agreement': as defined in the Recitals to the February 1996 Agreement and Amendment.".

(b) by inserting in said subsection 1.1 of the Original Credit Agreement in the appropriate alphabetical order the following defined term:

"`February 1996 Agreement and Amendment': the Agreement and Amendment, dated as of February 28, 1996, among the Company, the Banks, Bank of America National Trust and Savings Association, Credit Lyonnais Cayman Island Branch, Deutsche Bank AG, The First National Bank of Chicago, The Industrial Bank of Japan, Limited, Atlanta Agency, Morgan Guaranty Trust Company of New York, NationsBank, N.A., PNC Bank, Kentucky, Inc., Cooperatieve Centrale Raiffeisen-Boerenleenbank B.A. "Rabobank Nederland", New York Branch, The Sakura Bank, Ltd. New York Branch, The Sumitomo Bank Limited, New York Branch, Toronto Dominion (Texas), Inc. and Wachovia Bank of Georgia, N.A., as Co-Agents, the Agent and the CAF Loan Agent.".

SECTION 4. Facility Fee. For purposes of this Agreement, subsection 2.3(a) of the Original Credit Agreement as adopted and incorporated by reference into this Agreement is hereby amended by deleting the word "0.080%" therein and substituting in lieu thereof the word "0.070%".

SECTION 5. Financial Information. For purposes of this Agreement, subsection 3.3 of the Original Credit Agreement as adopted and incorporated by reference into this Agreement is hereby amended by deleting such subsection in its entirety and substituting in lieu thereof the following:

"3.3 Financial Information. The Company has furnished to the Agent and each Bank copies of the following:

(a) the Annual Report of the Company for the fiscal year ended December 31, 1994, containing the consolidated balance sheet of the Company and its Subsidiaries as at said date and the related consolidated statements of income, common stockholders' equity and changes in financial position for the fiscal year then ended, accompanied by the opinion of Coopers & Lybrand;

(b) the Annual Report of the Company on Form 10-K for the fiscal year ended December 31, 1994;

(c) quarterly financial statements of the Company, including balance sheets, for the fiscal periods ended March 31, 1995, June 30, 1995 and September 30, 1995; and

(d) Current Reports on Form 8-K filed with the Securities and Exchange Commission on November 20, 1995 and December 5, 1995, respectively.

Such financial statements (including any notes thereto) have been prepared in accordance with GAAP and fairly present the financial conditions of the corporations covered thereby at the dates thereof and the results of their operations for the periods covered thereby, subject to normal year-end adjustments in the case of interim statements. As of the date hereof, neither the Company nor any of its Subsidiaries has any known contingent liabilities of any significant amount which are not referred to in said financial statements or in the notes thereto which could reasonably be expected to have a material adverse effect on the business or assets or on the condition, financial or otherwise, of the Company and its Subsidiaries, on a consolidated basis.".

SECTION 6. Litigation. For purposes of this Agreement, subsection 3.6 of the Original Credit Agreement as adopted and incorporated by reference into this Agreement is hereby amended by deleting such subsection in its entirety and substituting in lieu thereof the following:

"3.6 Litigation. Except as disclosed in the Company's Annual Report on Form 10-K for its fiscal year ended December 31, 1994 and its Quarterly Reports on Form 10-Q for its fiscal quarters ended March 31, 1995, June 30, 1995 and September 30, 1995, in each case as filed with the Securities and Exchange Commission and previously distributed to the Banks, and except as set forth on Schedule V hereto, there is no litigation, at law or in equity, or any proceeding before any federal, state, provincial or municipal board or other governmental or administrative agency pending or to the knowledge of the Company threatened which, after giving effect to any applicable insurance, may involve any material risk of a material adverse effect on the business or assets or on the condition, financial or otherwise, of the Company and its Subsidiaries on a consolidated basis or which seeks to enjoin the consummation of any of the transactions contemplated by this Agreement or any other Loan Document and involves any material risk that any such injunction will be issued, and no judgment, decree, or order of any federal, state, provincial or municipal court, board or other governmental or administrative agency has been issued against the Company or any Subsidiary which has, or may involve, a material risk of a material adverse effect on the business or assets or on the condition, financial or otherwise, of the Company and its Subsidiaries on a consolidated basis. The Company does not believe that the final resolution of the matters disclosed in its Annual Report on Form 10-K for its fiscal year ended December 31, 1994 and its Quarterly Reports on Form 10-Q for its fiscal quarters ended March 31, 1995, June 30, 1995 and September 30, 1995, in each case as filed with the Securities and Exchange Commission and previously distributed to the Banks, and of the matters set forth on Schedule V hereto will have a material adverse effect on the business or assets or condition, financial or otherwise, of the Company and its Subsidiaries on a consolidated basis.".

SECTION 7. Negative Pledge. For purposes of this Agreement, subsection 5.12 of the Original Credit Agreement as adopted and incorporated by reference into this Agreement is hereby amended (a) by deleting the phrase "except for" in the first sentence thereof and substituting in lieu thereof the following phrase:

"and the Company will not create or have outstanding any security on or over the capital stock of any of its Subsidiaries that own a Principal Property and will ensure that no Subsidiary will create or have outstanding any security on or over the capital stock of any of its respective Subsidiaries that own a Principal Property except in either case for";

(b) by inserting the phrase "or on capital stock, as the case may be," immediately after each occurrence of the word "property" in paragraph (b) of the first sentence thereto; and

(c) by deleting paragraph (f) of the first sentence thereto in its entirety and substituting in lieu thereof the following:

"(f) any security created in connection with the borrowing of funds if within 120 days such funds are used to repay Indebtedness in at least the same principal amount as secured by other security of Principal Property or capital stock of a Subsidiary that owns a Principal Property, as the case may be, with an independent appraised fair market value at least equal to the appraised fair market value of the Principal Property or capital stock of a Subsidiary that owns a Principal Property, as the case may be, secured by the new security; and".

SECTION 8. Commitment Amounts and Percentages; Lending Offices; Addresses for Notice. For purposes of this Agreement, Schedule I to the Original Credit Agreement as adopted and incorporated by reference into this Agreement is hereby amended by deleting such Schedule in its entirety and substituting in lieu thereof Schedule I to this Agreement.

SECTION 9. Subsidiaries of the Company. For purposes of this Agreement, Schedule II to the Original Credit Agreement as adopted and incorporated by reference into this Agreement is hereby amended by deleting such Schedule in its entirety and substituting in lieu thereof Schedule II to this Agreement.

SECTION 10. Indebtedness. For purposes of this Agreement, Schedule III to the Original Credit Agreement as adopted and incorporated by reference into this Agreement is hereby amended by deleting such Schedule in its entirety and substituting in lieu thereof Schedule III to this Agreement.

SECTION 11. Litigation. For purposes of this Agreement, the Original Credit Agreement as adopted and incorporated by reference into this Agreement is hereby amended by adding thereto Schedule V to this Agreement.

SECTION 12. Conditions Precedent. The obligations of each Bank to make the Loans contemplated by subsections 2.1 and 2.2 of the Original Credit Agreement as adopted and incorporated by reference into this Agreement shall be subject to the compliance by the Company with its agreements herein contained (including its agreements contained in the Original Credit Agreement as adopted and incorporated by reference into this Agreement) and to the satisfaction on or before the Closing Date of the following further conditions:

(a) Loan Documents. The Agent shall have received (i) this Agreement, executed and delivered by a duly authorized officer of the Company, with a counterpart for each Bank, and (ii) for the account of each Bank, a Revolving Credit Note and a Grid CAF Loan Note conforming to the requirements hereof and executed by a duly authorized officer of the Company.

(b) Legal Opinions. On the Closing Date each Bank shall have received from any general, associate, or assistant general counsel to the Company or any other counsel to the Company satisfactory to the Agent, such opinions as the Agent shall have reasonably requested with respect to the transactions contemplated by this Agreement.

(c) Company Officers' Certificate. The representations and warranties contained in Section 3 of the Original Credit Agreement as adopted and incorporated by reference into, and as amended by, this Agreement shall be true and correct on the Closing Date with the same force and effect as though made on and as of such date; on and as of the Closing Date and after giving effect to this Agreement, no Default shall have occurred (except a Default which shall have been waived in writing or which shall have been cured) and no Default shall exist after giving effect to the Loan to be made; and the Agent shall have received a certificate containing a representation to these effects dated the Closing Date and signed by a Responsible Officer.

(d) General. All instruments and legal and corporate proceedings in connection with the Loans contemplated by this Agreement shall be satisfactory in form and substance to the Agent, and the Agent shall have received copies of all documents, and favorable legal opinions and records of corporate proceedings, which the Agent may have reasonably requested in connection with the Loans and other transactions contemplated by this Agreement.

(e) Termination of Commitments of the Original Banks. On the Closing Date, the Commitments (as defined in the Original Credit Agreement) of the Original Banks under the February 1995 Agreement and Amendment shall have been terminated.

SECTION 13. Expenses. The Company agrees to pay or reimburse the Agent for all of its reasonable out-of-pocket costs and expenses incurred in connection with the development, preparation and execution of, and any amendment, supplement or modification to, this Agreement and the Notes and any other documents prepared in connection herewith, and the consummation of the transactions contemplated hereby and thereby, including, without limitation, the reasonable fees and disbursements of counsel to the Agent.

SECTION 14. GOVERNING LAW. THIS AGREEMENT AND THE NOTES AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AGREEMENT AND THE NOTES SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

SECTION 15. Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts and all of said counterparts taken together shall be deemed to constitute one and the same instrument. A set of the copies of this Agreement signed by all the parties shall be lodged with the Company and the Agent.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

COLUMBIA/HCA HEALTHCARE CORPORATION

By: /s/ David Anderson

Name: David Anderson
Title: Vice President - Finance

CHEMICAL BANK, as Agent, as CAF
Loan Agent and as a Bank

By: /s/ Mary E. Cameron

Name: Mary E. Cameron
Title: Vice President

BANK OF AMERICA NATIONAL TRUST AND SAVINGS
ASSOCIATION, as a Co-Agent and as a Bank

By: /s/ Ruth Z. Edwards

Name: Ruth Z. Edwards
Title: Vice President

CREDIT LYONNAIS CAYMAN ISLAND BRANCH, as a
Co-Agent and as a Bank

By: /s/ Farboud Tavangar

Name: Farboud Tavangar
Title: Authorized Signature

DEUTSCHE BANK AG, NEW YORK AND/OR CAYMAN
ISLANDS BRANCH, as a Co-Agent and as a Bank

By: /s/ Stephan A. Wiedemann /s/ Tom Foley

Name: Stephan A. Wiedemann/Tom Foley
Title: Vice President/Associate

THE FIRST NATIONAL BANK OF CHICAGO,
as a Co-Agent and as a Bank

By: /s/ L. Richard Schiller

Name: L. Richard Schiller
Title: Vice President

THE INDUSTRIAL BANK OF JAPAN, LIMITED,
ATLANTA AGENCY, as a Co-Agent and as a Bank

By: /s/ Shusai Nagai

Name: Shusai Nagai
Title: General Manager

MORGAN GUARANTY TRUST COMPANY OF NEW YORK, as
a Co-Agent and as a Bank

By: /s/ Penelope J.B. Cox

Name: Penelope J.B. Cox
Title: Vice President

NATIONSBANK, N.A. as a Co-Agent and as a Bank

By: /s/ Patrick J. Neal

Name: Patrick J. Neal
Title: Vice President

By: /s/ S.W. Choppin

Name: S.W. Choppin
Title: Vice President

PNC BANK, KENTUCKY, INC. as a Co-Agent and as
a Bank

By:/s/ Jefferson M. Green

Name: Jefferson M. Green
Title: Vice President

COOPERATIEVE CENTRALE RAIFFEISEN-
BOERENLEENBANK B.A. "RABOBANK NEDERLAND", NEW
YORK BRANCH, as a Co-Agent and as a Bank

By: /s/ Terrell Boyle /s/ W. Jeffrey Vollack

Name: Terrell Boyle/W. Jeffrey Vollack
Title: VP/VP, Manager

THE SAKURA BANK, LTD. NEW YORK BRANCH, as a
Co-Agent and as a Bank

By: /s/ Masahiro Nakajo

Name: Masahiro Nakajo
Title: Senior VP & Manager

THE SUMITOMO BANK LIMITED, NEW YORK BRANCH,
as a Co-Agent and as a Bank

By: /s/ Yoshinori Kawamura

Name: Yoshinori Kawamura
Title: Joint General Manager

TORONTO DOMINION (TEXAS), INC., as a Co-Agent
and as a Bank

By: /s/ Diane Bailey

Name: Diane Bailey
Title: Vice President

WACHOVIA BANK OF GEORGIA, N.A., as a Co-Agent
and as a Bank

By: /s/ Nick T. Weaver

Name: Nick T. Weaver
Title: Vice President

FIRST INTERSTATE BANK OF CALIFORNIA, as a
Bank

By: /s/ Peter G. Olson /s/ Lancy Gin

Name: Peter G. Olson/Lancy Gin
Title: Senior VP/Asst. VP

THE FUJI BANK LIMITED, as a Bank

By: /s/ S. Fujimoto

Name: S. Fujimoto
Title: Joint General Manager

THE MITSUBISHI BANK, LTD., as a Bank

By: /s/ Hiroaki Fuchida

Name: Hiroaki Fuchida
Title: Senior Vice President

DAI ICHI KANGYO BANK, as a Bank

By: /s/ Noboru Hasegawa

Name: Noboru Hasegawa
Title: General Manager

THE BANK OF NEW YORK, as a Bank

By: /s/ Gregory L. Batson

Name: Gregory L. Batson
Title: Vice President

SUNTRUST BANK, NASHVILLE, N.A., as a Bank

By: /s/ Kevin P. Lavender

Name: Kevin P. Lavender
Title: Group Vice President

ABN AMRO BANK N.V., as a Bank

By: /s/ Kathryn C. Toth /s/ S.K. Kersten

Name: K.C. Toth/S.K. Kersten
Title: Vice President/Asst. VP

THE TOKAI BANK, LIMITED, NEW YORK BRANCH, as a Bank

By: /s/ Masaharu Muto

Name: Masahuru Muto
Title: Deputy General Manager

FIRST UNION NATIONAL BANK OF NORTH CAROLINA, as a Bank

By: /s/ Joseph H. Towell

Name: Joseph H. Towell
Title: Senior Vice President

THE NORTHERN TRUST COMPANY, as a Bank

By: /s/ Pete T. Sinelli

Name: Pete T. Sinelli
Title: Commercial Banking Officer

MELLON BANK, N.A., as a Bank

By: /s/ Richard Arnington

Name: Richard Arnington
Title: Vice President

ARAB BANK PLC, GRAND CAYMAN BRANCH, as a Bank

By: /s/ Peter Boyadjian

Name: Peter Boyadjian
Title: Senior Vice President

THE BANK OF NOVA SCOTIA, as a Bank

By: /s/ W.J. Brown

Name: W.J. Brown
Title: Vice President

CITIBANK, N.A. as a Bank

By: /s/ Thomas D. Stott

Name: Thomas D. Stott
Title: Vice President

COMMERZBANK AG, as a Bank

By: /s/ Harry P. Yergey Eric R. Kagerer

Name: Harry P. Yergey/Eric R. Kagerer
Title: Vice President/Asst. VP

DEN DANSKE BANK AKTIESELSKAB, as a Bank

By: /s/ John A. O'Neill

Name: John A. O'Neill
Title: Vice President

By: /s/ Bent V. Christensen

Name: Bent V. Christensen
Title: Vice President

FIRST AMERICAN NATIONAL BANK, as a Bank

By: /s/ Sandra G. Hamrick

Name: Sandra G. Hamrick
Title: Assistant Vice President

FLEET NATIONAL BANK OF CONNECTICUT, as a Bank

By: /s/ Amy E. Fredericks

Name: Amy E. Fredericks
Title: Vice President

THE MITSUBISHI TRUST AND BANKING CORPORATION,
as a Bank

By: /s/ Hachiro Hosoda

Name: Hachiro Hosoda
Title: Senior Vice President

NATIONAL CITY BANK, KENTUCKY, as a Bank

By: /s/ Deroy Scott

Name: Deroy Scott
Title: Vice President

BARNETT BANK OF TAMPA, N.A., as a Bank

By: /s/ Lawrence Katz

Name: Lawrence Katz
Title: Vice President

THE BANK OF TOKYO TRUST COMPANY, as a Bank

By: /s/ Amanda S. Ryan

Name: Amanda S. Ryan
Title: Vice President

UNITED STATES NATIONAL BANK OF OREGON, as a Bank

By: /s/ Fiza Noordin

Name: Fiza Noordin
Title: Corporate Banking Officer

THE SUMITOMO TRUST & BANKING CO., LTD., NEW YORK BRANCH, as a Bank

By: /s/ Suraj P. Bhatia

Name: Suraj P. Bhatia
Title: Senior Vice President & Manager of Corporate Finance

YASUDA TRUST AND BANKING, as a Bank

By: /s/ Makoto Tagawa

Name: Makoto Tagawa
Title: Deputy General Manager

THE BANK OF YOKOHAMA LTD., NEW YORK BRANCH,
as a Bank

By: /s/ Takeshi Suzuki

Name: Takeshi Suzuki
Title: VP & Senior Manager

BANCA NAZIONALE DEL LAVORO S.P.A. - NEW YORK
BRANCH, as a Bank

By: /s/ Giulio Giovine

Name: Giulio Giovine
Title: Vice President

By: /s/ Carlo Vecchi

Name: Carlo Vecchi
Title: Senior Vice President

THE BOATMEN'S NATIONAL BANK OF ST. LOUIS, as
a Bank

By: /s/ David E. Wilsdorf

Name: David E. Wilsdorf
Title: Vice President

THE MITSUI TRUST & BANKING CO., LTD., NEW
YORK BRANCH, as a Bank

By: /s/ Margaret Holloway

Name: Margaret Holloway
Title: Vice President & Manager

UNION PLANTERS BANK, as a Bank

By: /s/ Michael F. Sparta

Name: Michael F. Sparta
Title: Vice President

BANK ONE, TEXAS, NA, as a Bank

By: /s/ Craig F. Hartberg

Name: Craig F. Hartberg
Title: Senior Vice President

SCHEDULE I

Commitment Amounts and Percentages;
Lending Offices; Addresses for Notice

A. Commitment Amounts and Percentages.

NAME OF BANK	COMMITMENT AMOUNT	COMMITMENT PERCENTAGE
CHEMICAL BANK	$87,000,000	5.800%
BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION	55,500,000	3.700
CREDIT LYONNAIS CAYMAN ISLAND BRANCH	55,500,000	3.700
DEUTSCHE BANK AG, NEW YORK AND/OR CAYMAN ISLANDS BRANCH	55,500,000	3.700
THE FIRST NATIONAL BANK OF CHICAGO	55,500,000	3.700
THE INDUSTRIAL BANK OF JAPAN, LIMITED, ATLANTA AGENCY	55,500,000	3.700
MORGAN GUARANTY TRUST COMPANY OF NEW YORK	55,500,000	3.700
NATIONSBANK, N.A	55,500,000	3.700
PNC BANK, KENTUCKY, INC	55,500,000	3.700
COOPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK B.A. "RABOBANK NEDERLAND", NEW YORK BRANCH	55,500,000	3.700
THE SAKURA BANK, LTD NEW YORK BRANCH	55,500,000	3.700
THE SUMITOMO BANK LIMITED, NEW YORK BRANCH	55,500,000	3.700
TORONTO DOMINION (TEXAS), INC	55,500,000	3.700
WACHOVIA BANK OF GEORGIA, N.A	55,500,000	3.700
FIRST INTERSTATE BANK OF CALIFORNIA	51,750,000	3.450
THE FUJI BANK LIMITED	51,750,000	3.450
THE MITSUBISHI BANK, LTD	41,625,000	2.775
DAI ICHI KANGYO BANK	41,250,000	2.750
THE BANK OF NEW YORK	37,500,000	2.500
SUNTRUST BANK, NASHVILLE, N.A	37,500,000	2.500

NAME OF BANK	COMMITMENT AMOUNT	COMMITMENT PERCENTAGE
THE MITSUBISHI TRUST AND BANKING CORPORATION/THE BANK OF TOKYO TRUST COMPANY 1/	$32,625,000	2.175%
ABN AMRO BANK N.V	30,000,000	2.000
THE TOKAI BANK, LIMITED, NEW YORK BRANCH	30,000,000	2.000
FIRST UNION NATIONAL BANK OF NORTH CAROLINA	28,125,000	1.875
THE NORTHERN TRUST COMPANY	28,125,000	1.875
MELLON BANK, N.A	20,625,000	1.375
ARAB BANK PLC, GRAND CAYMAN BRANCH	18,750,000	1.250
THE BANK OF NOVA SCOTIA	18,750,000	1.250
CITIBANK, N.A	18,750,000	1.250
COMMERZBANK AG	18,750,000	1.250
DEN DANSKE BANK AKTIESELSKAB	18,750,000	1.250
FIRST AMERICAN NATIONAL BANK	18,750,000	1.250
FLEET NATIONAL BANK OF CONNECTICUT	18,750,000	1.250
BANK ONE, TEXAS, N.A	18,750,000	1.250
NATIONAL CITY BANK, KENTUCKY	18,750,000	1.250
BARNETT BANK OF TAMPA, N.A	15,000,000	1.000
UNITED STATES NATIONAL BANK OF OREGON	13,125,000	0.875
THE SUMITOMO TRUST & BANKING CO., LTD., NEW YORK BRANCH	11,250,000	0.750
YASUDA TRUST AND BANKING	11,250,000	0.750
THE BANK OF YOKOHAMA LTD., NEW YORK BRANCH	9,375,000	0.625
BANCA NAZIONALE DEL LAVORO S.P.A.- NEW YORK BRANCH	9,375,000	0.625
THE BOATMAN'S NATIONAL BANK OF ST. LOUIS	9,375,000	0.625
THE MITSUI TRUST & BANKING CO., LTD., NEW YORK BRANCH	9,375,000	0.625
UNION PLANTERS BANK	3,750,000	0.250
TOTAL	$1,500,000,000	100.00%

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1/ On March 31, 1996, The Mitsubishi Trust and Banking Corporation (commitment amount of $31,250,000/commitment percentage of 1.250%) is expected to merge with The Bank of Tokyo Trust Company (commitment amount of $23,125,000/commitment percentage .925%).

B. LENDING OFFICES; ADDRESSES FOR NOTICE.

CHEMICAL BANK

Domestic Lending Office:	Chemical Bank 270 Park Avenue New York, NY 10017
Eurodollar Lending Office:	Chemical Bank 270 Park Avenue New York, NY 10017
Address for Notices:	See subsection 8.2 of the Original Credit Agreement as adopted and incorporated by reference into this Agreement

BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION

Domestic Lending Office:	Bank of America National Trust and Savings Association 555 S. Flower Street Mail Code 5618 Los Angeles, CA 90071
Eurodollar Lending Office:	Bank of America National Trust and Savings Association 1850 Gateway Blvd., 4th Floor Concord, CA 94520
Address for Notices:	Bank of America National Trust and Savings Association 555 S. Flower Street Los Angeles, CA 90071 Attention: James Emslie Telecopy: (213) 228-2756 Confirmation: (213) 228-2669 Attention: Wyatt Ritchie Telecopy: (213) 228-2756 Confirmation: (213) 228-9734

CREDIT LYONNAIS CAYMAN ISLAND BRANCH

Domestic Lending Office:	Credit Lyonnais Cayman Island Branch c/o Credit Lyonnais 1301 Avenue of the Americas 20th Floor New York, NY 10019
Eurodollar Lending Office:	Credit Lyonnais Cayman Island Branch c/o Credit Lyonnais

	1301 Avenue of the Americas 20th Floor New York, NY 10019
Address for Notices:	Credit Lyonnais Cayman Island Branch c/o Credit Lyonnais 1301 Avenue of the Americas 20th Floor New York, NY 10019 Attention: Farboud Tavangar Telecopy: (212) 261-3440 Confirmation: (212) 261-7832
	Credit Lyonnais (New York) 1301 Avenue of the Americas New York, NY 10019 Attention: Evan S. Wasser Telecopy: (212) 261-3440 Confirmation: (212) 261-7748

DEUTSCHE BANK AG, NEW YORK AND/OR CAYMAN ISLANDS BRANCHES

Domestic Lending Office:	Deutsche Bank AG, New York Branch 31 West 52nd Street New York, NY 10019
Eurodollar Lending Office:	Deutsche Bank, AG, Cayman Islands Branch 31 West 52nd Street New York, NY 10019
Address for Notices:	Deutsche Bank AG, New York Branch 31 West 52nd Street New York, NY 10019 Attention: Robert A. Maddux, Director Telecopy: (212) 474-8212 Confirmation: (212) 474-8228

THE FIRST NATIONAL BANK OF CHICAGO

Domestic Lending Office:	The First National Bank of Chicago First National Plaza Mail Suite 0091 Chicago, IL 60670-0091
Eurodollar Lending Office:	The First National Bank of Chicago First National Plaza Mail Suite 0091 Chicago, IL 60670-0091
Address for Notices:	The First National Bank of Chicago

First National Plaza
Mail Suite 0091
Chicago, IL 60670-0091
Attention: William S. Wheatley
Telecopy: (312) 732-2016
Confirmation: (312) 732-5033

THE INDUSTRIAL BANK OF JAPAN, LIMITED, ATLANTA AGENCY

Domestic Lending Office:	The Industrial Bank of Japan Trust Company 245 Park Avenue New York, NY 10167
Eurodollar Lending Office:	The Industrial Bank of Japan Trust Company 245 Park Avenue New York, NY 10167
Address for Notices:	The Industrial Bank of Japan, Limited, Atlanta Agency 191 Peachtree Street NE, Suite 3600 Atlanta, GA 30303 Attention: Jackie Brunetto Telecopy: (404) 577-6818 Confirmation: (404) 420-3325

MORGAN GUARANTY TRUST COMPANY OF NEW YORK

Domestic Lending Office:	Morgan Guaranty Trust Company of New York 60 Wall Street New York, NY 10160
Eurodollar Lending Office:	Morgan Guaranty Trust Company of New York Nassau, Bahamas Office c/o J.P. Morgan Services Inc. Euro-Loan Servicing Unit Morgan Christiana Center 500 Stanton Christiana Road Newark, DE 19713
Address for Notices:	Morgan Guaranty Trust Company of New York 60 Wall Street New York, NY 10160 Attention: Penelope Cox Telecopy: (212) 648-6018 Confirmation: (212) 648-6414

NATIONSBANK, N.A.

Domestic Lending Office:	NationsBank, N.A. One NationsBank Plaza Charlotte, NC 28255
Eurodollar Lending Office:	NationsBank, N.A. One NationsBank Plaza Charlotte, NC 28255
Address for Notices:	NationsBank, N.A. One National Bank Plaza, 5th Floor Nashville, TN 37239 Attention: Ashley Crabtree Telecopy: (615) 749-4640

PNC BANK, KENTUCKY, INC.

Domestic Lending Office:	PNC Bank, Kentucky, Inc. Citizens Plaza Louisville, KY 40296
Eurodollar Lending Office:	PNC Bank, Kentucky, Inc. Citizens Plaza Louisville, KY 40296
Address for Notices:	PNC Bank (Pittsburgh-Fifth Avenue) 2 PNC Plaza 620 Liberty Avenue Pittsburgh, PA 16265 Attention: Edward Weisto Telecopy: (412)762-2784 PNC Bank, Kentucky, Inc. 500 West Jefferson Street 8th Floor Louisville, KY 40296 Attention: Jefferson Green Telecopy: (502) 581-2302 Confirmation: (502) 581-4734

COOPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK B.A.,
"RABOBANK NEDERLAND", NEW YORK BRANCH

Domestic Lending Office:	Rabobank Nederland 245 Park Avenue New York, NY 10167
Eurodollar Lending Office:	Rabobank Nederland 245 Park Avenue New York, NY 10167
Address for Notices:	Rabobank Nederland (Atlanta) 1 Atlantic Center, Suite 3460-1201, Peachtree Street

Atlanta GA 30309-3400
Attention: Terrell Boyle
Telecopy: (404) 877-9150
Confirmation: (404) 877-9106

THE SAKURA BANK, LTD. NEW YORK BRANCH

Domestic Lending Office:	The Sakura Bank, Ltd. New York Branch 277 Park Avenue New York, NY 10172
Eurodollar Lending Office:	The Sakura Bank, Ltd. New York Branch 277 Park Avenue New York, NY 10172
Address for Notices:	The Sakura Bank, Ltd. New York Branch 277 Park Avenue 45th Floor New York, NY 10172 Attention: Masahiro Nakajo Telecopy: (212) 888-7651 Confirmation: (212) 756-6773

THE SUMITOMO BANK LIMITED, NEW YORK BRANCH

Domestic Lending Office:	The Sumitomo Bank Limited, New York Branch One World Trade Center Suite 9651 New York, NY 10048
Eurodollar Lending Office:	The Sumitomo Bank Limited, New York Branch One World Trade Center Suite 9651 New York, NY 10048
Address for Notices:	The Sumitomo Bank Limited, New York Branch 277 Park Avenue, 6th Floor New York, NY 10167 Attention: Jeffrey L. Toner Telecopy: (212) 224-5188 Confirmation: (212) 224-4142

TORONTO DOMINION (TEXAS), INC.

Domestic Lending Office:	The Toronto-Dominion Bank, Houston Agency 909 Fannin Street, Suite 1700 Houston, TX 77010
Eurodollar Lending Office:	The Toronto-Dominion Bank, Houston Agency 909 Fannin Street, Suite 1700 Houston, TX 77010
Address for Notices:	The Toronto-Dominion Bank (New York) 31 West 52nd Street New York 10019-6101 Attention: Robert F. Maloney Telecopy: (212) 974-0396 Confirmation: (212) 358-0750

WACHOVIA BANK OF GEORGIA, N.A.

Domestic Lending Office:	Wachovia Bank of Georgia, N.A. 191 Peachtree Street, N.E. Atlanta, GA 30303
Eurodollar Lending Office:	Wachovia Bank of Georgia, N.A. 191 Peachtree Street, N.E. Atlanta, GA 30303
Address for Notices:	Wachovia Bank of Georgia, N.A. 191 Peachtree Street, N.E. 28th Floor Atlanta, GA 30303 Attention: Nick Weaver Telecopy: (404) 332-5016 Confirmation: (404) 332-4062

FIRST INTERSTATE BANK OF CALIFORNIA

Domestic Lending Office:	First Interstate Bank of California 1055 Wilshire Boulevard, B10-6 Los Angeles, California 90017
Eurodollar Lending Office:	First Interstate Bank of California Nassau Branch c/o 1055 Wilshire Boulevard, B10-6 Los Angeles, California 90017
Address for Notices:	First Interstate Bank of California 222 West Adams Street Suite 2180

Chicago, IL 60606
Attention: James Lent
Telecopy: (312) 553-4783
Confirmation: (312) 553-4777

THE FUJI BANK LIMITED

Domestic Lending Office:	The Fuji Bank, Limited 225 West Wacker Drive Chicago, IL 60606
Eurodollar Lending Office:	The Fuji Bank, Limited 225 West Wacker Drive Chicago, IL 60606
Address for Notices:	The Fuji Bank, Limited (Atlanta) 245 Peachtree Center Avenue, NE, Suite 21 Atlanta GA 30303-1208 Attention: Brett Johnson Telecopy: (404) 653-2119 Confirmation: (404) 653-2113

THE MITSUBISHI BANK, LTD.

Domestic Lending Office:	The Mitsubishi Bank, Ltd. 2 World Financial Center 225 Liberty Street 39th Floor New York, NY 10281
Eurodollar Lending Office:	The Mitsubishi Bank, Ltd. 2 World Financial Center 225 Liberty Street 39th Floor New York, NY 10281
Address for Notices:	The Mitsubishi Bank, Ltd. 2 World Financial Center 225 Liberty Street New York, NY 10281 Attention: Hiroaki Fuchida Telecopy: (212) 667-3562 Confirmation: (212) 667-2884

DAI ICHI KANGYO BANK

Domestic Lending Office:	Dai Ichi Kangyo Bank (Atlanta) 285 Peachtree St., Suite 2400 Atlanta, GA 30303
Eurodollar Lending Office	Dai Ichi Kangyo Bank (Atlanta) 285 Peachtree St., Suite 2400 Atlanta, GA 30303
Address for Notices:	Dai Ichi Kangyo Bank (Atlanta) 285 Peachtree St., Suite 2400 Atlanta, GA 30303 Attention: Gunther Kittel Telecopy: (404) 581-9657 Confirmation: (404) 581-0200

THE BANK OF NEW YORK

Domestic Lending Office:	The Bank of New York One Wall Street, 22nd Floor New York, NY 10286
Eurodollar Lending Office:	The Bank of New York One Wall Street, 22nd Floor New York, NY 10286
Address for Notices:	The Bank of New York One Wall Street New York, NY 10286 Attention: Gregory Batson Telecopy: (212) 635-6434 Confirmation: (212) 635-6898

SUNTRUST BANK, NASHVILLE, N.A.

Domestic Lending Office:	Suntrust Bank, Nashville, N.A. 201 Fourth Avenue North Nashville, TN 37244
Eurodollar Lending Office:	Suntrust Bank, Nashville, N.A. 201 Fourth Avenue North Nashville, TN 37244
Address for Notices:	Suntrust Bank, Nashville, N.A. 201 Fourth Avenue North Nashville, TN 37244 Attention: Kevin Lavender Telecopy: (615) 748-5161 Confirmation: (615) 748-4465

THE MITSUBISHI TRUST AND BANKING CORPORATION

Domestic Lending Office:	The Mitsubishi Trust and Banking Corporation 520 Madison Avenue 25th Floor New York, NY 10022
Eurodollar Lending Office:	The Mitsubishi Trust and Banking Corporation 520 Madison Avenue 25th Floor New York, NY 10022
Address for Notices:	The Mitsubishi Trust and Banking Corporation 520 Madison Avenue New York, NY 10022 Attention: Clifford Teller Telecopy: (212) 644-6825 Confirmation: (212) 891-8269

THE BANK OF TOKYO TRUST COMPANY

Domestic Lending Office:	The Bank of Tokyo Trust Company 1251 Avenue of the Americas New York, NY 10116
Eurodollar lending Office:	The Bank of Tokyo Trust Company 1251 Avenue of the Americas New York, NY 10116
Address for Notices:	The Bank of Tokyo Trust Company 1251 Avenue of the Americas 12th Floor New York, NY 10116 Attention: Amanda Ryan Telecopy: (212) 782-6440 Confirmation: (212) 782-4322

ABN AMRO BANK N.V.

Domestic Lending Office:	ABN AMRO Bank N.V. - Pittsburgh Branch One PPG Place, Suite 2950 Pittsburgh, PA 15222-5400
Eurodollar Lending Office:	ABN AMRO Bank N.V. - Pittsburgh Branch One PPG Place, Suite 2950 Pittsburgh, PA 15222-5400
Address for Notices:	ABN AMRO Bank N.V. - Pittsburgh Branch One PPG Place, Suite 2950 Pittsburgh, PA 15222-5400 Attention: Dennis F. Lennon Telecopy: (412) 566-2266 Confirmation: (412) 566-2256

THE TOKAI BANK, LIMITED, NEW YORK BRANCH

Domestic Lending Office:	The Tokai Bank, Ltd. New York Branch 55 East 52nd Street New York, NY 10055
Eurodollar Lending Office:	The Tokai Bank, Ltd. New York Branch 55 East 52nd Street New York, NY 10055
Address for Notices:	The Tokai Bank, Ltd. New York Branch 55 East 52nd Street 11th Floor New York, NY 10055 Attention: Masaharu Muto Telecopy: (212) 754-2170 Confirmation: (212) 339-1120 Attention: Stuart Schulman Telecopy: (212) 754-2170 Confirmation: (212) 339-1117

FIRST UNION NATIONAL BANK OF NORTH CAROLINA

Domestic Lending Office:	First Union National Bank of North Carolina One First Union Center 301 S. College Street Charlotte, NC 28288
Eurodollar Lending Office:	First Union National Bank of North Carolina One First Union Center 301 S. College Street Charlotte, NC 28288
Address for Notices:	First Union National Bank of North Carolina One First Union Center 301 S. College Street, TW19 Charlotte, NC 28288 Attention: John W. Ransom Telecopy: (704) 383-9144 Confirmation: (704) 383-5212

THE NORTHERN TRUST COMPANY

Domestic Lending Office:	The Northern Trust Company 50 South La Salle Street Chicago, IL 60675
Eurodollar Lending Office:	The Northern Trust Company 50 South La Salle Street Chicago, IL 60675
Address for Notices:	The Northern Trust Company 50 South La Salle Street, B-11 Chicago, IL 60675 Attention: Lia Taylor Telecopy: (312) 444-3508 Confirmation: (312) 444-4196

MELLON BANK, N.A.

Domestic Lending Office:	Mellon Bank, N.A. 2 Mellon Bank Center Room 270 Pittsburgh, PA 15259
Eurodollar Lending Office:	Mellon Bank, N.A. 2 Mellon Bank Center Room 270 Pittsburgh, PA 15259
Address for Notices:	Mellon Bank, N.A. 2 Mellon Bank Center Pittsburgh, PA 15259-0001 Attention: Marsha Wicker Telecopy: (412) 234-9010 Confirmation: (412) 234-3594

ARAB BANK PLC, GRAND CAYMAN BRANCH

Domestic Lending Office:	Arab Bank Plc, Grand Cayman Branch 520 Madison Avenue New York, NY 10022
Eurodollar Lending Office:	Arab Bank Plc, Grand Cayman Branch 520 Madison Avenue New York, NY 10022
Address for Notices:	Arab Bank Plc, Grand Cayman Branch 520 Madison Avenue New York, NY 10022 Attention: Peter Boyadjian Telecopy: (212) 593-4632 Confirmation: (212) 715-9702

THE BANK OF NOVA SCOTIA

Domestic Lending Office:	The Bank of Nova Scotia 600 Peachtree Street NE Suite 2700 Atlanta, GA 30808
Eurodollar Lending Office:	The Bank of Nova Scotia 600 Peachtree Street NE Suite 2700 Atlanta, GA 30808
Address for Notices:	The Bank of Nova Scotia (Atlanta) 600 Peachtree Street NE Suite 2700 Atlanta, GA 30308 Attention: Carolyn Lopez Telecopy: (404) 888-8998 Confirmation: (408) 877-1507

CITIBANK, N.A.

Domestic Lending Office:	Citicorp North America, Inc. 2001 Ross Avenue Suite 1400 Dallas, TX 75201
Eurodollar Lending Office:	Citicorp North America, Inc. 2001 Ross Avenue Suite 1400 Dallas, TX 75201
Address for Notices:	Citicorp (New York) 399 Park Avenue New York, NY Attention: Margaret Brown Telecopy: (212) 793-3053 Confirmation: (212) 659-0501

COMMERZBANK AG

Domestic Lending Office:	Commerzbank AG Two World Financial Center 32nd Floor New York, NY 10281
Eurodollar Lending Office:	Commerzbank AG Two World Financial Center 32nd Floor New York, NY 10281
Address for Notices:	Commerzbank AG (Atlanta) 1230 Peachtree Street N.E. Suite 3500 Atlanta, GA 30309 Attention: Eric Kagerer Telecopy: (404) 888-6539 Confirmation: (404) 888-6517

DEN DANSKE BANK AKTIESELSKAB

Domestic Lending Office:	Den Danske Bank Aktieselskab (New York) 280 Park Avenue, 4th Floor East Building New York, NY 10017
Eurodollar Lending Office:	Den Danske Bank Aktieselskab (New York) 280 Park Avenue, 4th Floor East Building New York, NY 10017
Address for Notices:	Den Danske Bank Aktieselskab (New York) 280 Park Avenue, 4th Floor East Building New York, NY 10017 Attention; Mogens Sondergard Telecopy: (212) 370-9239 Confirmation: (212) 984-8472

FIRST AMERICAN NATIONAL BANK

Domestic lending Office:	First American National Bank 327 Union Street Nashville, TN 37237
Eurodollar Lending Office:	First American National Bank 327 Union Street Nashville, TN 37237
Address for Notices:	First American National Bank (Nashville) 300 Union Street, 2nd Floor Nashville, TN 37237 Attention: Sandra Hamrick Telecopy: (615) 748-2812 Confirmation: (615) 748-2191

FLEET NATIONAL BANK OF CONNECTICUT

Domestic Lending Office:	Fleet Bank (Boston) 76 State Street Mail Stop MABOFO4A Boston, MA 02109
Eurodollar Lending Office:	Fleet Bank (Boston) 76 State Street Mail Stop MABOFO4A Boston, MA 02109
Address for Notices:	Fleet National Bank of Connecticut 76 State Street Mail Stop MABOFO4A Boston, MA 02109 Attention: Amy Fredericks Telecopy: (617) 343-1634 Confirmation: (617) 346-1646

BANK ONE, TEXAS, NA

Domestic Lending Office:	Bank One, Texas, NA 500 Throckmorton Fort Worth, TX 76102
Eurodollar Lending Office:	Bank One, Texas, NA 500 Throckmorton Fort Worth, TX 76102
Address for Notices:	Bank One, Texas, NA (Dallas) 1717 Main Street Dallas, TX 75201 Attention: J.R. Thomas Telecopy: (214) 290-2683 Confirmation: (214) 290-2586

NATIONAL CITY BANK, KENTUCKY

Domestic Lending Office:	National City Bank, Kentucky 101 South Fifth Street Louisville, KY 40202
Eurodollar Lending Office:	National City Bank, Kentucky 101 South Fifth Street Louisville, KY 40202
Address for Notices:	National City Bank, Kentucky National City Tower Suite 800 Louisville, KY 40202 Attention: Deroy Scott Telecopy: (502) 581-4424 Confirmation: (502) 581-7821

BARNETT BANK OF TAMPA, N.A.

Domestic Lending Office:	Barnett Bank of Tampa, N.A. 50 North Laura Street Jacksonville, FL 32202
Eurodollar Lending Office:	Barnett Bank of Tampa, N.A. 50 North Laura Street Jacksonville, FL 32202
Address for Notices:	Barnett Bank of Tampa, N.A. (Jacksonville) 50 North Laura Street Jacksonville, FL 32202 Attn: Larry Katz Telecopy: (904) 791-7063 Confirmation: (904) 791-5081

UNITED STATES NATIONAL BANK OF OREGON

Domestic Lending Office:	United States National Bank of Oregon 555 S.W. Oak Street Suite 400 Portland, OR 97204
Eurodollar Lending Office:	United States National Bank of Oregon 555 S.W. Oak Street Suite 400 Portland, OR 97204
Address for Notices:	United States National Bank of Oregon 555 S.W. Oak Street Suite 400 Portland, OR 97204 Attention: Fiza Noordin Telecopy: (503) 275-4267 Confirmation: (503) 275-6360

THE SUMITOMO TRUST & BANKING CO., LTD., NEW YORK BRANCH

Domestic Lending Office:	Sumitomo Trust & Banking (New York) 527 Madison Avenue, 8th Floor New York, NY 10022
Eurodollar Lending Office:	Sumitomo Trust & Banking (New York) 527 Madison Avenue, 8th Floor New York, NY 10022
Address for Notices:	Sumitomo Trust & Banking (New York) 527 Madison Avenue, 8th Floor New York, NY 10022 Attention: Robin Schreiber Telecopy: (212) 418-4848 Confirmation: (212) 326-0781

YASUDA TRUST AND BANKING

Domestic Lending Office:	Yasuda Trust and Banking 666 Fifth Avenue New York, NY 10103
Eurodollar Lending Office:	Yasuda Trust and Banking 666 Fifth Avenue New York, NY 10103
Address for Notices:	Yasuda Trust and Banking 285 Peachtree Center NE, Suite 2104 Atlanta, GA 30303 Attention: Sanjay Sinha Telecopy: (404) 584-7816 Confirmation: (404) 584-7807

THE BANK OF YOKOHAMA LTD., NEW YORK BRANCH

Domestic Lending Office:	Bank of Yokohama Ltd. (New York) One World Trade Center, Suite 8067 New York, NY 10048
Domestic Lending Office:	Bank of Yokohama Ltd. (New York) One World Trade Center, Suite 8067 New York, NY 10048
Domestic Lending Office:	Bank of Yokohama Ltd. (New York) One World Trade Center, Suite 8067 New York, NY 10048 Attention: Michael Cantone Telecopy: (212) 938-5450 Confirmation: (212) 775-1700 x 213

BANCA NAZIONALE DEL LAVORO S.P.A.-NEW YORK BRANCH

Domestic Lending Office:	Banca Nazionale del Lavoro S.P.A. (New York) 25 West 51st Street, 3rd Floor New York, NY 10019
Eurodollar Lending Office:	Banca Nazionale del Lavoro S.P.A. (New York) 25 West 51st Street, 3rd Floor New York, NY 10019
Address for Notices:	Banca Nazionale del Lavoro S.P.A. (New York) 25 West 51st Street, 3rd Floor New York, NY 10019 Attention: Giulio Giovine Telecopy: (212) 765-2978 Confirmation: (212) 581-0710 Attention: Roberto Mancone Telecopy: (312) 444-9410 Confirmation: (312) 444-9250

THE BOATMEN'S NATIONAL BANK OF ST. LOUIS

Domestic Lending Office:	The Boatmen's National Bank of St. Louis One Boatmen's Plaza 800 Market Street St. Louis, MO 63166
Eurodollar Lending Office:	The Boatmen's National Bank of St. Louis One Boatmen's Plaza 800 Market Street St. Louis, MO 63166
Address for Notices:	The Boatmen's National Bank of St. Louis 800 Market Street St. Louis, MO 63166-0236 Attention: David Wilsdorf Telecopy: (314) 466-7783 Confirmation: (314) 466-7681

THE MITSUI TRUST & BANKING CO., LTD., NEW YORK BRANCH

Domestic Lending Office:	Mitsui Trust & Banking (Chicago) 190 South LaSalle Street Suite 1900 Chicago, IL 60603
Eurodollar Lending Office:	Mitsui Trust & Banking (Chicago) 190 South LaSalle Street Suite 1900 Chicago, IL 60603
Address for Notices:	Mitsui Trust & Banking (Chicago) 190 South LaSalle Street Suite 1900 Chicago, IL 60603 Attention: Koichi Yokoyama Telecopy: (312) 201-0593 Confirmation: (312) 201-4707

UNION PLANTERS BANK

Domestic Lending Office:	Union Planters National Bank 401 Union Street, Second Floor Nashville, TN 37219
Eurodollar Lending Office:	Union Planters National Bank 401 Union Street, Second Floor Nashville, TN 37219
Address for Notices:	Union Planters National Bank 401 Union Street, Second Floor Nashville, TN 37219 Attention: Mike Sparta Telecopy: (615) 726-4274 Confirmation: (615) 726-4394

SCHEDULE III

COLUMBIA HCA HEALTHCARE CORPORATION
Summary Schedule of Total Indebtedness
December 31, 1995

Long-term debt:	
Secured debt:	
Medical City Dallas - Capitalized lease	$34,358,303
Other secured debt	168,936,653
Total secured debt	203,294,956
Unsecured debt (net of discounts):	
Notes and debebtures	
7.15% notes due 2004	148,816,040
6.5% notes due 1999	174,172,222
6.125% notes due 2000	149,073,084
7.5% debebtures due 2023	147,499,627
8.36% debentures due 2024	149,042,740
6.91% debentures due 2005	465,439,654
7.69% debentures due 2025	287,492,918
6.41% notes due 2000	196,064,000
7.58% debentures due 2025	123,790,669
7.19% debentures due 2015	148,691,020
7.50% debentures due 2095	197,750,012
7.05% debentures due 2027	148,688,466
$200 mil floating rate notes	170,231,757
8.126% MTN due 2003	99,467,595
8.02% MTN due 2002	49,739,884
7.60% MTN due 2001	49,748,103
$100 mil floating rate notes	99,978,268
8.05% MTN due 2006	54,680,726
8.85% MTN due 2007	148,048,498
9.0% MTN due 2014	148,711,082
8.7% MTN due 2010	148,981,613
6.63% MTN due 2002	149,217,300
6.73% MTN due 2003	99,473,717
8.87% MTN due 2003	124,270,994
Zero coupon deb due 1997-2002	154,938,793
8.00% debentures due 1996	107,858,834
Other notes and debentures	7,450,203
Total notes and debentures	3,949,317,839
Commercial paper	2,907,444,236
Bank borrowings	105,311,110
Other unsecured debt	43,788,332
Subordinated notes and debentures (net of discounts)	
6.75% debentures due 2006	112,504,143
10.33% Sr Swiss notes due 1998	54,453,455
Other subordinated notes and debentures	3,730,163
Total subordinated notes and debentures	170,687,761
Total consolidated long-term debt (12/31/95)	$7,379,844,234

Commitments and contingencies:

Letters of credit (beneficiary):

TIG Insurance Company	3,850,000
Arizona State Treasurer	1,500,000
AmSouth Bank of Alabama	8,000,000
Texas Workers Compensation	1,374,675
Commonwealth of Kentucky Workers Compensation	2,821,414
Mid-America Health Partners, Inc.	1,477,500
The Fidelity & Casualty Company of New York	57,731,756
Louisiana Patient Compensation Fund	1,000,000
Louisiana Patient Compensation Fund	3,825,000
Travelers Insurance Company	17,401,050
General Reinsurance Corporation	5,079,479
AmSouth Bank of Alabama	1,218,000
The St. Paul Fire and Marine Insurance Company	15,500,000
Other letters of credit	5,700,112
Total letters of credit	126,278,986

Guarantees of indebtedness (beneficiary):

First Security Bank of Nevada	3,500,000
Key Bank of Utah	4,100,000
Other guarantees of indebtedness	500,000
Total guarantees of indebtedness	8,100,000

Total commitments and contingencies (12/31/95)	134,378,986
TOTAL INDEBTEDNESS (12/31/95)	$7,514,223,220

EXHIBIT 4.10C

AGREEMENT AND AMENDMENT

AGREEMENT AND AMENDMENT, dated as of February 28, 1996 (the "February 1996 Agreement and Amendment"), among COLUMBIA/HCA HEALTHCARE CORPORATION, a Delaware corporation formerly known as Columbia Healthcare Corporation (the "Company"), the several banks and other financial institutions from time to time parties hereto (the "Banks"), BANK OF AMERICA NATIONAL TRUST & SAVINGS ASSOCIATION, CREDIT LYONNAIS CAYMAN ISLAND BRANCH, DEUTSCHE BANK AG, THE FIRST NATIONAL BANK OF CHICAGO, THE INDUSTRIAL BANK OF JAPAN, LIMITED, ATLANTA AGENCY, MORGAN GUARANTY TRUST COMPANY OF NEW YORK, NATIONSBANK, N.A., PNC BANK, KENTUCKY, INC., COOPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK B.A. "RABOBANK NEDERLAND", NEW YORK BRANCH, THE SAKURA BANK, LTD. NEW YORK BRANCH, THE SUMITOMO BANK LIMITED, NEW YORK BRANCH, TORONTO DOMINION (TEXAS), INC. AND WACHOVIA BANK OF GEORGIA, N.A., as Co-Agents (collectively, the "Co-Agents"), and CHEMICAL BANK, a New York banking corporation, as agent for the Banks hereunder (in such capacity, the "Agent") and as CAF Loan agent (in such capacity, the "CAF Loan Agent").

W I T N E S S E T H:

WHEREAS, the Company, the Co-Agents, the Agent, the CAF Loan Agent and certain banks and other financial institutions (the "Original Banks") are parties to the Agreement and Amendment, dated as of February 27, 1995 (the "February 1995 Agreement and Amendment"), adopting and incorporating by reference all of the terms and provisions of the Credit Agreement, dated as of February 10, 1994 as incorporated by reference into and amended by the September 1994 Agreement and Amendment (as defined below) (as so adopted and incorporated by reference into and amended by the February 1995 Agreement and Amendment and as further amended, supplemented or otherwise modified to the date hereof, the "Original Credit Agreement"), pursuant to which such parties committed to make loans to the Company for a period of five years;

WHEREAS, effective as of the Closing Date (as defined below), the Company intends to terminate the Commitments (as defined in the Original Credit Agreement) of the Original Banks under the Original Credit Agreement pursuant to subsection 2.4(a) of the Original Credit Agreement;

WHEREAS, the Company has requested that the Co-Agents, the Agent, the CAF Loan Agent and the Banks enter into a new agreement adopting and incorporating by reference all of the terms and provisions of the Original Credit Agreement with certain amendments and modifications thereto; and

WHEREAS, the Co-Agents, the Agent, the CAF Loan Agent and the Banks are willing to so enter into a new agreement, but only upon the terms and subject to the conditions set forth below;

NOW THEREFORE, in consideration of the promises and mutual agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties hereto, the parties hereto hereby agree as follows:

SECTION 1. Adoption and Incorporation of Original Credit Agreement. Subject to the amendments and modifications set forth in Sections 3 through 12 of this Agreement, all of the terms and provisions of the Original Credit Agreement are hereby adopted and incorporated by reference into this Agreement, with the same force and effect as if fully set forth herein. This Agreement shall not constitute an amendment or waiver of any provision of the Original Credit Agreement not expressly referred to herein and shall not be construed as an amendment, waiver or consent to any action on the part of the Company that would require an amendment, waiver or consent of the Agent or the Banks except as expressly stated herein. Except as expressly amended hereby, the provisions of the Original Credit Agreement as adopted and incorporated by reference into this Agreement are and shall remain in full force and effect.

SECTION 2. Definitions. As used in this Agreement, terms defined herein are used as so defined and, unless otherwise defined herein, terms defined in the Original Credit Agreement are used herein as therein defined.

SECTION 3. Defined Terms. For purposes of this Agreement, subsection 1.1 of the Original Credit Agreement as adopted and incorporated by reference into this Agreement is hereby amended as follows:

(a) by deleting the defined terms "Agreement", "Closing Date", "Original Banks", "Original Credit Agreement" and "Termination Date" in their entirety and substituting in lieu thereof in proper alphabetical order the following:

> "`Agreement': the Original Credit Agreement as adopted and incorporated by reference into the February 1996 Agreement and Amendment, as amended by the February 1996 Agreement and Amendment and as further amended, supplemented or otherwise modified from time to time.";

> "'Closing Date': the date on which all of the conditions precedent for the Closing Date set forth in Section 13 of the February 1996 Agreement and Amendment shall have been fulfilled; provided, however, that for purposes of Section 4 of the Original Credit Agreement, the term "Closing Date" shall mean the Original Closing Date.";

"'*Original Banks*': as defined in the recitals to the February 1996 Agreement and Amendment.";

"'*Original Credit Agreement*': as defined in the Recitals to the February 1996 Agreement and Amendment."; and

"`*Termination Date*': the date one day before the fifth anniversary of the Closing Date (or, if such date is not a Business Day, the next succeeding Business Day), or such other Business Day to which the Termination Date may be changed pursuant to subsection 2.4 of the Original Credit Agreement as adopted and incorporated by reference into the February 1996 Agreement and Amendment).".

(b) by inserting in said subsection 1.1 of the Original Credit Agreement in the appropriate alphabetical order the following defined term:

"`*February 1996 Agreement and Amendment*': the Agreement and Amendment, dated as of February 28, 1996, among the Company, the Banks, Bank of America National Trust & Savings Association, Credit Lyonnais Cayman Island Branch, Deutsche Bank AG, The First National Bank of Chicago, The Industrial Bank of Japan, Limited, Atlanta Agency, Morgan Guaranty Trust Company of New York, NationsBank, N.A., PNC Bank, Kentucky, Inc., Cooperatieve Centrale Raiffeisen-Boerenleenbank B.A. "Rabobank Nederland", New York Branch, The Sakura Bank, Ltd. New York Branch, The Sumitomo Bank Limited, New York Branch, Toronto Dominion (Texas), Inc. and Wachovia Bank of Georgia, N.A., as Co-Agents, the Agent and the CAF Loan Agent.".

SECTION 4. *Facility Fee*. For purposes of this Agreement, subsection 2.3(a) of the Original Credit Agreement as adopted and incorporated by reference into this Agreement is hereby amended by deleting the table contained therein and substituting in lieu thereof the following:

"Type of Period	Facility Fee
Level I Period	.0750%
Level II Period	.0900%
Level III Period	.1250%
Level IV Period	.1875%
Level V Period	.2500%.".

SECTION 5. *Financial Information*. For purposes of this Agreement, subsection 3.3 of the Original Credit Agreement as adopted and incorporated by reference into this Agreement is hereby amended by deleting such subsection in its entirety and substituting in lieu thereof the following:

"3.3 Financial Information. The Company has furnished to the Agent and each Bank copies of the following:

(a) the Annual Report of the Company for the fiscal year ended December 31, 1994, containing the consolidated balance sheet of the Company and its Subsidiaries as at said date and the related consolidated statements of income, common stockholders' equity and changes in financial position for the fiscal year then ended, accompanied by the opinion of Coopers & Lybrand;

(b) the Annual Report of the Company on Form 10-K for the fiscal year ended December 31, 1994;

(c) quarterly financial statements of the Company, including balance sheets, for the fiscal periods ended March 31, 1995, June 30, 1995 and September 30, 1995; and

(d) Current Reports on Form 8-K filed with the Securities and Exchange Commission on November 20, 1995 and December 5, 1995, respectively.

Such financial statements (including any notes thereto) have been prepared in accordance with GAAP and fairly present the financial conditions of the corporations covered thereby at the dates thereof and the results of their operations for the periods covered thereby, subject to normal year-end adjustments in the case of interim statements. As of the date hereof, neither the Company nor any of its Subsidiaries has any known contingent liabilities of any significant amount which are not referred to in said financial statements or in the notes thereto which could reasonably be expected to have a material adverse effect on the business or assets or on the condition, financial or otherwise, of the Company and its Subsidiaries, on a consolidated basis.".

SECTION 6. Litigation. For purposes of this Agreement, subsection 3.6 of the Original Credit Agreement as adopted and incorporated by reference into this Agreement is hereby amended by deleting such subsection in its entirety and substituting in lieu thereof the following:

"3.6 Litigation. Except as disclosed in the Company's Annual Report on Form 10-K for its fiscal year ended December 31, 1994 and its Quarterly Reports on Form 10-Q for its fiscal quarters ended March 31, 1995, June 30, 1995 and September 30, 1995, in each case as filed with the Securities and Exchange Commission and previously distributed to the Banks, and except as set forth on Schedule VI hereto, there is no litigation, at law or in equity, or any proceeding before any federal, state, provincial or municipal board or other governmental or administrative agency pending or to the knowledge of the Company threatened which, after giving effect to any applicable insurance, may involve any material risk of a material adverse effect on the business or assets or on the condition, financial or otherwise, of the Company and its Subsidiaries on a consolidated basis or which seeks to enjoin the consummation of any of the transactions contemplated by this Agreement or any other Loan Document and involves any material risk that any such injunction will be issued, and no judgment, decree, or order of any federal, state, provincial or municipal court, board or other governmental or administrative agency has been issued against the Company or any Subsidiary which has, or may involve, a material risk of a material adverse effect on the business or assets or on the condition, financial or otherwise, of the Company and its Subsidiaries on a consolidated basis. The Company does not believe that the final resolution of the matters disclosed in its Annual Report on Form 10-K for its fiscal year ended December 31, 1994 and its Quarterly Reports on Form 10-Q for its fiscal quarters ended March 31, 1995, June 30, 1995 and September 30, 1995, in each case as filed with the Securities and Exchange Commission and previously distributed to the Banks, will have a material adverse effect on the business or assets or condition, financial or otherwise, of the Company and its Subsidiaries on a consolidated basis.".

SECTION 7. Negative Pledge. For purposes of this Agreement, subsection 5.12 of the Original Credit Agreement as adopted and incorporated by reference into this Agreement is hereby amended (a) by deleting the phrase "except for" in the first sentence thereof and substituting in lieu thereof the following phrase:

"and the Company will not create or have outstanding any security on or over the capital stock of any of its Subsidiaries that own a Principal Property and will ensure that no Subsidiary will create or have outstanding any security on or over the capital stock of any of its respective Subsidiaries that own a Principal Property except in either case for";

(b) by inserting the phrase "or on capital stock, as the case may be," immediately after each occurrence of the word "property" in paragraph (b) of the first sentence thereto; and

(c) by deleting paragraph (f) of the first sentence thereto in its entirety and substituting in lieu thereof the following:

"(f) any security created in connection with the borrowing of funds if within 120 days such funds are used to repay Indebtedness in at least the same principal amount as secured by other security of Principal Property or capital stock of a Subsidiary that owns a Principal Property, as the case may be, with an independent appraised fair market value at least equal to the appraised fair market value of the Principal Property or capital stock of a Subsidiary that owns a Principal Property, as the case may be, secured by the new security; and".

SECTION 8. Commitment Amounts and Percentages; Lending Offices; Addresses for Notice. For purposes of this Agreement, Schedule I to the Original Credit Agreement as adopted and incorporated by reference into this Agreement is hereby amended by deleting such Schedule in its entirety and substituting in lieu thereof Schedule I to this Agreement.

SECTION 9. Subsidiaries of the Company. For purposes of this Agreement, Schedule II to the Original Credit Agreement as adopted and incorporated by reference into this Agreement is hereby amended by deleting such Schedule in its entirety and substituting in lieu thereof Schedule II to this Agreement.

SECTION 10. Indebtedness. For purposes of this Agreement, Schedule III to the Original Credit Agreement as adopted and incorporated by reference into this Agreement is hereby amended by deleting such Schedule in its entirety and substituting in lieu thereof Schedule III to this Agreement.

SECTION 11. Applicable Margins. For purposes of this Agreement, Schedule V to the Original Credit Agreement as adopted and incorporated by reference into this Agreement is hereby amended by deleting such Schedule in its entirety and substituting in lieu thereof Schedule V to this Agreement.

SECTION 12. Litigation. For purposes of this Agreement, the Original Credit Agreement as adopted and incorporated by reference into this Agreement is hereby amended by adding thereto Schedule VI to this Agreement.

SECTION 13. Conditions Precedent. The obligations of each Bank to make the Loans contemplated by subsections 2.1 and 2.2 of the Original Credit Agreement as adopted and incorporated by reference into this Agreement shall be subject to the compliance by the Company with its agreements herein contained (including its agreements contained in the Original Credit Agreement as adopted and incorporated by reference into this Agreement) and to the satisfaction on or before the Closing Date of the following further conditions:

(a) Loan Documents. The Agent shall have received (i) this Agreement, executed and delivered by a duly authorized officer of the Company, with a counterpart for each Bank, and (ii) for the account of each Bank, a Revolving Credit Note and a Grid CAF Loan Note conforming to the requirements hereof and executed by a duly authorized officer of the Company.

(b) Legal Opinions. On the Closing Date each Bank shall have received from any general, associate, or assistant general counsel to the Company or any other counsel to the Company satisfactory to the Agent, such opinions as the Agent shall have reasonably requested with respect to the transactions contemplated by this Agreement.

(c) Company Officers' Certificate. The representations and warranties contained in Section 3 of the Original Credit Agreement as adopted and incorporated by reference into, and as amended by, this Agreement shall be true and correct on the Closing Date with the same force and effect as though made on and as of such date; on and as of the Closing Date and after giving effect to this Agreement, no Default shall have occurred (except a Default which shall have been waived in writing or which shall have been cured) and no Default shall exist after giving effect to the Loan to be made; and the Agent shall have received a certificate containing a representation to these effects dated the Closing Date and signed by a Responsible Officer.

(d) General. All instruments and legal and corporate proceedings in connection with the Loans contemplated by this Agreement shall be satisfactory in form and substance to the Agent, and the Agent shall have received copies of all documents, and favorable legal opinions and records of corporate proceedings, which the Agent may have reasonably requested in connection with the Loans and other transactions contemplated by this Agreement.

(e) Termination of Commitments of the Original Banks. On the Closing Date, the Commitments (as defined in the Original Credit Agreement) of the Original Banks under the February 1995 Agreement and Amendment shall have been terminated.

SECTION 14. Expenses. The Company agrees to pay or reimburse the Agent for all of its reasonable out-of-pocket costs and expenses incurred in connection with the development, preparation and execution of, and any amendment, supplement or modification to, this Agreement and the Notes and any other documents prepared in connection herewith, and the consummation of the transactions contemplated hereby and thereby, including, without limitation, the reasonable fees and disbursements of counsel to the Agent.

SECTION 15. GOVERNING LAW. THIS AGREEMENT AND THE NOTES AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AGREEMENT AND THE NOTES SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

SECTION 16. Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts and all of said counterparts taken together shall be deemed to constitute one and the same instrument. A set of the copies of this Agreement signed by all the parties shall be lodged with the Company and the Agent.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

COLUMBIA/HCA HEALTHCARE CORPORATION

By: /s/ David Anderson

Name: David Anderson
Title: Vice President - Finance

CHEMICAL BANK, as Agent, as CAF
Loan Agent and as a Bank

By: /s/ Mary E. Cameron

Name: Mary E. Cameron
Title: Vice President

BANK OF AMERICA NATIONAL TRUST AND SAVINGS
ASSOCIATION, as a Co-Agent and as a Bank

By: /s/ Ruth Z. Edwards

Name: Ruth Z. Edwards
Title: Vice President

CREDIT LYONNAIS CAYMAN ISLAND BRANCH, as a
Co-Agent and as a Bank

By: /s/ Farboud Tavangar

Name: Farboud Tavangar
Title: Authorized Signature

DEUTSCHE BANK AG, NEW YORK AND/OR CAYMAN
ISLANDS BRANCH, as a Co-Agent and as a Bank

By: /s/ Stephan A. Wiedemann /s/ Tom Foley

Name: Stephan A. Wiedemann/Tom Foley
Title: Vice President/Associate

THE FIRST NATIONAL BANK OF CHICAGO,
as a Co-Agent and as a Bank

By: /s/ L. Richard Schiller

Name: L. Richard Schiller
Title: Vice President

THE INDUSTRIAL BANK OF JAPAN, LIMITED,
ATLANTA AGENCY, as a Co-Agent and as a Bank

By: /s/ Shusai Nagai

Name: Shusai Nagai
Title: General Manager

MORGAN GUARANTY TRUST COMPANY OF NEW YORK, as
a Co-Agent and as a Bank

By: /s/ Penelope J.B. Cox

Name: Penelope J.B. Cox
Title: Vice President

NATIONSBANK, N.A. as a Co-Agent and as a Bank

By: /s/ Patrick J. Neal

Name: Patrick J. Neal
Title: Vice President

By: /s/ S.W. Choppin

Name: S.W. Choppin
Title: Vice President

PNC BANK, KENTUCKY, INC. as a Co-Agent and as
a Bank

By:/s/ Jefferson M. Green

Name: Jefferson M. Green
Title: Vice President

COOPERATIEVE CENTRALE RAIFFEISEN-
BOERENLEENBANK B.A. "RABOBANK NEDERLAND", NEW
YORK BRANCH, as a Co-Agent and as a Bank

By: /s/ Terrell Boyle /s/ W. Jeffrey Vollack

Name: Terrell Boyle/W. Jeffrey Vollack
Title: VP/VP, Manager

THE SAKURA BANK, LTD. NEW YORK BRANCH, as a
Co-Agent and as a Bank

By: /s/ Masahiro Nakajo

Name: Masahiro Nakajo
Title: Senior VP & Manager

THE SUMITOMO BANK LIMITED, NEW YORK BRANCH,
as a Co-Agent and as a Bank

By: /s/ Yoshinori Kawamura

Name: Yoshinori Kawamura
Title: Joint General Manager

TORONTO DOMINION (TEXAS), INC., as a Co-Agent
and as a Bank

By: /s/ Diane Bailey

Name: Diane Bailey
Title: Vice President

WACHOVIA BANK OF GEORGIA, N.A., as a Co-Agent
and as a Bank

By: /s/ Nick T. Weaver

Name: Nick T. Weaver
Title: Vice President

FIRST INTERSTATE BANK OF CALIFORNIA, as a
Bank

By: /s/ Peter G. Olson /s/ Lancy Gin

Name: Peter G. Olson/Lancy Gin
Title: Senior VP/Asst. VP

THE FUJI BANK LIMITED, as a Bank

By: /s/ S. Fujimoto

Name: S. Fujimoto
Title: Joint General Manager

THE MITSUBISHI BANK, LTD., as a Bank

By: /s/ Hiroaki Fuchida

Name: Hiroaki Fuchida
Title: Senior Vice President

DAI ICHI KANGYO BANK, as a Bank

By: /s/ Noboru Hasegawa

Name: Noboru Hasegawa
Title: General Manager

THE BANK OF NEW YORK, as a Bank

By: /s/ Gregory L. Batson

Name: Gregory L. Batson
Title: Vice President

SUNTRUST BANK, NASHVILLE, N.A., as a Bank

By: /s/ Kevin P. Lavender

Name: Kevin P. Lavender
Title: Group Vice President

ABN AMRO BANK N.V., as a Bank

By: /s/ Kathryn C. Toth /s/ S.K. Kersten

Name: K.C. Toth/S.K. Kersten
Title: Vice President/Asst. VP

THE TOKAI BANK, LIMITED, NEW YORK BRANCH, as a Bank

By: /s/ Masaharu Muto

Name: Masahuru Muto
Title: Deputy General Manager

FIRST UNION NATIONAL BANK OF NORTH CAROLINA, as a Bank

By: /s/ Joseph H. Towell

Name: Joseph H. Towell
Title: Senior Vice President

THE NORTHERN TRUST COMPANY, as a Bank

By: /s/ Pete T. Sinelli

Name: Pete T. Sinelli
Title: Commercial Banking Officer

MELLON BANK, N.A., as a Bank

By: /s/ Richard Arnington

Name: Richard Arnington
Title: Vice President

ARAB BANK PLC, GRAND CAYMAN BRANCH, as a Bank

By: /s/ Peter Boyadjian

Name: Peter Boyadjian
Title: Senior Vice President

THE BANK OF NOVA SCOTIA, as a Bank

By: /s/ W.J. Brown

Name: W.J. Brown
Title: Vice President

CITIBANK, N.A. as a Bank

By: /s/ Thomas D. Stott

Name: Thomas D. Stott
Title: Vice President

COMMERZBANK AG, as a Bank

By: /s/ Harry P. Yergey Eric R. Kagerer

Name: Harry P. Yergey/Eric R. Kagerer
Title: Vice President/Asst. VP

DEN DANSKE BANK AKTIESELSKAB, as a Bank

By: /s/ John A. O'Neill

Name: John A. O'Neill
Title: Vice President

By: /s/ Bent V. Christensen

Name: Bent V. Christensen
Title: Vice President

FIRST AMERICAN NATIONAL BANK, as a Bank

By: /s/ Sandra G. Hamrick

Name: Sandra G. Hamrick
Title: Assistant Vice President

FLEET NATIONAL BANK OF CONNECTICUT, as a Bank

By: /s/ Amy E. Fredericks

Name: Amy E. Fredericks
Title: Vice President

THE MITSUBISHI TRUST AND BANKING CORPORATION,
as a Bank

By: /s/ Hachiro Hosoda

Name: Hachiro Hosoda
Title: Senior Vice President

NATIONAL CITY BANK, KENTUCKY, as a Bank

By: /s/ Deroy Scott

Name: Deroy Scott
Title: Vice President

BARNETT BANK OF TAMPA, N.A., as a Bank

By: /s/ Lawrence Katz

Name: Lawrence Katz
Title: Vice President

THE BANK OF TOKYO TRUST COMPANY, as a Bank

By: /s/ Amanda S. Ryan

Name: Amanda S. Ryan
Title: Vice President

UNITED STATES NATIONAL BANK OF OREGON, as a Bank

By: /s/ Fiza Noordin

Name: Fiza Noordin
Title: Corporate Banking Officer

THE SUMITOMO TRUST & BANKING CO., LTD., NEW YORK BRANCH, as a Bank

By: /s/ Suraj P. Bhatia

Name: Suraj P. Bhatia
Title: Senior Vice President & Manager of Corporate Finance

YASUDA TRUST AND BANKING, as a Bank

By: /s/ Makoto Tagawa

Name: Makoto Tagawa
Title: Deputy General Manager

THE BANK OF YOKOHAMA LTD., NEW YORK BRANCH,
as a Bank

By: /s/ Takeshi Suzuki

Name: Takeshi Suzuki
Title: VP & Senior Manager

BANCA NAZIONALE DEL LAVORO S.P.A. - NEW YORK
BRANCH, as a Bank

By: /s/ Giulio Giovine

Name: Giulio Giovine
Title: Vice President

By: /s/ Carlo Vecchi

Name: Carlo Vecchi
Title: Senior Vice President

THE BOATMEN'S NATIONAL BANK OF ST. LOUIS, as
a Bank

By: /s/ David E. Wilsdorf

Name: David E. Wilsdorf
Title: Vice President

THE MITSUI TRUST & BANKING CO., LTD., NEW
YORK BRANCH, as a Bank

By: /s/ Margaret Holloway

Name: Margaret Holloway
Title: Vice President & Manager

UNION PLANTERS BANK, as a Bank

By: /s/ Michael F. Sparta

Name: Michael F. Sparta
Title: Vice President

BANK ONE, TEXAS, NA, as a Bank

By: /s/ Craig F. Hartberg

Name: Craig F. Hartberg
Title: Senior Vice President

SCHEDULE I

Commitment Amounts and Percentages;
Lending Offices; Addresses for Notice

A. Commitment Amounts and Percentages.

NAME OF BANK	COMMITMENT AMOUNT	COMMITMENT PERCENTAGE
CHEMICAL BANK	$145,000,000	5.800%
BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION	92,500,000	3.700
CREDIT LYONNAIS CAYMAN ISLAND BRANCH	92,500,000	3.700
DEUTSCHE BANK AG, NEW YORK AND/OR CAYMAN ISLANDS BRANCH	92,500,000	3.700
THE FIRST NATIONAL BANK OF CHICAGO	92,500,000	3.700
THE INDUSTRIAL BANK OF JAPAN, LIMITED, ATLANTA AGENCY	92,500,000	3.700
MORGAN GUARANTY TRUST COMPANY OF NEW YORK	92,500,000	3.700
NATIONSBANK, N.A	92,500,000	3.700
PNC BANK, KENTUCKY, INC	92,500,000	3.700
COOPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK B.A. "RABOBANK NEDERLAND", NEW YORK BRANCH	92,500,000	3.700
THE SAKURA BANK, LTD NEW YORK BRANCH	92,500,000	3.700
THE SUMITOMO BANK LIMITED, NEW YORK BRANCH	92,500,000	3.700
TORONTO DOMINION (TEXAS), INC.	92,500,000	3.700
WACHOVIA BANK OF GEORGIA, N.A.	92,500,000	3.700
FIRST INTERSTATE BANK OF CALIFORNIA	86,250,000	3.450
THE FUJI BANK LIMITED	86,250,000	3.450
THE MITSUBISHI BANK, LTD.	69,375,000	2.775
DAI ICHI KANGYO BANK	68,750,000	2.750
THE BANK OF NEW YORK	62,500,000	2.500
SUNTRUST BANK, NASHVILLE, N.A	62,500,000	2.500

NAME OF BANK	COMMITMENT AMOUNT	COMMITMENT PERCENTAGE
THE MITSUBISHI TRUST AND BANKING CORPORATION/THE BANK OF TOKYO TRUST COMPANY 1/	$54,375,000	2.175%
ABN AMRO BANK N.V.	50,000,000	2.000
THE TOKAI BANK, LIMITED, NEW YORK BRANCH	50,000,000	2.000
FIRST UNION NATIONAL BANK OF NORTH CAROLINA	46,875,000	1.875
THE NORTHERN TRUST COMPANY	46,875,000	1.875
MELLON BANK, N.A.	34,375,000	1.375
ARAB BANK PLC, GRAND CAYMAN BRANCH	31,250,000	1.250
THE BANK OF NOVA SCOTIA	31,250,000	1.250
CITIBANK, N.A.	31,250,000	1.250
COMMERZBANK AG	31,250,000	1.250
DEN DANSKE BANK AKTIESELSKAB	31,250,000	1.250
FIRST AMERICAN NATIONAL BANK	31,250,000	1.250
FLEET NATIONAL BANK OF CONNECTICUT	31,250,000	1.250
BANK ONE, TEXAS, N.A.	31,250,000	1.250
NATIONAL CITY BANK, KENTUCKY	31,250,000	1.250
BARNETT BANK OF TAMPA, N.A.	25,000,000	1.000
UNITED STATES NATIONAL BANK OF OREGON	21,875,000	0.875
THE SUMITOMO TRUST & BANKING CO., LTD., NEW YORK BRANCH	18,750,000	0.750
YASUDA TRUST AND BANKING	18,750,000	0.750
THE BANK OF YOKOHAMA LTD., NEW YORK BRANCH	15,625,000	0.625
BANCA NAZIONALE DEL LAVORO S.P.A.- NEW YORK BRANCH	15,625,000	0.625
THE BOATMAN'S NATIONAL BANK OF ST. LOUIS	15,625,000	0.625
THE MITSUI TRUST & BANKING CO., LTD., NEW YORK BRANCH	15,625,000	0.625
UNION PLANTERS BANK	6,250,000	0.250
TOTAL	$2,500,000,000	100.00%

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1/ On March 31, 1996, The Mitsubishi Trust and Banking Corporation (commitment amount of $31,250,000/commitment percentage of 1.250%) is expected to merge with The Bank of Tokyo Trust Company (commitment amount of $23,125,000/commitment percentage .925%).

B. LENDING OFFICES; ADDRESSES FOR NOTICE.

CHEMICAL BANK

Domestic Lending Office:	Chemical Bank 270 Park Avenue New York, NY 10017
Eurodollar Lending Office:	Chemical Bank 270 Park Avenue New York, NY 10017
Address for Notices:	See subsection 8.2 of the Original Credit Agreement as adopted and incorporated by reference into this Agreement

BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION

Domestic Lending Office:	Bank of America National Trust and Savings Association 555 S. Flower Street Mail Code 5618 Los Angeles, CA 90071
Eurodollar Lending Office:	Bank of America National Trust and Savings Association 1850 Gateway Blvd., 4th Floor Concord, CA 94520
Address for Notices:	Bank of America National Trust and Savings Association 555 S. Flower Street Los Angeles, CA 90071 Attention: James Emslie Telecopy: (213) 228-2756 Confirmation: (213) 228-2669 Attention: Wyatt Ritchie Telecopy: (213) 228-2756 Confirmation: (213) 228-9734

CREDIT LYONNAIS CAYMAN ISLAND BRANCH

Domestic Lending Office:	Credit Lyonnais Cayman Island Branch c/o Credit Lyonnais 1301 Avenue of the Americas 20th Floor New York, NY 10019
Eurodollar Lending Office:	Credit Lyonnais Cayman Island Branch c/o Credit Lyonnais

	1301 Avenue of the Americas 20th Floor New York, NY 10019
Address for Notices:	Credit Lyonnais Cayman Island Branch c/o Credit Lyonnais 1301 Avenue of the Americas 20th Floor New York, NY 10019 Attention: Farboud Tavangar Telecopy: (212) 261-3440 Confirmation: (212) 261-7832
	Credit Lyonnais (New York) 1301 Avenue of the Americas New York, NY 10019 Attention: Evan S. Wasser Telecopy: (212) 261-3440 Confirmation: (212) 261-7748

DEUTSCHE BANK AG, NEW YORK AND/OR CAYMAN ISLANDS BRANCHES

Domestic Lending Office:	Deutsche Bank AG, New York Branch 31 West 52nd Street New York, NY 10019
Eurodollar Lending Office:	Deutsche Bank, AG, Cayman Islands Branch 31 West 52nd Street New York, NY 10019
Address for Notices:	Deutsche Bank AG, New York Branch 31 West 52nd Street New York, NY 10019 Attention: Robert A. Maddux, Director Telecopy: (212) 474-8212 Confirmation: (212) 474-8228

THE FIRST NATIONAL BANK OF CHICAGO

Domestic Lending Office:	The First National Bank of Chicago First National Plaza Mail Suite 0091 Chicago, IL 60670-0091
Eurodollar Lending Office:	The First National Bank of Chicago First National Plaza Mail Suite 0091 Chicago, IL 60670-0091
Address for Notices:	The First National Bank of Chicago

	First National Plaza Mail Suite 0091 Chicago, IL 60670-0091 Attention: William S. Wheatley Telecopy: (312) 732-2016 Confirmation: (312) 732-5033

THE INDUSTRIAL BANK OF JAPAN, LIMITED, ATLANTA AGENCY

Domestic Lending Office:	The Industrial Bank of Japan Trust Company 245 Park Avenue New York, NY 10167
Eurodollar Lending Office:	The Industrial Bank of Japan Trust Company 245 Park Avenue New York, NY 10167
Address for Notices:	The Industrial Bank of Japan, Limited, Atlanta Agency 191 Peachtree Street NE, Suite 3600 Atlanta, GA 30303 Attention: Jackie Brunetto Telecopy: (404) 577-6818 Confirmation: (404) 420-3325

MORGAN GUARANTY TRUST COMPANY OF NEW YORK

Domestic Lending Office:	Morgan Guaranty Trust Company of New York 60 Wall Street New York, NY 10160
Eurodollar Lending Office:	Morgan Guaranty Trust Company of New York Nassau, Bahamas Office c/o J.P. Morgan Services Inc. Euro-Loan Servicing Unit Morgan Christiana Center 500 Stanton Christiana Road Newark, DE 19713
Address for Notices:	Morgan Guaranty Trust Company of New York 60 Wall Street New York, NY 10160 Attention: Penelope Cox Telecopy: (212) 648-6018 Confirmation: (212) 648-6414

NATIONSBANK, N.A.

Domestic Lending Office:	NationsBank, N.A. One NationsBank Plaza Charlotte, NC 28255
Eurodollar Lending Office:	NationsBank, N.A. One NationsBank Plaza Charlotte, NC 28255
Address for Notices:	NationsBank, N.A. One National Bank Plaza, 5th Floor Nashville, TN 37239 Attention: Ashley Crabtree Telecopy: (615) 749-4640

PNC BANK, KENTUCKY, INC.

Domestic Lending Office:	PNC Bank, Kentucky, Inc. Citizens Plaza Louisville, KY 40296
Eurodollar Lending Office:	PNC Bank, Kentucky, Inc. Citizens Plaza Louisville, KY 40296
Address for Notices:	PNC Bank (Pittsburgh-Fifth Avenue) 2 PNC Plaza 620 Liberty Avenue Pittsburgh, PA 16265 Attention: Edward Weisto Telecopy: (412)762-2784
	PNC Bank, Kentucky, Inc. 500 West Jefferson Street 8th Floor Louisville, KY 40296 Attention: Jefferson Green Telecopy: (502) 581-2302 Confirmation: (502) 581-4734

COOPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK B.A., "RABOBANK NEDERLAND", NEW YORK BRANCH

Domestic Lending Office:	Rabobank Nederland 245 Park Avenue New York, NY 10167
Eurodollar Lending Office:	Rabobank Nederland 245 Park Avenue New York, NY 10167
Address for Notices:	Rabobank Nederland (Atlanta) 1 Atlantic Center, Suite 3460-1201, Peachtree Street

Atlanta GA 30309-3400
Attention: Terrell Boyle
Telecopy: (404) 877-9150
Confirmation: (404) 877-9106

THE SAKURA BANK, LTD. NEW YORK BRANCH

Domestic Lending Office:	The Sakura Bank, Ltd. New York Branch 277 Park Avenue New York, NY 10172
Eurodollar Lending Office:	The Sakura Bank, Ltd. New York Branch 277 Park Avenue New York, NY 10172
Address for Notices:	The Sakura Bank, Ltd. New York Branch 277 Park Avenue 45th Floor New York, NY 10172 Attention: Masahiro Nakajo Telecopy: (212) 888-7651 Confirmation: (212) 756-6773

THE SUMITOMO BANK LIMITED, NEW YORK BRANCH

Domestic Lending Office:	The Sumitomo Bank Limited, New York Branch One World Trade Center Suite 9651 New York, NY 10048
Eurodollar Lending Office:	The Sumitomo Bank Limited, New York Branch One World Trade Center Suite 9651 New York, NY 10048
Address for Notices:	The Sumitomo Bank Limited, New York Branch 277 Park Avenue, 6th Floor New York, NY 10167 Attention: Jeffrey L. Toner Telecopy: (212) 224-5188 Confirmation: (212) 224-4142

TORONTO DOMINION (TEXAS), INC.

Domestic Lending Office:	The Toronto-Dominion Bank, Houston Agency 909 Fannin Street, Suite 1700 Houston, TX 77010
Eurodollar Lending Office:	The Toronto-Dominion Bank, Houston Agency 909 Fannin Street, Suite 1700 Houston, TX 77010
Address for Notices:	The Toronto-Dominion Bank (New York) 31 West 52nd Street New York 10019-6101 Attention: Robert F. Maloney Telecopy: (212) 974-0396 Confirmation: (212) 358-0750

WACHOVIA BANK OF GEORGIA, N.A.

Domestic Lending Office:	Wachovia Bank of Georgia, N.A. 191 Peachtree Street, N.E. Atlanta, GA 30303
Eurodollar Lending Office:	Wachovia Bank of Georgia, N.A. 191 Peachtree Street, N.E. Atlanta, GA 30303
Address for Notices:	Wachovia Bank of Georgia, N.A. 191 Peachtree Street, N.E. 28th Floor Atlanta, GA 30303 Attention: Nick Weaver Telecopy: (404) 332-5016 Confirmation: (404) 332-4062

FIRST INTERSTATE BANK OF CALIFORNIA

Domestic Lending Office:	First Interstate Bank of California 1055 Wilshire Boulevard, B10-6 Los Angeles, California 90017
Eurodollar Lending Office:	First Interstate Bank of California Nassau Branch c/o 1055 Wilshire Boulevard, B10-6 Los Angeles, California 90017
Address for Notices:	First Interstate Bank of California 222 West Adams Street Suite 2180

	Chicago, IL 60606 Attention: James Lent Telecopy: (312) 553-4783 Confirmation: (312) 553-4777

THE FUJI BANK LIMITED

Domestic Lending Office:	The Fuji Bank, Limited 225 West Wacker Drive Chicago, IL 60606
Eurodollar Lending Office:	The Fuji Bank, Limited 225 West Wacker Drive Chicago, IL 60606
Address for Notices:	The Fuji Bank, Limited (Atlanta) 245 Peachtree Center Avenue, NE, Suite 21 Atlanta GA 30303-1208 Attention: Brett Johnson Telecopy: (404) 653-2119 Confirmation: (404) 653-2113

THE MITSUBISHI BANK, LTD.

Domestic Lending Office:	The Mitsubishi Bank, Ltd. 2 World Financial Center 225 Liberty Street 39th Floor New York, NY 10281
Eurodollar Lending Office:	The Mitsubishi Bank, Ltd. 2 World Financial Center 225 Liberty Street 39th Floor New York, NY 10281
Address for Notices:	The Mitsubishi Bank, Ltd. 2 World Financial Center 225 Liberty Street New York, NY 10281 Attention: Hiroaki Fuchida Telecopy: (212) 667-3562 Confirmation: (212) 667-2884

DAI ICHI KANGYO BANK

Domestic Lending Office:	Dai Ichi Kangyo Bank (Atlanta) 285 Peachtree St., Suite 2400 Atlanta, GA 30303
Eurodollar Lending Office	Dai Ichi Kangyo Bank (Atlanta) 285 Peachtree St., Suite 2400 Atlanta, GA 30303
Address for Notices:	Dai Ichi Kangyo Bank (Atlanta) 285 Peachtree St., Suite 2400 Atlanta, GA 30303 Attention: Gunther Kittel Telecopy: (404) 581-9657 Confirmation: (404) 581-0200

THE BANK OF NEW YORK

Domestic Lending Office:	The Bank of New York One Wall Street, 22nd Floor New York, NY 10286
Eurodollar Lending Office:	The Bank of New York One Wall Street, 22nd Floor New York, NY 10286
Address for Notices:	The Bank of New York One Wall Street New York, NY 10286 Attention: Gregory Batson Telecopy: (212) 635-6434 Confirmation: (212) 635-6898

SUNTRUST BANK, NASHVILLE, N.A.

Domestic Lending Office:	Suntrust Bank, Nashville, N.A. 201 Fourth Avenue North Nashville, TN 37244
Eurodollar Lending Office:	Suntrust Bank, Nashville, N.A. 201 Fourth Avenue North Nashville, TN 37244
Address for Notices:	Suntrust Bank, Nashville, N.A. 201 Fourth Avenue North Nashville, TN 37244 Attention: Kevin Lavender Telecopy: (615) 748-5161 Confirmation: (615) 748-4465

THE MITSUBISHI TRUST AND BANKING CORPORATION

Domestic Lending Office:	The Mitsubishi Trust and Banking Corporation 520 Madison Avenue 25th Floor New York, NY 10022
Eurodollar Lending Office:	The Mitsubishi Trust and Banking Corporation 520 Madison Avenue 25th Floor New York, NY 10022
Address for Notices:	The Mitsubishi Trust and Banking Corporation 520 Madison Avenue New York, NY 10022 Attention: Clifford Teller Telecopy: (212) 644-6825 Confirmation: (212) 891-8269

THE BANK OF TOKYO TRUST COMPANY

Domestic Lending Office:	The Bank of Tokyo Trust Company 1251 Avenue of the Americas New York, NY 10116
Eurodollar lending Office:	The Bank of Tokyo Trust Company 1251 Avenue of the Americas New York, NY 10116
Address for Notices:	The Bank of Tokyo Trust Company 1251 Avenue of the Americas 12th Floor New York, NY 10116 Attention: Amanda Ryan Telecopy: (212) 782-6440 Confirmation: (212) 782-4322

ABN AMRO BANK N.V.

Domestic Lending Office:	ABN AMRO Bank N.V. - Pittsburgh Branch One PPG Place, Suite 2950 Pittsburgh, PA 15222-5400
Eurodollar Lending Office:	ABN AMRO Bank N.V. - Pittsburgh Branch One PPG Place, Suite 2950 Pittsburgh, PA 15222-5400
Address for Notices:	ABN AMRO Bank N.V. - Pittsburgh Branch One PPG Place, Suite 2950 Pittsburgh, PA 15222-5400 Attention: Dennis F. Lennon Telecopy: (412) 566-2266 Confirmation: (412) 566-2256

THE TOKAI BANK, LIMITED, NEW YORK BRANCH

Domestic Lending Office:	The Tokai Bank, Ltd. New York Branch 55 East 52nd Street New York, NY 10055
Eurodollar Lending Office:	The Tokai Bank, Ltd. New York Branch 55 East 52nd Street New York, NY 10055
Address for Notices:	The Tokai Bank, Ltd. New York Branch 55 East 52nd Street 11th Floor New York, NY 10055 Attention: Masaharu Muto Telecopy: (212) 754-2170 Confirmation: (212) 339-1120 Attention: Stuart Schulman Telecopy: (212) 754-2170 Confirmation: (212) 339-1117

FIRST UNION NATIONAL BANK OF NORTH CAROLINA

Domestic Lending Office:	First Union National Bank of North Carolina One First Union Center 301 S. College Street Charlotte, NC 28288
Eurodollar Lending Office:	First Union National Bank of North Carolina One First Union Center 301 S. College Street Charlotte, NC 28288
Address for Notices:	First Union National Bank of North Carolina One First Union Center 301 S. College Street, TW19 Charlotte, NC 28288 Attention: John W. Ransom Telecopy: (704) 383-9144 Confirmation: (704) 383-5212

THE NORTHERN TRUST COMPANY

Domestic Lending Office:	The Northern Trust Company 50 South La Salle Street Chicago, IL 60675
Eurodollar Lending Office:	The Northern Trust Company 50 South La Salle Street Chicago, IL 60675
Address for Notices:	The Northern Trust Company 50 South La Salle Street, B-11 Chicago, IL 60675 Attention: Lia Taylor Telecopy: (312) 444-3508 Confirmation: (312) 444-4196

MELLON BANK, N.A.

Domestic Lending Office:	Mellon Bank, N.A. 2 Mellon Bank Center Room 270 Pittsburgh, PA 15259
Eurodollar Lending Office:	Mellon Bank, N.A. 2 Mellon Bank Center Room 270 Pittsburgh, PA 15259
Address for Notices:	Mellon Bank, N.A. 2 Mellon Bank Center Pittsburgh, PA 15259-0001 Attention: Marsha Wicker Telecopy: (412) 234-9010 Confirmation: (412) 234-3594

ARAB BANK PLC, GRAND CAYMAN BRANCH

Domestic Lending Office:	Arab Bank Plc, Grand Cayman Branch 520 Madison Avenue New York, NY 10022
Eurodollar Lending Office:	Arab Bank Plc, Grand Cayman Branch 520 Madison Avenue New York, NY 10022
Address for Notices:	Arab Bank Plc, Grand Cayman Branch 520 Madison Avenue New York, NY 10022 Attention: Peter Boyadjian Telecopy: (212) 593-4632 Confirmation: (212) 715-9702

THE BANK OF NOVA SCOTIA

Domestic Lending Office:	The Bank of Nova Scotia 600 Peachtree Street NE Suite 2700 Atlanta, GA 30808
Eurodollar Lending Office:	The Bank of Nova Scotia 600 Peachtree Street NE Suite 2700 Atlanta, GA 30808
Address for Notices:	The Bank of Nova Scotia (Atlanta) 600 Peachtree Street NE Suite 2700 Atlanta, GA 30308 Attention: Carolyn Lopez Telecopy: (404) 888-8998 Confirmation: (408) 877-1507

CITIBANK, N.A.

Domestic Lending Office:	Citicorp North America, Inc. 2001 Ross Avenue Suite 1400 Dallas, TX 75201
Eurodollar Lending Office:	Citicorp North America, Inc. 2001 Ross Avenue Suite 1400 Dallas, TX 75201
Address for Notices:	Citicorp (New York) 399 Park Avenue New York, NY Attention: Margaret Brown Telecopy: (212) 793-3053 Confirmation: (212) 659-0501

COMMERZBANK AG

Domestic Lending Office:	Commerzbank AG Two World Financial Center 32nd Floor New York, NY 10281
Eurodollar Lending Office:	Commerzbank AG Two World Financial Center 32nd Floor New York, NY 10281
Address for Notices:	Commerzbank AG (Atlanta) 1230 Peachtree Street N.E. Suite 3500 Atlanta, GA 30309 Attention: Eric Kagerer Telecopy: (404) 888-6539 Confirmation: (404) 888-6517

DEN DANSKE BANK AKTIESELSKAB

Domestic Lending Office:	Den Danske Bank Aktieselskab (New York) 280 Park Avenue, 4th Floor East Building New York, NY 10017
Eurodollar Lending Office:	Den Danske Bank Aktieselskab (New York) 280 Park Avenue, 4th Floor East Building New York, NY 10017
Address for Notices:	Den Danske Bank Aktieselskab (New York) 280 Park Avenue, 4th Floor East Building New York, NY 10017 Attention; Mogens Sondergard Telecopy: (212) 370-9239 Confirmation: (212) 984-8472

FIRST AMERICAN NATIONAL BANK

Domestic lending Office:	First American National Bank 327 Union Street Nashville, TN 37237
Eurodollar Lending Office:	First American National Bank 327 Union Street Nashville, TN 37237
Address for Notices:	First American National Bank (Nashville) 300 Union Street, 2nd Floor Nashville, TN 37237 Attention: Sandra Hamrick Telecopy: (615) 748-2812 Confirmation: (615) 748-2191

FLEET NATIONAL BANK OF CONNECTICUT

Domestic Lending Office:	Fleet Bank (Boston) 76 State Street Mail Stop MABOFO4A Boston, MA 02109
Eurodollar Lending Office:	Fleet Bank (Boston) 76 State Street Mail Stop MABOFO4A Boston, MA 02109
Address for Notices:	Fleet National Bank of Connecticut 76 State Street Mail Stop MABOFO4A Boston, MA 02109 Attention: Amy Fredericks Telecopy: (617) 343-1634 Confirmation: (617) 346-1646

BANK ONE, TEXAS, NA

Domestic Lending Office:	Bank One, Texas, NA 500 Throckmorton Fort Worth, TX 76102
Eurodollar Lending Office:	Bank One, Texas, NA 500 Throckmorton Fort Worth, TX 76102
Address for Notices:	Bank One, Texas, NA (Dallas) 1717 Main Street Dallas, TX 75201 Attention: J.R. Thomas Telecopy: (214) 290-2683 Confirmation: (214) 290-2586

NATIONAL CITY BANK, KENTUCKY

Domestic Lending Office:	National City Bank, Kentucky 101 South Fifth Street Louisville, KY 40202
Eurodollar Lending Office:	National City Bank, Kentucky 101 South Fifth Street Louisville, KY 40202
Address for Notices:	National City Bank, Kentucky National City Tower Suite 800 Louisville, KY 40202 Attention: Deroy Scott Telecopy: (502) 581-4424 Confirmation: (502) 581-7821

BARNETT BANK OF TAMPA, N.A.

Domestic Lending Office:	Barnett Bank of Tampa, N.A. 50 North Laura Street Jacksonville, FL 32202
Eurodollar Lending Office:	Barnett Bank of Tampa, N.A. 50 North Laura Street Jacksonville, FL 32202
Address for Notices:	Barnett Bank of Tampa, N.A. (Jacksonville) 50 North Laura Street Jacksonville, FL 32202 Attn: Larry Katz Telecopy: (904) 791-7063 Confirmation: (904) 791-5081

UNITED STATES NATIONAL BANK OF OREGON

Domestic Lending Office:	United States National Bank of Oregon 555 S.W. Oak Street Suite 400 Portland, OR 97204
Eurodollar Lending Office:	United States National Bank of Oregon 555 S.W. Oak Street Suite 400 Portland, OR 97204
Address for Notices:	United States National Bank of Oregon 555 S.W. Oak Street Suite 400 Portland, OR 97204 Attention: Fiza Noordin Telecopy: (503) 275-4267 Confirmation: (503) 275-6360

THE SUMITOMO TRUST & BANKING CO., LTD., NEW YORK BRANCH

Domestic Lending Office:	Sumitomo Trust & Banking (New York) 527 Madison Avenue, 8th Floor New York, NY 10022
Eurodollar Lending Office:	Sumitomo Trust & Banking (New York) 527 Madison Avenue, 8th Floor New York, NY 10022
Address for Notices:	Sumitomo Trust & Banking (New York) 527 Madison Avenue, 8th Floor New York, NY 10022 Attention: Robin Schreiber Telecopy: (212) 418-4848 Confirmation: (212) 326-0781

YASUDA TRUST AND BANKING

Domestic Lending Office:	Yasuda Trust and Banking 666 Fifth Avenue New York, NY 10103
Eurodollar Lending Office:	Yasuda Trust and Banking 666 Fifth Avenue New York, NY 10103
Address for Notices:	Yasuda Trust and Banking 285 Peachtree Center NE, Suite 2104 Atlanta, GA 30303 Attention: Sanjay Sinha Telecopy: (404) 584-7816 Confirmation: (404) 584-7807

THE BANK OF YOKOHAMA LTD., NEW YORK BRANCH

Domestic Lending Office:	Bank of Yokohama Ltd. (New York) One World Trade Center, Suite 8067 New York, NY 10048
Domestic Lending Office:	Bank of Yokohama Ltd. (New York) One World Trade Center, Suite 8067 New York, NY 10048
Domestic Lending Office:	Bank of Yokohama Ltd. (New York) One World Trade Center, Suite 8067 New York, NY 10048 Attention: Michael Cantone Telecopy: (212) 938-5450 Confirmation: (212) 775-1700 x 213

BANCA NAZIONALE DEL LAVORO S.P.A.-NEW YORK BRANCH

Domestic Lending Office:	Banca Nazionale del Lavoro S.P.A. (New York) 25 West 51st Street, 3rd Floor New York, NY 10019
Eurodollar Lending Office:	Banca Nazionale del Lavoro S.P.A. (New York) 25 West 51st Street, 3rd Floor New York, NY 10019
Address for Notices:	Banca Nazionale del Lavoro S.P.A. (New York) 25 West 51st Street, 3rd Floor New York, NY 10019 Attention: Giulio Giovine Telecopy: (212) 765-2978 Confirmation: (212) 581-0710 Attention: Roberto Mancone Telecopy: (312) 444-9410 Confirmation: (312) 444-9250

THE BOATMEN'S NATIONAL BANK OF ST. LOUIS

Domestic Lending Office:	The Boatmen's National Bank of St. Louis One Boatmen's Plaza 800 Market Street St. Louis, MO 63166
Eurodollar Lending Office:	The Boatmen's National Bank of St. Louis One Boatmen's Plaza 800 Market Street St. Louis, MO 63166
Address for Notices:	The Boatmen's National Bank of St. Louis 800 Market Street St. Louis, MO 63166-0236 Attention: David Wilsdorf Telecopy: (314) 466-7783 Confirmation: (314) 466-7681

THE MITSUI TRUST & BANKING CO., LTD., NEW YORK BRANCH

Domestic Lending Office:	Mitsui Trust & Banking (Chicago) 190 South LaSalle Street Suite 1900 Chicago, IL 60603
Eurodollar Lending Office:	Mitsui Trust & Banking (Chicago) 190 South LaSalle Street Suite 1900 Chicago, IL 60603
Address for Notices:	Mitsui Trust & Banking (Chicago) 190 South LaSalle Street Suite 1900 Chicago, IL 60603 Attention: Koichi Yokoyama Telecopy: (312) 201-0593 Confirmation: (312) 201-4707

UNION PLANTERS BANK

Domestic Lending Office:	Union Planters National Bank 401 Union Street, Second Floor Nashville, TN 37219
Eurodollar Lending Office:	Union Planters National Bank 401 Union Street, Second Floor Nashville, TN 37219
Address for Notices:	Union Planters National Bank 401 Union Street, Second Floor Nashville, TN 37219 Attention: Mike Sparta Telecopy: (615) 726-4274 Confirmation: (615) 726-4394

COLUMBIA HEALTHCARE CORPORATION
Summary Schedule of Total Indebtedness
December 31, 1995

Long-term debt:	
Secured debt:	
Medical City Dallas - Capitalized lease	$34,358,303
Other secured debt	168,936,653
Total secured debt	203,294,956
Unsecured debt (net of discounts):	
Notes and debebtures	
7.15% notes due 2004	148,816,040
6.5% notes due 1999	174,172,222
6.125% notes due 2000	149,073,084
7.5% debebtures due 2023	147,499,627
8.36% debentures due 2024	149,042,740
6.91% debentures due 2005	465,439,654
7.69% debentures due 2025	287,492,918
6.41% notes due 2000	196,064,000
7.58% debentures due 2025	123,790,669
7.19% debentures due 2015	148,691,020
7.50% debentures due 2095	197,750,012
7.05% debentures due 2027	148,688,486
$200 mil floating rate notes	170,231,757
8.126% MTN due 2003	99,467,595
8.02% MTN due 2002	49,739,884
7.60% MTN due 2001	49,748,103
$100 mil floating rate notes	99,978,268
8.05% MTN due 2006	54,680,726
8.85% MTN due2007	148,048,498
9.0% MTN due 2014	148,711,082
8.7% MTN due 2010	148,981,613
6.63% MTN due 2002	149,217,300
6.73% MTN due 2003	99,473,717
6.87% MTN due 2003	124,270,994
Zero coupon deb due 1997-2002	154,938,793
8.00% debentures due 1996	107,858,834
Other notes and debentures	7,450,203
Total notes and debentures	3,949,317,839
Commercial paper	2,907,444,236
Bank borrowings	105,311,110
Other unsecured debt	43,788,332
Subordinated notes and debentures (net of discounts)	
6.75% debentures due 2006	112,504,143
10.33% Sr Swiss notes due 1998	54,453,455
Other subordinated notes and debentures	3,730,163
Total subordinated notes and debentures	170,687,761
Total consolidated long-term debt (12/31/95)	$7,379,844,234

Commitments and contingencies:

Letters of credit (beneficiary):

TIG Insurance Company	3,650,000
Arizona State Treasurer	1,500,000
AmSouth Bank of Alabama	8,000,000
Texas Workers Compensation	1,374,675
Commonwealth of Kentucky Workers Compensation	2,821,414
Mid-America Health Partners, Inc.	1,477,500
The Fidelity & Casualty Company of New York	57,731,756
Louisiana Patient Compensation Fund	1,000,000
Louisiana Patient Compensation Fund	3,825,000
Travelers Insurance Company	17,401,050
General Reinsurance Corporation	5,079,479
AmSouth Bank of Alabama	1,218,000
The St. Paul Fire and Marine Insurance Company	15,500,000
Other letters of credit	5,700,112
Total letters of credit	126,278,986

Guarantees of indebtedness (beneficiary):

First Security Bank of Nevada	3,500,000
Key Bank of Utah	4,100,000
Other guarantees of indebtedness	500,000
Total guarantees of indebtedness	8,100,000

Total commitments and contingencies (12/31/95)	134,378,986
TOTAL INDEBTEDNESS (12/31/95)	$7,514,223,220

SCHEDULE V

Applicable Margins

REVOLVING CREDIT LOANS		
	Alternate Base Rate Loans	Eurodollar Loans
Level I Period	.0000%	.1750%
Level II Period	.0000%	.1850%
Level III Period	.0000%	.2250%
Level IV Period	.0000%	.3125%
Level V Period	.0000%	.3500%

EXHIBIT 10.22

Columbia/HCA Healthcare Corporation
1995 Management Stock Purchase Plan

1. Purposes; Construction.

This Plan shall be known as the "Columbia/HCA Healthcare Corporation 1995 Management Stock Purchase Plan" and is hereinafter referred to as the "Plan". The purposes of the Plan are to attract and retain highly-qualified executives, to align executive and stockholder long-term interests by creating a direct link between executive compensation and stockholder return, to enable executives to develop and maintain a substantial share ownership position in Columbia/HCA Healthcare Corporation (the "Company"), and to provide incentives to such executives to contribute to the success of the Company's business. The provisions of the Plan are intended to satisfy the requirements of Section 16(b) of the Securities Exchange Act of 1934, as amended from time to time (the "Exchange Act"), and shall be interpreted in a manner consistent with the requirements thereof, as now or hereafter construed, interpreted and applied by regulation, rulings and cases.

2. Administration of the Plan.

(a) The Plan shall be administered by the Compensation Committee ("the Committee") which consists of two or more directors of the Company, none of whom shall be officers or employees of the Company and all of whom shall be "disinterested persons" with respect to the Plan within the meaning of Rule 16(b) under the Exchange Act. The members of the Committee shall be appointed by and serve at the pleasure of the Board of Directors.

(b) The Committee shall have plenary authority in its discretion, but subject to the express provisions of the Plan, (i) to administer the Plan and to exercise all the powers and authorities either specifically granted to it under the Plan or necessary or advisable in the administration of the Plan, including, without limitation, to interpret the Plan; to prescribe, amend and rescind rules and regulations relating to the Plan; to determine the terms and provisions of the Agreements (which need not be identical), and (ii) to make all other determinations deemed necessary or advisable for the administration of the Plan. The Committee's determinations on the foregoing matters shall be final and conclusive.

(c) No member of the Board or the Committee shall be liable for any action taken or determination made in good faith with respect to the Plan or any grant hereunder.

3. Definitions.

As used in this Plan, the following words and phrases shall have the meanings indicated:

(a) "Agreement" shall mean an agreement entered into between the Company and a Participant in connection with a grant under the Plan.

(b) "Board" shall mean the Board of Directors of the Company.

(c) "Annual Bonus" shall mean the bonus earned by a Participant under the Annual Bonus Plan.

(d) "Annual Bonus Plan" shall mean the Columbia/HCA Healthcare Corporation Annual Incentive Plan, as amended from time to time.

(e) "Cause" shall mean the Participant's fraud, embezzlement, defalcation, gross negligence in the performance or nonperformance of the Participant's duties or failure or refusal to perform the Participant's duties (other than as a result of Disability) at any time while in the employ of the Company or a Subsidiary.

(f) "Code" shall mean the Internal Revenue Code of 1986, as amended from time to time.

(g) "Committee" shall mean the Compensation Committee of the Board.

(h) "Company" shall mean Columbia/HCA Healthcare Corporation, a Delaware corporation, or any successor corporation.

(i) "Disability" shall mean a Participant's total and permanent inability to perform his or her duties with the Company or any or its subsidiaries or affiliates by reason of any medically determinable physical or mental impairment, within the meaning of Code Section 22(e)(3).

(j) "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended from time to time and as now or hereafter construed, interpreted and applied by regulations, rulings and cases.

(k) "Fair Market Value" per Share or Restricted Share shall mean the average of the closing prices on the New York Stock Exchange Composite Transactions Tape (or its equivalent if the Shares are not traded on the New York Stock Exchange) of a Share for the five trading days prior to the relevant valuation date.

(l) "Participant" shall mean a person who receives a grant of Restricted Shares under the Plan.

(m) "Plan" shall mean the Columbia/HCA Healthcare Corporation 1995 Management Stock Purchase Plan.

(n) "Restricted Period" shall have the meaning given in Section 6(d) hereof.

(o) "Restricted Share" or "Restricted Shares" shall mean the common stock purchased hereunder subject to restrictions.

(p) "Restricted Share Unit" or "Restricted Share Units" shall have the meaning given in Section 6(j) hereof.

(q) "Rule 16(b)-3" shall mean Rule 16(b)-3, as in effect from time to time, promulgated by the Securities and Exchange Commission under Section 16 of the Exchange Act, including any successor to such Rule.

(r) "Section 16 Person" shall mean a Participant who is subject to the reporting and short swing liability provisions of Section 16 of the Exchange Act.

(s) "Shares" shall mean the voting shares of common stock of the Company, with a par value of $.01 per share.

(t) "Subsidiary" shall mean any subsidiary of the Company (whether or not a subsidiary at the date the Plan is adopted) which is designated by the Committee or Board to participate in the Plan.

4. Stock Subject to Plan.

The maximum number of Shares which shall be reserved for the purchase of Restricted Shares under the Plan shall be 2,000,000 Shares, which number shall be subject to adjustment as provided in Article 7 hereof. Such Shares may be either authorized but unissued Shares or Shares that shall have been or may be reacquired by the Company.

If any outstanding Restricted Shares under the Plan should be forfeited and reacquired by the Company, the Shares so forfeited shall (unless the Plan shall have been terminated) again become available for use under the Plan, to the extent permitted by Rule 16(b)-3.

5. Eligibility.

All Company officers shall be eligible to become Participants in this Plan. Each Participant may elect to apply an amount equal to not less than 20 percent of his or her Annual Bonus (less applicable payroll deductions) to the receipt of Restricted Shares granted pursuant to, and subject to the terms and conditions of this Plan. At the election of any Participant, he or she may elect to apply an amount equal to up to 100 percent of the Annual Bonus (less applicable payroll deductions) to the receipt of Restricted Shares granted pursuant to, and subject to the terms and conditions of, this Plan. The amount of the Annual Bonus used to purchase such Restricted Shares shall be calculated in accordance with the Company's Annual Bonus Plan. Since the Restricted Shares are "purchased" with part or all of the Annual Bonus, all Restricted Share grants under this Plan are sometimes referred to herein as "purchases". Any such election shall be made in accordance with rules established by the Committee; provided, however, that any such election by a Section 16 Person must be made at least six months prior to the day the amount of the Section 16 Person's Annual Bonus is finally determined under the Annual Bonus Plan. Elections must be irrevocable and made not later than 90 days after the commencement of the fiscal year to which the Annual Bonus relates (except, in the Committee's discretion, an election as to the first Annual Bonus under the Annual Bonus Plan).

6. Restricted Shares.

Each grant of Restricted Shares under the Plan shall be evidenced by a written Agreement between the Company and Participant, in such form as the Committee may from time to time approve, and shall comply with the following terms and conditions (and with such other terms and conditions not inconsistent with the terms of this Plan as the Committee, in its discretion, shall establish):

(a) Number of Shares. Each Agreement shall state the number of Restricted Shares to be granted.

(b) Price. The price of each Restricted Share granted under the Plan shall be discounted 25 percent from its Fair Market Value on the relevant valuation date. The relevant valuation date shall be the date the Committee designates as the payment date for the Annual Bonus.

(c) Restrictions. Restricted Shares may not be sold, assigned, transferred, pledged, hypothecated or otherwise disposed of (except by will or the applicable laws of descent and distribution) during the Restricted Period. The Committee may also impose such other restrictions and conditions on the Restricted Shares as it deems appropriate.

(d) Restricted Period. Subject to such exceptions as may be determined by the Committee in its discretion, the Restricted Period for Restricted Shares granted under the Plan shall be three years from the date of grant.

(e) Termination of Employment During Restricted Period. Except as provided in this Section 6(e) or in Section 6(g) hereof, if during the Restricted Period a Participant's employment is terminated either (i) for Cause by the Company or a Subsidiary or (ii) for any reason by the Participant, the Participant shall receive a cash payment equal to the lesser of (i) the Fair Market Value on the last day of employment or (ii) the aggregate amount of the Annual Bonus applied to the receipt, in either case, of all Restricted Shares held by the Participant. Any additional value shall be forfeited.

Except as otherwise provided in Section 6(e) or Section 6(g) hereof, if during the Restricted Period a Participant's employment is terminated by the Company or a Subsidiary without Cause, the Participant shall receive a cash payment equal to either

(i) the Fair Market Value on the last day of employment or (ii) the aggregate amount of the Annual Bonus applied to the receipt, in either case, of all Restricted Shares held by the Participant. The Committee shall have the sole discretion as to the amount of the payment. Any additional value shall be forfeited.

If the employment of a Participant holding Restricted Share Units terminates during the Restricted Period relating to such Restricted Share Units, they shall be treated in a manner substantially equivalent to the treatment of Restricted Shares set forth above.

(f) Ownership. At the time of grant of Restricted Shares, a certificate representing the number of Shares thereunder shall be registered in the name of the Participant. Such certificate shall be held by the Company or any custodian appointed by the Company for the account of the Participant subject to the terms and conditions of the Plan, and shall bear such a legend setting forth the restrictions imposed thereon as the Committee, in its discretion, may determine. The Participant shall have all rights of a stockholder with respect to the Shares, including the right to receive dividends and the right to vote such Shares, subject to the following restrictions: (i) the Participant shall not be entitled to delivery of the stock certificate until the expiration of the Restricted Period and the fulfillment of any other restrictive conditions set forth in this Plan or the Agreement with respect to such Restricted Shares; (ii) none of the Restricted Shares may be sold, assigned, transferred, pledged, hypothecated or otherwise encumbered or disposed of during such Restricted Period or until after the fulfillment of any such other restrictive conditions; and (iii) except as otherwise determined by the Committee, all of the Restricted Shares shall be forfeited and all rights of the Participant to such Shares shall terminate, without further obligation on the part of the Company, unless the Participant remains in the continuous employment of the Company for the entire Restricted Period and unless any other restrictive conditions relating to the Restricted Shares are met. Any common stock, any other securities of the Company and any other property (except cash dividends) distributed with respect to the Restricted Shares shall be subject to the same restrictions, terms and conditions as such Restricted Shares.

(g) Accelerated Lapse of Restrictions. Upon the termination of Participant's employment which results from the Participant's death or Disability, all restrictions then outstanding with respect to Restricted Shares held by such Participant shall automatically expire and be of no further force and effect.

(h) Termination of Restrictions. At the end of the Restricted Period and provided that any other restrictive conditions of the Restricted Shares are met, or at such earlier time as otherwise determined by the Committee, all restrictions set forth in the Agreement relating to the Restricted Shares or in the Plan shall lapse as to the Restricted Shares subject thereto, and a stock certificate for the appropriate number of Shares, free of the restrictions and restrictive stock legend (other than required under the Securities Act of 1933 or otherwise), shall be delivered to the Participant or his or her beneficiary or estate, as the case may be.

(i) Retirement of Participant. Upon retirement of Participant from the Company, the Committee shall have the sole discretion as to the status of the Restricted Shares.

(j) Restricted Share Units. If, during the Restricted Period relating to a Participant's Restricted Shares, the Committee determines that the Company may lose its federal income tax deduction in connection with the future lapsing of the restrictions on such Restricted Shares because of the deductibility cap of Section 162(m) of the Code, the Committee, in its discretion, may convert some or all of such Restricted Shares into an equal number of Restricted Share Units, as to which payment will be postponed until such time as the payment will not cause the Company to lose its federal income tax deduction for such payment under Section 162(m). Until payment of the Restricted Share Units is made, the Participant will be credited with dividend equivalents on the Restricted Share Units, which dividend equivalents will be converted into additional Restricted Share Units. When payment of any Restricted Share Units is made, it will be made in unrestricted Shares, except as provided in Section 6(e) or Section 6(h) hereof.

7. Dilution and Other Adjustments.

In the event of any merger, reorganization, consolidation, recapitalization, stock dividend, stock split, or other change in corporate structure affecting the Shares, such substitution or adjustment shall be made in the aggregate number of Shares reserved for issuance under the Plan and in the number of Restricted Shares outstanding under the Plan as may be determined to be appropriate by the Committee, in its sole discretion, provided that the number of Shares subject to the Plan shall always be a whole number.

8. Payment of Withholding Taxes.

Subject to the requirements of Section 16(b) of the Exchange Act, the Committee shall have discretion to permit or require a Participant, on such terms and conditions as it determines, to pay all or a portion of any taxes arising in connection with a grant of Restricted Shares hereunder or the lapse of restrictions with respect thereto by having the applicable employer withhold Shares or by the Participant's delivering other Shares having a then-current Fair Market Value equal to the amount of taxes to be withheld.

9. No Rights to Employment.

Nothing in the Plan or in any grant made or Agreement entered into pursuant hereto shall confer upon any Participant the right to continue in the employ of the Company or any Subsidiary or to be entitled to any remuneration or benefits not set forth in the Plan or such Agreement or to interfere with, or limit in any way, the right of the Company or any Subsidiary to terminate such Participant's employment. Grants made under the Plan shall not be affected by any change in duties or position of a Participant as long as such Participant continues to be employed by the Company or any Subsidiary.

10. Amendment and Termination of the Plan.

The Board at any time and from time to time may suspend, terminate, modify or amend the Plan; provided, however, that an amendment which requires stockholder approval in order for the Plan to continue to comply with Rule 16(b)-3 or any other law, regulation or stock exchange requirement shall not be effective unless approved by the requisite vote of stockholders. No suspension, termination, modification or amendment of the Plan may adversely affect any grants previously made, unless the written consent of the Participant is obtained.

11. Approval of Stockholders.

The Plan shall take effect upon its adoption by the Board but the Plan (and any purchases made prior to the stockholder approval described in this Article) shall be subject to the approval of the holders of a majority of the securities of the Company present, or represented, and entitled to vote at a meeting of stockholders held in accordance with applicable law, which approval must occur within twelve months of the date the Plan is adopted by the Board.

12. Term of the Plan.

The Plan shall terminate ten years from the date that the Plan was approved by the Board. No other grants may be made after such termination, but termination of the Plan shall not, without the consent of the holder of the Restricted Shares, alter or impair any rights or obligations under any option or other award theretofore granted.

13. Governing Law.

The Plan and the rights of all persons claiming hereunder shall be construed and determined in accordance with the laws of the State of Delaware without giving effect to the choice of law principles thereof, except to the extent that such law is preempted by federal law.

APPENDIX A

COLUMBIA/HCA HEALTHCARE CORPORATION
1995 MANAGEMENT STOCK PURCHASE PLAN

ELECTION FORM

PARTICIPANT NAME:____
(PLEASE PRINT)

SOCIAL SECURITY NUMBER:____

Subject to the provisions of the Columbia/HCA Healthcare Corporation 1995 Management Stock Purchase Plan (the "Plan"), I hereby elect to receive a portion or all of my Annual Bonus, if any, as follows:

Restricted Shares	Cash
____________________________	____________________________
(Percentage of Annual Bonus)	(Percentage of Annual Bonus)

Note: If you elect to receive Restricted Shares it must be a minimum of 20 percent of the Annual Bonus. If you elect not to purchase Restricted Shares, you will need to put "0" in Restricted Shares and 100% in Cash.

______ I hereby elect to have my withholding taxes taken at the time of purchase.

______ I hereby elect to have my withholding taxes taken at the end of the restricted period.

I have read the Columbia/HCA Healthcare Corporation 1995 Management Stock Purchase Plan and understand that the Restricted Shares and this form are subject to the terms of the Plan. I understand that this form must be returned to Columbia/HCA Healthcare Corporation, Compensation Committee, c/o Annie Middlebrook, One Park Plaza, Nashville, TN 37203 no later than June 30, 1995. If this form is not filed timely with the Compensation Committee, I will be deemed to have elected the option to receive all of my bonus in cash.

Signed: _________________________________

Date:_____________________________

EXHIBIT 10.23

EMPLOYMENT AGREEMENT

This Employment Agreement is entered into on November 15, 1993 by and between Medical Care America Inc., a Delaware corporation (hereinafter referred to as "MCA"), and Donald E. Steen (hereinafter referred to as "Employee"), with reference to the following facts:

RECITALS

A. MCA desires to employ Employee in the capacity and on the terms and conditions hereinafter set forth and Employee is willing to serve in such capacity and on such terms and conditions.

B. This Agreement shall replace the Employment Agreement dated March 1, 1993.

NOW, THEREFORE, it is hereby agreed as follows:

AGREEMENT

1. Employment. MCA hereby employs Employee as Chief Executive Officer of MCA.

2. Duties. During his employment, Employee shall devote substantially all of his working time, energies and skills to the benefit of MCA's business. Employee agrees to serve MCA diligently and to the best of his ability. In his capacity as Chief Executive Officer of MCA, Employee shall report to the Board of Directors of MCA and shall have such duties, responsibilities and authority as are set forth in the By-Laws of MCA for the position of Chief Executive Officer. In his capacity as Chief Executive Officer, Employee shall have authority to hire such staff as Employee determines is necessary and to determine the titles and compensation levels of such staff.

3. Compensation. Employee's compensation under this Agreement shall be as follows:

(a) Base Salary. MCA shall pay Employee a Base Salary ("Base Salary") of $495,000 per year. In addition, the Board of Directors of MCA shall, in good faith, consider granting increases in such salary based upon such factors as Employee's performance and the growth and/or profitability of MCA, but it shall have no obligation to grant any such increases in compensation. Such Base Salary shall be payable in equal semi-monthly installments on the 15th day and the last working day of the month, or at such other times and in such installments as may be agreed upon between MCA and Employee. All payments shall be subject to the deduction of payroll taxes and similar assessments as required by law.

(b) Bonus. In addition to the Base Salary, Employee shall be eligible to receive bonus compensation in such amounts and at such times as the Board of Directors of MCA shall, from time to time, determine.

4. Expenses and Benefits. Employee is authorized to incur reasonable expenses in connection with the business of MCA, including expenses for entertainment, travel and similar matters. MCA will reimburse Employee for such expenses upon presentation by Employee of such accounts and records as MCA shall from time to time require. MCA also agrees to provide Employee with the following benefits:

(a) Automobile. An automobile expense allowance of $1,000.00 per month to apply towards the cost of acquiring and maintaining an automobile for his use in performing his duties hereunder, subject to periodic increases by action of the Board of Directors.

(b) Insurance. Major medical health insurance and disability insurance as currently in place.

(c) Financial Planning. An allowance for financial planning and tax planning of $2,500.00 per calendar year.

(d) Fitness Allowance. An allowance of $1,000.00 per calendar year for fitness dues or equipment.

(e) Employee Benefit Plans. Participation in any other employee benefit plans now existing or hereafter adopted by MCA for its employees.

(f) Other. Such items and benefits as MCA shall, from time to time, consider necessary or appropriate to assist Employee in the performance of his duties.

(g) Vacations. Employee shall be entitled (in addition to the usual public holidays) to a paid vacation for a period in each calendar year of four weeks, to be taken at such times as may be approved by MCA.

5. Term. The term of this Agreement shall be from the date of this Agreement to November 15, 1996, and shall thereafter be automatically renewed for successive two year terms; provided, however, that either party may terminate this Agreement at any time upon at least 60 days prior written notice. A determination by MCA to terminate this Agreement may be made only by an affirmative vote of not less than 75% of the members of the Board of Directors of MCA then in office. In the event of such termination by MCA, Employee shall be entitled to severance pay based on his Base Salary at the time of termination, plus a bonus (payable monthly on a pro rata basis) at a rate equal to the average annual bonuses paid to Employee for the two calendar years preceding the date of notice of termination, for a period of 24 months following termination or until November 15, 1996, whichever is later. Such severance pay shall be payable in monthly installments and MCA shall continue the benefits set forth in Sections 4(a) and (b) for the period during which such severance payments are to be made. In addition, this Agreement shall terminate as provided for in Section 7 or upon the death of Employee.

6. Disability.

(a) In the event that Employee becomes Permanently Disabled (as hereinafter defined) during the term of this Agreement, Employee shall continue in the employ of MCA but his compensation hereunder shall be reduced to three-fourths of the Base Salary then in effect as set forth in Section 3(a) hereof, commencing upon the determination of Employee's Permanent Disability and continuing thereafter until the first to occur of (i) 36 months or (ii) the death of Employee; and during such period of time, Employee shall not be entitled to payment of expenses or benefits specified in Section 4 hereof (except for reimbursement of expenses incurred by Employee prior to becoming Permanently Disabled), except that MCA shall continue to provide Employee with the insurance benefits specified in Section 4(b) hereof. The obligation of MCA for continuation of three-fourths of Employee's Base Salary shall be net of payments to Employee from the disability insurance referred to in Section 4(b) hereof .

(b) Definition of Disability. For purposes of this Agreement, the terms "Permanent Disability" or "Permanently Disabled" shall mean three months of substantially continuous disability. Disability shall be deemed "substantially continuous" if, as a practical matter, Employee, by reason of his mental or physical health, is unable to sustain reasonably long periods of substantial performance of his duties. Frequent long illnesses, though different from the preceding illness and though separated by relatively short periods of performance, shall be deemed to be "substantially continuous." Disability shall be determined in good faith by the Board of Directors, whose decision shall be final and binding upon Employee. Employee hereby consents to medical examinations by such physicians and medical consultants as MCA shall, from time to time, require.

7. Termination by MCA. MCA shall have the right to terminate Employee's employment as hereinafter provided.

(a) Termination by MCA for Cause. MCA shall have the right to terminate Employee's employment under this Agreement for Cause by an affirmative vote to so terminate by not less than 75% of the members of MCA's Board of Directors, in which event, no compensation shall be paid or other benefits furnished to Employee after termination for Cause. Termination for Cause shall be effective immediately upon notice sent or given to Employee.

(b) Definition of Cause. For purposes of this Agreement, the term "Cause" shall mean and be strictly limited to: (i) conviction of a crime constituting a felony under state or federal law; (ii) commission of any material act of dishonesty against MCA; or (iii) willful and material breach of this Agreement by Employee.

8. Definition of Change of Control. For purposes of Section 9 of this Agreement, "Change of Control" shall mean: (i) a change of stock ownership of MCA of a nature that would be required to be reported in response to Item 6(a) of Schedule 14A promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and any successor Item of a similar nature; or (ii) the acquisition of beneficial ownership, directly or indirectly, by any person (as such term is used in Sections 13(d) and 14(d)(2) of the Exchange Act) of securities of MCA representing 25% or more of the combined voting power of MCA's then outstanding securities; or (iii) a change during any period of two consecutive years of a majority of the members of the Board of Directors of MCA for any reason, unless the election, or the nomination for election by MCA's shareholders, of each director was approved by a vote of at least two-thirds of the directors then still in office who were directors at the

beginning of the period. Notwithstanding the foregoing, no Change of Control shall be deemed to have occurred in connection with any merger or similar transaction to which MCA is a party if at least one-half of the members of the Board of Directors of the ultimate parent corporation of the surviving corporate group consist of persons who were members of MCA's Board or on the date hereof or persons elected or nominated for election by such persons.

9. Stock Options. In the event that MCA elects to terminate this Agreement pursuant to Section 5 or there shall be a Change of Control of MCA (or in the event MCA breaches this Agreement by termination of Employee without the notice required under Section 5 or without Cause under Section 7), then MCA shall amend all MCA stock options held by him and all restricted stock awards made to him (whether issued subject to forfeiture or to be issued when and if they become vested) so as to (a) cause to vest, immediately prior to the date of such Change in Control or termination of employment, all such then unvested stock options and restricted stock awards, and (b) provide Employee 90 days to exercise such options (or such greater period as may have been provided in the terms of such options). In addition, MCA will, consistent with all applicable laws and regulations, use its reasonable efforts to assist Employee in securing independent third party financing of the funds required by Employee to exercise all vested but unexercised stock options held by him. If such financing is not so obtained by Employee, then MCA shall loan to Employee the funds required by Employee to exercise such options, which loan shall be repayable one year from the date made, will be secured by MCA's common stock purchased upon exercise of such options and will bear interest at the prime rate (floating) of Bank One - Texas, N.A. To the extent that MCA refuses or is unable to comply with the provisions of Section 9(a) hereof, the time period contemplated in Section 9(b) shall commence on the date MCA complies with the provisions of said Section 9(a).

10. Non-competition and Confidentiality.

(a) Non-competition. Employee recognizes and understands that in performing the responsibilities of his employment, he will occupy a position of fiduciary trust and confidence, pursuant to which he will develop and acquire experience and knowledge with respect to MCA's business. It is the expressed intent and agreement of Employee and MCA that such knowledge and experience shall be used exclusively in the furtherance of the interests of MCA and not in any manner which would be detrimental to MCA's interests. Employee further understands and agrees that MCA conducts its business within a specialized market segment throughout the United States, and that it would be detrimental to the interests of MCA if Employee used the knowledge and experience which he currently possesses or which he acquires pursuant to his employment hereunder for the purpose of directly or indirectly competing with MCA, or for the purpose of aiding other persons or entities in so competing with MCA, anywhere in the United States. Employee therefore agrees that so long as he is employed by MCA and for a period of the greater of (i) the time Employee is receiving a salary or severance payments or (ii) the time granted under Section 9 to Employee to exercise stock options if options are exercised or (iii) such time as MCA is loaning money or has a loan outstanding to Employee, unless Employee first secures the written consent of MCA, Employee will not directly or indirectly invest, engage or participate in or become employed by any entity in direct or indirect competition with MCA's business (which shall include the ownership and/or operation of outpatient ambulatory surgical centers and outpatient eye care services and alternate site infusion therapy services) anywhere in the United States, or contract to do so. These non-competition provisions are not to be construed to prohibit Employee from being employed in the health care industry, but rather to permit him to be so employed so long as such employment does not involve Employee's direct or indirect participation in a business which is the same or similar to MCA's business (as defined above). In the event that the provisions of this Section 10 should ever be deemed to exceed the time or geographic limitations permitted by applicable laws, then such provisions shall be reformed to the maximum time or geographic limitations permitted by applicable laws.

(b) Remedies. Employee acknowledges that the restrictions contained in Section 10(a), in view of the nature of the business in which MCA is engaged, are reasonable and necessary to protect the legitimate interests of MCA. Employee understands that the remedies at law for his violations of any of the covenants or provisions of Section 10(a) will be inadequate, that such violation will cause irreparable injury within a short period of time, and that MCA shall be entitled to preliminary injunctive relief against such violation. Such injunctive relief shall be in addition to, and in no way in limitation of, any and all other remedies MCA shall have in law and equity for the enforcement of those covenants and provisions.

11. General Provisions.

(a) Notices. Any notice to be given hereunder by either party to the other may be effected by personal delivery, in writing or by mail, registered or certified, postage prepaid with return receipt requested. Mailed notices shall be addressed to the parties at the addresses set forth below, but each party may change his or its address by written notice in accordance with this Section 11(a). Notices delivered personally shall be deemed communicated as of the actual receipt; mailed notices shall be deemed communicated as of three days after mailing.

If to Employee:	Donald B. Steen 5715 Thomas Court Dallas, Texas 75252
If to MCA:	Medical Care America, Inc. 13455 Noel Road, 20th Floor Dallas, Texas 75240

(b) Partial Invalidity. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall, nevertheless, continue in full force and without being impaired or invalidated in any way.

(c) Governing Agreement. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

(d) Attorneys Fees and Costs. If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other relief to which he or it may be entitled.

(e) Assignment. This Agreement shall inure to the benefit of and bind the parties hereto and their respective legal representatives, successors and assigns.

(f) Entire Agreement. This Agreement supersedes any and all other Agreements, either oral or in writing, between the parties hereto with respect to employment of Employee by MCA and contains all of the covenants and agreements between the parties with respect to such employment. Each party to this Agreement acknowledges that no representations, inducements or agreements, oral or otherwise, have been embodied herein, and no other agreement, statement or promise not contained in this Agreement shall be valid or binding. Any modification of this Agreement will be effective only if it is in writing signed by the party to be charged.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

MEDICAL CARE AMERICA, INC.

By

Name

Title

EMPLOYEE

Donald E. Steen

EXHIBIT 10.24

EMPLOYMENT AGREEMENT

EMPLOYMENT AGREEMENT, dated as of April 24, 1995, by and between COLUMBIA/HCA HEALTHCARE CORPORATION, a Delaware corporation (the "Corporation"), and R. CLAYTON MCWHORTER ("Employee").

W I T N E S S E T H

WHEREAS, the Corporation desires to recognize the outstanding contributions made by Employee to Healthtrust, Inc. - The Hospital Company and to secure the continuation of his services with the Corporation; and

WHEREAS, the Compensation Committee (the "Compensation Committee") of the Board of Directors of the Corporation (the "Board"), by unanimous written consent, authorized and directed the Corporation to enter into an Employment Agreement with Employee;

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises and covenants herein contained, the parties hereto agree as follows:

1. Terms and Duties

(a) The Corporation hereby employs Employee for a term commencing on April 24, 1995, and ending on April 24, 1997 and Employee hereby agrees to serve as Chairman of the Board of the Corporation during said period upon the terms and conditions herein contained. As used in this Agreement, the phrase "term of this Agreement" shall mean the period of time from April 24, 1995, to April 24, 1997, unless the parties agree to extend this Agreement, pursuant to Paragraph 1(c) below, in which case the term of this Agreement shall also include the extension of such period pursuant to such agreement.

(b) During the term of this Agreement, Employee shall perform such duties and assignments for the Corporation as may be determined from time to time by the Chief Executive Officer of the Corporation and as are reasonable and customary for a full-time Chairman of the Board.

(c) The Corporation and Employee hereby acknowledge that this Agreement may be extended for an additional period, provided both parties agree on the terms and conditions in writing at any time prior to April 24, 1997.

2. Minimum Base Compensation, Bonus and Severance Payments

(a) Commencing as of April 24, 1995, the Corporation agrees to pay Employee a base salary (in addition to the other compensation and benefits provided herein) at the rate per year of $800,000.00. Commencing as of July 1, 1995, the Corporation agrees to pay Employee a base salary (in addition to the other compensation and benefits proposed herein) at the rate per year of $600,000.00. Employee's annual base salary payable pursuant to this Paragraph (including any changes thereto pursuant to Paragraph 2(b) below) is hereinafter sometimes referred to as "Employee's Base Compensation". Employee's Base Compensation shall be payable in accordance with the customary payroll practices of the Corporation, but in no event less frequently than monthly. During the term of this Agreement, the Compensation Committee may increase but not decrease Employee's Base Compensation at any time by such amounts as it deems proper.

(b) Employer shall be eligible to receive such bonus awards or other incentive compensation as shall be determined from time to time by the Compensation Committee in its sole discretion. Nothing contained in this Agreement shall preclude the Board from eliminating, reducing or otherwise changing any term or condition of any such bonus award.

(c) The Corporation and the Employee hereby agree to terminate the Severance Protection Agreement (the "Severance Agreement") dated as of October 1, 1994 between Employee and Healthtrust, Inc. - The Hospital Company ("Healthtrust") in consideration of the payment by the Corporation to Employee of the sum of $2,400,000. The payment by the Corporation to the Employee shall be made on or about July 1, 1995. The Employee agrees that acceptance of the $2,400,000 from the Company, or any subsidiary thereof, constitutes the entire obligation of the Company, and any subsidiary thereof, to the Employee and constitutes full settlement of any claim for severance pay under the Severance Agreement. Furthermore, the payment of the sum of $2,400,000 shall be in lieu of any other severance or termination pay to which the Employee may be entitled.

(d) The restricted period with respect to the 20,115 shares of Restricted Stock of the Corporation held by the Employee pursuant to the Healthtrust Restricted Stock Program is hereby accelerated to vest as of July 1, 1995.

3. Participation in Benefit Plans

While employed under this Agreement, Employee shall be eligible to participate in all executive compensation and employee benefit plans or programs generally applicable to senior management employees of the Corporation. Except as otherwise provided herein, any such participation shall be in accordance with the provisions of such plans or programs and nothing contained in this Agreement is intended to or shall be deemed to affect adversely any of the Employee's rights as a participant under any such plan or program. Nothing in this Agreement shall preclude the Corporation from terminating or amending any such plan or program so as to eliminate, reduce or otherwise change any benefit payable thereunder. Notwithstanding the foregoing, Employee shall continue to receive, during the term of this Agreement and at the Corporation's expense, bookkeeping services, an auto allowance, medical spending account benefits, and executive disability benefits substantially similar to those which he was entitled to receive at Healthtrust.

4. Vacation

Employee shall be entitled to vacation in accordance with the policies of the Corporation in effect from time to time.

5. Reimbursement of Business Expenses

Employee is authorized to incur reasonable expenses related to and for promoting the business of the Corporation, including expenses for entertainment, travel and similar items, and any such expenses paid by Employee from his own funds shall be promptly reimbursed to him by the Corporation in accordance with the policies and procedures of the Corporation in effect from time to time.

6. Source of Payments

In any case where coverage or benefits are required to be provided under this Agreement but cannot be provided in accordance with the terms of the Corporation's plans which are maintained for the Corporation's senior executive or other employees generally, or both, such coverage and benefits shall be provided from the general assets of the Corporation. No special or separate fund shall be established and no other segregation of assets shall be made to assure the payment of any such amounts. To the extent that any person acquires a right to receive payments from the Corporation under this Agreement, such right shall be no greater that the right of an unsecured general creditor of the Corporation.

7. Termination by the Corporation of Employee's Employment for Cause

(a) Notwithstanding any other provision of this Agreement, the Corporation shall have the right to terminate Employee's employment upon written notice to Employee that the Board has found, based upon reasonable evidence presented in writing to Employee, that Employee has materially breached this Agreement by engaging in dishonest or fraudulent actions or willful misconduct or has materially harmed the Corporation by performing his duties in a grossly negligent manner. Employee shall upon receipt of such written notice and evidence immediately cease to be an employee of the Corporation.

(b) In case of a termination by the Corporation on account of a breach hereunder pursuant to Paragraph 7(a) above, the Corporation's obligations to Employee under this Agreement shall cease upon the effective date of such termination and the Corporation shall not be liable to continue paying Employee the Employee's Base Compensation nor shall Employee be entitled to any rights or benefits pursuant to Paragraph 3 above, other than as may be provided under the terms of such plans which are generally applicable to participants who have terminated employment under similar circumstances.

8. Disability

(a) In the event of the total disability (as hereinafter defined) of Employee during the term of this Agreement, the Corporation shall continue to pay Employee's Base Compensation and shall continue Employee's participation in its various executive compensation and employee benefit plans and programs pursuant to Paragraph 3 above during the period of his total disability until the end of the term of this Agreement; provided, however, that in the event Employee is totally disabled for a continuous period exceeding one hundred fifty (150) days the Corporation may, at its election, terminate Employee's employment upon thirty (30) days' written notice, in which event Employee shall be entitled to receive the benefits described in Paragraph 8(b) below. As used in this Agreement, the term "total disability" shall mean the complete inability of Employee to perform all of the duties of his position with the Corporation by reason of any physical or mental ailment.

(b) In the event that Employee is totally disabled for a period described in Paragraph 8(a) above and the Corporation elects to terminate Employee's employment, the Corporation shall continue to pay Employee a disability benefit ("Disability Benefit") equal to Employee's Base Compensation in effect at the time of such termination for the greater of (i) the entire term of this Agreement and (ii) one year from the date of termination. Payment of the Disability Benefit under this Paragraph 8(b) shall commence within thirty (30) days of the termination of Employee's employment under Paragraph 8(a) above. In addition, Employee's participation (including dependent coverage) in any life, accident, disability, health and dental insurance plans, and any other similar welfare plans of the Corporation in effect immediately prior to the effective date of the termination shall be continued, or equivalent benefits provided, by the Corporation during the period in which the Disability Benefit is paid at no cost to Employee or his dependents.

(c) If Employee becomes entitled to and receives other disability benefits under any disability payment plan paid for by the Corporation, including disability insurance, the Disability Benefit otherwise payable by the Corporation to Employee pursuant to Paragraph 8(b) above shall be reduced (but not below zero) by the amount of any such other disability benefits received by him, but only to the extent such benefits are attributable to payments made by the Corporation.

9. Death

If Employee should die during the term of this Agreement, the Corporation shall continue to pay his estate or designated beneficiary or beneficiaries a death benefit ("Death Benefit") equal to Employee's Base Compensation in effect at the date of his death for the greater of (i) the entire term of this Agreement or (ii) one year from the date of his death. Payment of the Death Benefit shall commence within thirty (30) days of the date of Employee's death. The Corporation shall also pay Employee's estate or designated beneficiary or beneficiaries such other death benefits as become payable under the terms of such travel accident, life insurance, and employee stock ownership plan, and other executive compensation and employee benefit plans and programs of the Corporation in which Employee was a participant on his date of death. In addition, dependant coverage provided by any life, accident, disability, health and dental insurance plans, and any other similar welfare plans of the Corporation in effect immediately prior to the date of Employee's death shall be continued, or equivalent benefits provided, by the Corporation during the period in which the Death Benefit is paid at no cost to Employee or his dependents.

10. Board Membership

In any instance where employee ceases to be an employee of the Corporation pursuant to Paragraph 7(a) of this Agreement and if Employee is then a member of the Board, Employee hereby agrees that, unless otherwise requested by the Board, he shall simultaneously submit his resignation as a member of the Board in writing on or before the date he ceases to be an employee of the Corporation. If Employee fails or neglects to submit such resignation in writing, this Paragraph 10 may be deemed by the Corporation to constitute Employee's written resignation as a member of the Board effective on the same date that Employee ceases to be an employee of the Corporation. If Employee ceases to be an employee of the Corporation for any other reason, he shall not be required to resign as a member of the Board.

11. Waiver

Failure of either party hereto to insist upon strict compliance by the other party with any term, covenant or condition hereof shall not be deemed a waiver of such term, covenant or condition, nor shall any waiver or relinquishment or failure to insist upon strict compliance of any right or power hereunder at any one time or more times be deemed a waiver or relinquishment of such right or power at any other time or times.

12. Withholding of Taxes

The Corporation may withhold from any benefits payable under this Agreement all federal, state, city or other taxes as shall be required pursuant to any law or governmental regulation or ruling.

13. Facility of Payment

If the Board shall find that any person to whom any amount is or was payable hereunder is unable to care for his affairs because of illness or accident, or is a minor, or has died, then the Board, if it so elects, may direct that any payment due him or his estate (unless a prior claim therefor has been made by a duly appointed legal representative) or any part thereof be paid or applied for the benefit of such person or to or for the benefit of his spouse, children or other dependents, an institution maintaining or having custody of such person, any other person deemed by said Board to be a proper recipient on behalf of such person otherwise entitled to payment, or any of them, in such manner and proportion as the Board may deem proper. Any such payment shall be in complete discharge of the liability of the Corporation therefor.

14. Prior Agreements

This instrument sets forth the entire agreement between the parties hereto with respect to the subject matter hereof.

15. Consolidation or Merger

Nothing in this Agreement shall preclude the Corporation from consolidating or merging into or with, or transferring all or substantially all of its assets to, another corporation or other entity (the "Successor Employer") which assumes this Agreement and all obligations of the Corporation hereunder by operation of law or affirmative action. Upon such a consolidation, merger or transfer of assets and assumption, the term "Corporation" shall refer to the Successor Employer and this Agreement shall continue in full force and effect.

16. Unsecured Creditor Status

Employee shall have no right, title or interest whatsoever in or to any investments which the Corporation may make to aid it in meeting its obligations under this Agreement. Nothing contained in this Agreement, and no action taken pursuant to its provisions, shall create or be construed to create a trust of any kind, or a fiduciary relationship between the Corporation and Employee, his beneficiary, legal representative or any other person. To the extent that any person acquires a right to receive payments from the Corporation under this Agreement, such right shall be no greater than the right of an unsecured general creditor of the Corporation. All payments to be made hereunder shall be paid from the general funds of the Corporation and no special or separate fund shall be established and no segregation of assets shall be made to assure payment of such amounts.

17. Non-Alienation of Benefits

Except insofar as applicable law may otherwise require, no amount payable to or in respect of Employee at any time under this Agreement shall be subject in any manner to alienation by anticipation, sale, transfer, assignment, bankruptcy, pledge, attachment, charge or encumbrance of any kind, and any attempt to so alienate, sell, transfer, assign, pledge, attach, charge or otherwise encumber any such amount, whether presently or thereafter payable shall be void; provided, however, that nothing in this Paragraph 17 shall preclude Employee from designating a beneficiary or beneficiaries to receive any benefit on his death.

18. Benefits

Except as otherwise expressly provided herein, this Agreement shall inure to the benefit of and be binding upon the Corporation, its successors and assigns, and upon Employee, his beneficiaries, heirs, executors and administrators.

19. Amendment

No amendment or modification of this Agreement shall be deemed effective unless and until executed in writing by Employee and the Corporation.

20. Severability

If for any reason any provision of this Agreement shall be held invalid, such invalidity shall not affect any other provision of this Agreement not held so invalid, and all other such provisions shall to the full extent consistent with law continue in full force and effect. If any such provision shall be held invalid in part, such invalidity shall in no way affect the remaining portion of such provision not held so invalid, and the remaining portion of such provision, together with all other provisions of this Agreement, shall likewise to the full extent consistent with law continue in full force and effect.

21. Headings

The headings of paragraphs are included solely for convenience of reference and shall not control the meaning or interpretation of any of the provisions of this Agreement.

22. Governing Law

This Agreement shall be governed by the laws of the State of Tennessee.

23. Notices

Any notices required or desired to be given pursuant to this Agreement shall be sufficient if in writing and transmitted by hand delivery or by registered or certified mail. All communications to Employee shall be addressed to:

R. Clayton McWhorter
400 Hyde Park
Nashville, TN 37215

All communications to the Corporation shall be addressed to:

Richard L. Scott
Columbia/HCA Healthcare Corporation
One Park Plaza
Nashville, TN 37203

Notwithstanding the foregoing, the Corporation and Employee may, by notice in accordance herewith, designate a different address than contained herein.

IN WITNESS WHEREOF, the Corporation has caused its name to be ascribed to this Agreement by its duly authorized representative and Employee has executed this Agreement as of the day and year first above written.

COLUMBIA/HCA HEALTHCARE CORPORATION

BY:_______________________________________

Richard L. Scott

President and Chief Executive Officer

____

R. Clayton McWhorter

EXHIBIT 11

COLUMBIA/HCA HEALTHCARE CORPORATION
COMPUTATION OF EARNINGS PER COMMON
AND COMMON EQUIVALENT SHARE
FOR THE YEARS ENDED DECEMBER 31, 1995, 1994 AND 1993
(DOLLARS IN MILLIONS, EXCEPT PER SHARE AMOUNTS)

	1995	1994	1993
PRIMARY EARNINGS PER COMMON AND COMMON EQUIVALENT SHARE:			
Earnings:			
Income from continuing operations	$ 1,064	$ 929	$ 720
Income from operations of discontinued health plan segment, net of income taxes	-	-	16
Extraordinary charges on extinguishments of debt, net of income tax benefits	(103)	(115)	(97)
Net income	$ 961	$ 814	$ 639
Shares used in the computation (in thousands):			
Weighted average common shares outstanding	443,605	423,225	405,564
Dilutive effect of common stock equivalents	5,109	6,070	7,472
Shares used in computing earnings per common and common equivalent share	448,714	429,295	413,036
Primary earnings per common and common equivalent share:			
Income from continuing operations	$ 2.37	$ 2.16	$ 1.75
Income from operations of discontinued health plan segment	-	-	.04
Extraordinary charges on extinguishments of debt	(.23)	(.27)	(.24)
Net income	$ 2.14	$ 1.89	$ 1.55
FULLY DILUTED EARNINGS PER COMMON AND COMMON EQUIVALENT SHARE:			
Earnings:			
Income applicable to common stock	$ 1,064	$ 929	$ 720
Interest addback on convertible securities, net of income taxes	-	2	3
Adjusted income applicable to common stock	1,064	931	723
Income from operations of discontinued health plan segment, net of income taxes	-	-	16
Extraordinary charges on extinguishments of debt, net of income tax benefits	(103)	(115)	(97)
Net income	$ 961	$ 816	$ 642
Shares used in the computation (in thousands):			
Weighted average common shares outstanding	443,605	423,225	405,564
Dilutive effect of common stock equivalents and other dilutive securities	5,421	7,510	10,624
Shares used in computing earnings per common and common equivalent share	449,026	430,735	416,188
Fully diluted earnings per common and common equivalent share:			
Income from continuing operations	$ 2.37	$ 2.16	$ 1.74
Income from operations of discontinued health plan segment	-	-	.04
Extraordinary charges on extinguishments of debt	(.23)	(.27)	(.23)
Net income	$ 2.14	$ 1.89	$ 1.55

EXHIBIT 12

COLUMBIA/HCA HEALTHCARE CORPORATION
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES
(UNAUDITED)
(DOLLARS IN MILLIONS)

	YEARS ENDED DECEMBER 31,				
	1995	1994	1993	1992	1991
Earnings:					
Income from continuing operations before minority interests and income taxes	$1,892	$1,580	$1,230	$ 652	$ 400
Fixed charges, exclusive of capitalized interest	589	491	497	584	817
	$2,481	$2,071	$1,727	$1,236	$1,217
Fixed charges:					
Interest charged to expense	$ 460	$ 387	$ 415	$ 506	$ 748
One-third of rent expense and amortization of deferred loan costs (a)	129	104	82	78	69
Fixed charges, exclusive of capitalized interest	589	491	497	584	817
Capitalized interest	29	15	22	18	12
	$ 618	$ 506	$ 519	$ 602	$ 829
Ratio of earnings to fixed charges	4.01	4.09	3.33	2.05	1.47

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(a) One-third of rent expense is considered representative of the underlying interest.

EXHIBIT 13

COLUMBIA/HCA HEALTHCARE CORPORATION
SELECTED FINANCIAL DATA
AS OF AND FOR THE YEARS ENDED DECEMBER 31
(DOLLARS IN MILLIONS, EXCEPT PER SHARE AMOUNTS)

	1995	1994	1993	1992	1991
SUMMARY OF OPERATIONS:					
Revenues	$ 17,695	$ 14,543	$ 12,678	$ 12,226	$ 11,722
Salaries and benefits	7,101	5,963	5,202	5,062	4,924
Supplies	2,558	2,144	2,015	1,948	1,774
Other operating expenses	3,418	2,722	2,351	2,292	2,153
Provision for doubtful accounts	998	853	699	652	638
Depreciation and amortization	981	804	689	670	647
Interest expense	460	387	415	506	748
Investment income	(100)	(69)	(74)	(88)	(83)
Merger, facility consolidation and other costs	387	159	151	532	521
	15,803	12,963	11,448	11,574	11,322
Income from continuing operations before minority interests and income taxes	1,892	1,580	1,230	652	400
Minority interests in earnings of consolidated entities	113	40	18	25	24
Income from continuing operations before income taxes	1,779	1,540	1,212	627	376
Provision for income taxes	715	611	492	334	158
Income from continuing operations	1,064	929	720	293	218
Discontinued operations:					
Income (loss) from operations of discontinued health plan segment, net of income tax (benefit)	-	-	16	(108)	16
Costs associated with discontinuance of health plan segment, net of income tax benefit	-	-	-	(17)	-
Extraordinary charges on extinguishments of debt, net of income tax benefits	(103)	(115)	(97)	(23)	(114)
Cumulative effect on prior years of a change in accounting for income taxes	-	-	-	51	-
Net income	$ 961	$ 814	$ 639	$ 196	$ 120
Earnings per common and common equivalent share(a):					
Income from continuing operations	$ 2.37	$ 2.16	$ 1.75	$ .75	$ .59
Discontinued operations:					
Income (loss) from operations of discontinued health					

plan segment..........	-	-	.04	(.27)	.05
Costs associated with discontinuance of health plan segment...	-	-	-	(.05)	-
Extraordinary charges on extinguishments of debt..................	(.23)	(.27)	(.24)	(.06)	(.34)
Cumulative effect on prior years of a change in accounting for income taxes......	-	-	-	.13	-
Net income............	$ 2.14	$ 1.89	$ 1.55	$ .50	$ .30
Shares used in computing earnings per common and common equivalent share (in thousands).........	448,714	429,295	413,036	394,378	334,676
Net cash provided by continuing operations..	$ 2,254	$ 1,747	$ 1,585	$ 1,776	$ 1,607
FINANCIAL POSITION:					
Assets..................	$ 19,892	$ 16,278	$ 12,685	$ 12,773	$ 13,081
Working capital.........	1,462	1,092	835	899	917
Net assets of discontinued operations.............	-	-	-	376	411
Long-term debt, including amounts due within one year........	7,380	5,672	4,682	4,735	6,380
Minority interests in equity of consolidated entities...............	722	278	67	51	44
Stockholders' equity....	7,129	6,090	4,158	4,241	3,219
OPERATING DATA:					
Number of hospitals at end of period..........	319	311	274	281	301
Number of licensed beds at end of period.......	61,347	59,595	53,245	53,457	54,616
Weighted average licensed beds..........	61,617	57,517	53,247	51,955	54,072
Average daily census....	25,917	23,841	22,973	23,569	25,819
Occupancy..............	42%	41%	43%	45%	48%
Admissions.............	1,774,800	1,565,500	1,451,000	1,448,000	1,486,200
Average length of stay (days)................	5.3	5.6	5.8	6.0	6.3

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(a) Earnings per common and common equivalent share include the effect of preferred stock dividend requirements totaling $18 million in 1991.

COLUMBIA/HCA HEALTHCARE CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The Selected Financial Data and the accompanying consolidated financial statements set forth certain information with respect to the financial position, results of operations and cash flows of Columbia/HCA Healthcare Corporation ("Columbia/HCA") which should be read in conjunction with the following discussion and analysis.

BACKGROUND INFORMATION AND BUSINESS STRATEGY

Healthtrust Merger

In April 1995, Columbia/HCA completed a merger transaction with Healthtrust, Inc. -- The Hospital Company ("Healthtrust") (the "Healthtrust Merger"). At the time of the Healthtrust Merger, Healthtrust operated 117 hospitals (excluding 2 hospitals which are accounted for using the equity method) and certain other ancillary health care facilities located in twenty-two states with annual revenues approximating $3.4 billion. For accounting purposes, the Healthtrust Merger was treated as a pooling of interests. Accordingly, the accompanying consolidated financial statements and selected financial and operating data included in this discussion and analysis give retroactive effect to the Healthtrust Merger and include the combined operations of Columbia/HCA and Healthtrust for all periods presented.

MCA Merger

In September 1994, Columbia/HCA completed a merger transaction with Medical Care America, Inc. ("MCA") (the "MCA Merger"). MCA was a national provider of alternative-site health care services through the operation of free-standing surgical centers and certain other outpatient ancillary facilities located in twenty-six states with annual revenues in excess of $400 million. The MCA Merger was accounted for under the purchase method, and accordingly, the accompanying consolidated financial statements and selected financial and operating data included in this discussion and analysis include the operations of MCA since September 1, 1994.

EPIC Merger

Prior to the merger with Columbia/HCA, Healthtrust completed a merger transaction with EPIC Holdings, Inc. ("EPIC") (the "EPIC Merger") in May 1994. EPIC was a health care services provider that owned and operated 32 general acute care hospitals with annual revenues in excess of $1 billion. The EPIC Merger was accounted for under the purchase method, and accordingly, the accompanying consolidated financial statements and selected financial and operating data included in this discussion and analysis include the operations of EPIC since May 1, 1994.

HCA Merger

Columbia Healthcare Corporation ("Columbia") completed a merger transaction with HCA -Hospital Corporation of America ("HCA") (the "HCA Merger") in February 1994. At the time of the HCA Merger, HCA operated 97 hospitals located in twenty-one states with annual revenues in excess of $5 billion. For accounting purposes, the HCA Merger was treated as a pooling of interests. Accordingly, the accompanying consolidated financial statements and selected financial and operating data included in this discussion and analysis give retroactive effect to the HCA Merger and include the combined operations of Columbia and HCA for all periods presented.

Galen Merger

In September 1993, Columbia Hospital Corporation ("CHC") completed a merger transaction with Galen Health Care, Inc. ("Galen") (the "Galen Merger") to form Columbia. At the time of the

BACKGROUND INFORMATION AND BUSINESS STRATEGY (CONTINUED)

Galen Merger, CHC operated 22 hospitals and certain ancillary health care facilities in five major markets located in Florida and Texas. Annual revenues of CHC were in excess of $1 billion. Galen operated 71 hospitals located in eighteen states and two foreign countries with annual revenues of approximately $4 billion. The Galen Merger was accounted for as a pooling of interests. Accordingly, the accompanying consolidated financial statements and selected financial and operating data included in this discussion and analysis give retroactive effect to the Galen Merger and include the combined operations of CHC and Galen for all periods presented.

Spinoff Transaction

Prior to the merger with CHC, Galen became a publicly held corporation on March 1, 1993 as a result of a tax-free spinoff transaction (the "Spinoff") by Humana Inc. ("Humana"). The Spinoff separated Humana's previously integrated hospital and managed care health plan businesses and was effected through the distribution of Galen common stock to then current Humana common stockholders on a one-for-one basis. For accounting purposes, because of the relative significance of the hospital business, the pre-Spinoff financial statements of Galen (and now those of Columbia/HCA) include the separate results of Humana's hospital business, while the operating results and net assets of Humana's managed care health plans have been classified as discontinued operations.

Business Strategy

Columbia/HCA's business strategy centers on working with physicians and other health care providers to develop comprehensive, integrated health care delivery networks in targeted markets. This strategy typically involves significant health care facility acquisition and consolidation activities.

During the past several years, hospital industry inpatient admission trends have been adversely impacted by cost containment efforts initiated by federal and state governments and various third-party payers, including health maintenance organizations, preferred provider organizations, commercial insurance companies and employer-sponsored networks. In addition, a significant number of medical procedures have shifted from inpatient to less expensive outpatient settings as a result of both cost containment pressures and advances in medical technology.

In response to changes in the health care industry, Columbia/HCA has developed the following strategy to provide the highest quality health care services at the lowest possible cost:

Deliver high quality services -- Through the use of clinical information systems and continuous quality enhancement programs, Columbia/HCA focuses on patient outcomes and strives to continuously improve the quality of care and service provided to patients.

Become a significant provider of services -- Columbia/HCA attempts to (i) consolidate services to reduce costs and (ii) develop the geographic coverage necessary for inclusion in managed care and employer-sponsored networks in each market.

Provide a comprehensive range of services -- In addition to the operation of general, acute care hospitals, Columbia/HCA also operates psychiatric and rehabilitation facilities, outpatient sur-gery and diagnostic centers, home health agencies and other services. This strategy enables Columbia/HCA to attract business from managed care plans and major employers seeking efficient access to a wide array of health care services.

COLUMBIA/HCA HEALTHCARE CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

RESULTS OF OPERATIONS

The following is a summary of continuing operations (dollars in millions, except per share amounts).

	1995		1994		1993	
	AMOUNT	RATIO	AMOUNT	RATIO	AMOUNT	RATIO
Revenues	$17,695	100.0	$14,543	100.0	$12,678	100.0
Salaries and benefits	7,101	40.1	5,963	41.0	5,202	41.0
Supplies	2,558	14.5	2,144	14.7	2,015	15.9
Other operating expenses	3,418	19.4	2,722	18.8	2,351	18.6
Provision for doubtful accounts	998	5.6	853	5.9	699	5.5
Investment income	(100)	(0.6)	(69)	(0.5)	(74)	(0.6)
	13,975	79.0	11,613	79.9	10,193	80.4
EBDITA (a)	3,720	21.0	2,930	20.1	2,485	19.6
Depreciation and amortization	981	5.5	804	5.4	689	5.4
Interest expense	460	2.6	387	2.7	415	3.3
Merger and facility consolidation costs	387	2.2	159	1.1	151	1.2
Income from continuing operations before minority interests and income taxes	1,892	10.7	1,580	10.9	1,230	9.7
Minority interests in earnings of consolidated entities	113	0.6	40	0.3	18	0.1
Income from continuing operations before income taxes	1,779	10.1	1,540	10.6	1,212	9.6
Provision for income taxes	715	4.1	611	4.2	492	3.9
Income from continuing operations	$ 1,064	6.0	$ 929	6.4	$ 720	5.7
Earnings per common and common equivalent share:						
Excluding merger and facility consolidation costs	$ 2.90		$ 2.40		$ 1.99	
Merger and facility consolidation costs	(.53)		(.24)		(.24)	
Income from continuing operations	$ 2.37		$ 2.16		$ 1.75	
% changes from prior year:						
Revenues	21.7		14.7		3.7	
EBDITA	27.0		17.9		5.3	
Income from continuing operations before income taxes	15.5		27.1		93.2	
Income from continuing operations	14.6		28.9		146.5	
Earnings per common and common equivalent share	9.7		23.4		133.3	
Other information excluding the effect of merger and facility consolidation costs:						
Income from continuing operations before income taxes	$ 2,166	12.3	$ 1,699	11.7	$ 1,363	10.8
Income from continuing operations	1,299	7.3	1,031	7.1	818	6.5
% changes from prior year:						
Income from continuing						

operations before income taxes....................	27.4	24.7	17.6
Income from continuing operations................	26.0	25.8	15.7
Earnings per common and common equivalent share...	20.8	20.6	10.6

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(a) Income from continuing operations before merger and facility consolidation costs, depreciation, interest, minority interests, income taxes and amortization. Although EBDITA is not a measure of operating performance calculated in accordance with generally accepted accounting principles, it is commonly used as an analytical indicator within the health care provider industry. In addition, EBDITA also serves as a measurement of leverage capacity and debt service ability. EBDITA should not be considered as a measure of profitability or liquidity or as an alternative to net income, cash flows generated by operating, investing or financing activities or other financial statement data presented in the consolidated financial statements as an indicator of financial performance.

RESULTS OF OPERATIONS (CONTINUED)

Years ended 1995 and 1994

Revenues increased 21.7% to $17.7 billion in 1995 compared to the same period last year, primarily as a result of acquisitions (including the EPIC Merger in May 1994 and the MCA Merger in September 1994) and growth in inpatient and outpatient volumes. On a same-hospital basis, revenues increased 10.2%, admissions increased 4.6% and adjusted admissions (adjusted to reflect outpatient activity) increased 8.6% from a year ago. The increase in outpatient activity is primarily a result of expanding home health and other outpatient ancillary services.

Income before income taxes increased to $1.8 billion in 1995 from $1.5 billion in 1994 and pretax margins decreased to 10.1% in 1995 from 10.6% in 1994. Excluding the effect of the merger and facility consolidation costs charged in 1995 and 1994, income before taxes increased 27.4% to $2.2 billion in 1995 from $1.7 billion in 1994 and pretax margins increased to 12.3% in 1995 from 11.7% in 1994. The improvement in pretax income was attributable to the combination of growth in revenues and improvements in the margin. Pretax margins increased due to improvements in productivity and increased discounts on medical supplies. Salaries and benefits declined as a percentage of revenues to 40.1% in 1995 from 41.0% in 1994, and supply costs declined as a percentage of revenues to 14.5% in 1995 compared to 14.7% in 1994. The improvement in pretax margins was partially offset by an increase in other operating expenses as a percentage of revenues to 19.4% in 1995 from 18.8% in 1994. This was due, in part, to the outsourcing of certain services.

Income before extraordinary charges increased 14.6% to $1.1 billion ($2.37 per share) during 1995 compared to $929 million ($2.16 per share) in 1994. Excluding the effects of the merger and facility consolidation costs charged in 1995 and 1994, income before extraordinary charges increased 26.0% to $1.3 billion ($2.90 per share) in 1995 compared to $1.0 billion ($2.40 per share) in 1994.

During 1995, Columbia/HCA recorded $105 million of pretax charges incurred in connection with the Healthtrust Merger. These costs included severance costs, investment advisory fees, and certain charges based upon management's implementation of actions to reduce corporate overhead costs and consolidate management information systems. In addition, pretax charges of $282 million were recorded to writedown assets to estimated net realizable value in connection with management's plans to consolidate duplicative facilities and replace facilities in certain markets.

During 1994, Columbia/HCA recorded $159 million (before income taxes) of merger and facility consolidation costs in connection with the HCA Merger.

In connection with the Healthtrust Merger, approximately $1.8 billion of Healthtrust's debt was refinanced to reduce future interest expense and eliminate certain restrictive covenants, resulting in an after-tax charge of $103 million ($.23 per share).

In connection with the HCA Merger, Columbia/HCA refinanced approximately $2.2 billion of long-term debt resulting in an after-tax charge of $115 million ($.27 per share).

Years ended 1994 and 1993

Revenues increased 14.7% to $14.5 billion in 1994 compared to the same period in 1993, primarily as a result of acquisitions (including the MCA and EPIC Mergers in 1994) and growth in inpatient and outpatient volumes. On a same-hospital basis, admissions increased 1.9% and outpatient visits increased 34.5% compared to the previous year. The increase in outpatient activity is primarily a result of expanding home health and other outpatient ancillary services.

RESULTS OF OPERATIONS (CONTINUED)

Income before income taxes increased to $1.5 billion in 1994 from $1.2 billion in 1993 and pretax margins increased to 10.6% in 1994 from 9.6% in 1993. Excluding the effect of the merger and facility consolidation costs charged in 1994 and 1993, income before taxes increased 24.7% to $1.7 billion in 1994 from $1.4 billion in 1993 and pretax margins increased to 11.7% in 1994 from 10.8% in 1993. The improvement in pretax income was attributable to the combination of growth in revenues and reductions in interest expense resulting from financing activities in 1994. In addition, pretax margins also increased due to increased discounts on medical supplies. Supply costs declined as a percentage of revenues to 14.7% in 1994 compared to 15.9% in 1993.

Income before extraordinary charges increased 28.9% to $929 million ($2.16 per share) during 1994 compared to $720 million ($1.75 per share) in 1993. Excluding the effects of the merger and facility consolidation costs charged in 1994 and 1993, income before extraordinary charges increased 25.8% to $1.0 billion ($2.40 per share) in 1994 compared to $818 million ($1.99 per share) in 1993.

During 1994, Columbia/HCA recorded $159 million (before income taxes) of merger and facility consolidation costs in connection with the HCA Merger. In connection with the Galen Merger, Columbia/HCA recorded charges in 1993 totaling $151 million (before income taxes).

Columbia/HCA incurred extraordinary charges (net of tax benefits) on early extinguishments of debt of $115 million in 1994 and $97 million in 1993.

LIQUIDITY

Cash provided by continuing operations totaled $2.3 billion in 1995 compared to $1.7 billion in 1994 and $1.6 billion in 1993. The increase in 1995 over 1994 is primarily due to the cash generated from the hospitals and health care facilities acquired during 1995.

During 1995, capital expenditures (including acquisitions and investments in and advances to affiliates) exceeded cash provided by continuing operations by approximately $1.2 billion. Additional sources of cash used to fund the capital expenditures include the issuance of long-term debt and commercial paper borrowings. Cash flows were also used in 1995 and 1994 to fund $83 million and $146 million, respectively, of self-insured professional liability risks related to prior years and, in 1993, to finance a payment of $135 million to Humana in connection with the Spinoff.

Working capital totaled $1.5 billion at December 31, 1995 compared to $1.1 billion at December 31, 1994. Management believes that cash flows from operations and amounts available under Columbia/HCA's revolving credit facilities and related commercial paper programs are sufficient to meet expected future liquidity needs.

A substantial portion of the merger and facility consolidation costs recorded during the past three years relate to the writedown of recorded assets and, accordingly, did not have a material adverse effect on cash flows from continuing operations.

Investments of Columbia/HCA's professional liability insurance subsidiary to maintain statutory equity and pay claims totaled $1.2 billion and $973 million at December 31, 1995 and 1994, respectively.

The Company has entered into various joint venture agreements whereby the partners have an option to sell or "put" their interest in the joint ventures back to the Company at prices based on fair value. The combined put price of all negotiated joint ventures is material and could have a significant affect on the Company's liquidity in the event all put options were exercised at the same time.

LIQUIDITY (CONTINUED)

In September 1993, the Board of Directors initiated the payment of a regular quarterly cash dividend of $.03 per common share.

CAPITAL RESOURCES

Excluding acquisitions, capital expenditures totaled $1.5 billion in 1995 compared to $1.2 billion in 1994 and $1.1 billion in 1993. Planned capital expenditures in 1996 are expected to approximate $1.7 billion. Management believes that its capital expenditure program is adequate to expand, improve and equip existing health care facilities.

Columbia/HCA also expended $1.3 billion, $370 million and $167 million for acquisitions (excluding the MCA, EPIC, Healthtrust, HCA and Galen Mergers) during 1995, 1994 and 1993, respectively. In addition, Columbia/HCA acquired investments in and made advances to affiliates for aggregate cash payments of $609 million in 1995 compared to $6 million in 1994 and $12 million in 1993. See Note 9 of the Notes to Consolidated Financial Statements for a description of these activities.

In connection with the MCA Merger consummated in September 1994 (accounted for under the purchase method), Columbia/HCA issued approximately 21.1 million shares of common stock in exchange for all outstanding shares of MCA common stock at an aggregate cost of $912 million.

In connection with the EPIC Merger consummated in May 1994 (accounted for under the purchase method), Healthtrust paid cash in exchange for all outstanding shares of EPIC common stock at an aggregate cost of $266 million. The EPIC Merger was financed through the public offering of 5,262,400 shares of Healthtrust common stock (effected for the Healthtrust Merger exchange ratio), borrowings under bank credit agreements and internally generated funds.

As part of its business strategy, Columbia/HCA intends to acquire additional health care facilities in the future. Since December 31, 1995 (through February 29, 1996), Columbia/HCA has expended $214 million toward the purchase of five hospitals (or a controlling interest therein). These transactions, which will be accounted for under the purchase method, were financed through the use of internally generated funds and issuance of long-term debt.

Columbia/HCA expects to finance all capital expenditures with internally generated and borrowed funds. Available sources of capital include public or private debt, commercial paper, unused bank revolving credits and equity. At December 31, 1995, there were projects under construction which had an estimated additional cost to complete of approximately $923 million.

In connection with the Spinoff, stockholder's equity was reduced by $802 million in 1993 as a result of the following transactions with Humana: (i) distribution of the net assets of the health plan business ($392 million) and the net assets of a hospital facility ($25 million), (ii) payment of cash ($135 million) and (iii) issuance of notes ($250 million). The notes were refinanced in September 1993.

Subsequent to December 31, 1995, Columbia/HCA amended its revolving credit agreements from an aggregate amount of $3.75 billion to $4.0 billion. The Credit Facilities comprise a $2.5 billion five-year revolving credit agreement and a $1.5 billion 364-day revolving credit agreement. The Credit Facilities were established to support Columbia/HCA's commercial paper programs and replace prior revolving credit agreements. As of February 29, 1996, Columbia/HCA had approximately $1.0 billion of credit available under the revolving credit agreements.

CAPITAL RESOURCES (CONTINUED)

Columbia/HCA's credit facilities contain customary covenants which include (i) limitations on additional debt, (ii) limitations on sales of assets, mergers and changes of ownership and (iii) maintenance of certain interest coverage ratios. Columbia/HCA was in compliance with all such covenants at December 31, 1995.

EFFECTS OF INFLATION AND CHANGING PRICES

Various federal, state and local laws have been enacted that, in certain cases, limit Columbia/HCA's ability to increase prices. Revenues for acute care hospital services rendered to Medicare patients are established under the federal government's prospective payment system. Total Medicare revenues approximated 36% of total revenues in 1995, 35% in 1994 and 34% in 1993.

Management believes that hospital industry operating margins have been, and may continue to be, under significant pressure because of deterioration in inpatient volumes, changes in payer mix, and growth in operating expenses in excess of the increase in prospective payments under the Medicare program. Management expects that the average rate of increase in Medicare prospective payments will approximate 2% in 1996. In addition, as a result of increasing regulatory and competitive pressures, Columbia/HCA's ability to maintain operating margins through price increases to non-Medicare patients is limited.

HEALTH CARE REFORM

In recent years, an increasing number of legislative proposals have been introduced or proposed in Congress and in some state legislatures that would significantly affect health care systems in Columbia/HCA's markets. The cost of certain proposals would be funded in significant part by reductions in payments by government programs, including Medicare and Medicaid, to healthcare providers such as hospitals. While the Company is unable to predict which, if any, proposals for healthcare reform will be adopted, there can be no assurance that proposals adverse to the business of Columbia/HCA will not be adopted.

OTHER INFORMATION

In March 1996, the Tax Court ruled in Columbia/HCA's favor that the use of a hybrid (primarily the cash basis) method of accounting by certain of HCA's subsidiaries in calculating taxable income for the years 1981-1986 clearly reflected taxable income. Had the Internal Revenue Service (the "IRS") prevailed on this issue, Columbia/HCA would have owed $614 million in taxes and interest.

In February 1996, Columbia/HCA reached a partial settlement with the IRS in connection with examinations of HCA's federal income tax returns for 1981 through 1988. Issues totaling $486 million in potential taxes and interest payments were settled for approximately $87 million ($75 million paid in March 1994 and $12 million paid in November 1995). The payment and settlement of these items did not have any effect on the results of operations.

Columbia/HCA is currently contesting income taxes and related interest aggregating approximately $600 million proposed by the IRS for prior years. Management believes that final resolution of these disputes will not have a material adverse effect on the financial position, results of operations or liquidity of Columbia/HCA. However, if all or a majority of the positions of the IRS are upheld, the financial position, results of operations and liquidity of Columbia/HCA could be materially adversely affected.

Resolution of various other loss contingencies, including litigation pending against Columbia/HCA in the ordinary course of business, is not expected to have a material adverse effect on its financial position or results of operations.

COLUMBIA/HCA HEALTHCARE CORPORATION
CONSOLIDATED STATEMENT OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 1995, 1994 AND 1993
(DOLLARS IN MILLIONS, EXCEPT PER SHARE AMOUNTS)

	1995	1994	1993
Revenues	$17,695	$14,543	$12,678
Salaries and benefits	7,101	5,963	5,202
Supplies	2,558	2,144	2,015
Other operating expenses	3,418	2,722	2,351
Provision for doubtful accounts	998	853	699
Depreciation and amortization	981	804	689
Interest expense	460	387	415
Investment income	(100)	(69)	(74)
Merger and facility consolidation costs	387	159	151
	15,803	12,963	11,448
Income from continuing operations before minority interests and income taxes	1,892	1,580	1,230
Minority interests in earnings of consolidated entities	113	40	18
Income from continuing operations before income taxes	1,779	1,540	1,212
Provision for income taxes	715	611	492
Income from continuing operations	1,064	929	720
Income from operations of discontinued health plan segment, net of income taxes of $9	-	-	16
Extraordinary charges on extinguishments of debt, net of income tax benefits of $67 in 1995, $72 in 1994 and $59 in 1993	(103)	(115)	(97)
Net income	$ 961	$ 814	$ 639
Earnings per common and common equivalent share:			
Income from continuing operations	$ 2.37	$ 2.16	$ 1.75
Income from operations of discontinued health plan segment	-	-	.04
Extraordinary charges on extinguishments of debt	(.23)	(.27)	(.24)
Net income	$ 2.14	$ 1.89	$ 1.55
Shares used in computing earnings per common and common equivalent share (in thousands)	448,714	429,295	413,036

The accompanying notes are an integral part of the consolidated financial statements.

COLUMBIA/HCA HEALTHCARE CORPORATION
CONSOLIDATED BALANCE SHEET
DECEMBER 31, 1995 AND 1994
(DOLLARS IN MILLIONS, EXCEPT PER SHARE AMOUNTS)

	1995	1994
ASSETS		
Current assets:		
Cash and cash equivalents	$ 232	$ 68
Accounts receivable, less allowances for doubtful accounts of $901 -- 1995 and $784 -- 1994	2,665	2,346
Inventories	406	373
Income taxes receivable	113	15
Other	784	545
	4,200	3,347
Property and equipment, at cost:		
Land	926	874
Buildings	6,649	6,086
Equipment	5,826	5,175
Construction in progress (estimated cost to complete and equip after December 31, 1995 -- $923)	914	478
	14,315	12,613
Accumulated depreciation	(4,564)	(3,987)
	9,751	8,626
Investments of professional liability insurance subsidiary	1,071	888
Investments in and advances to affiliates	1,021	110
Intangible assets net of accumulated amortization of $426 -- 1995 and $310 -- 1994	3,497	3,058
Other	352	249
	$19,892	$16,278
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 829	$ 609
Accrued salaries	520	391
Other accrued expenses	1,146	1,131
Long-term debt due within one year	243	124
	2,738	2,255
Long-term debt	7,137	5,548
Deferred taxes and other liabilities	2,166	2,107
Minority interests in equity of consolidated entities	722	278
Stockholders' equity:		
Common stock $.01 par; authorized 800,000,000 voting shares and 25,000,000 nonvoting shares; issued and outstanding 431,699,700 voting shares and 14,119,000 nonvoting shares -- 1995 and 427,837,300 voting shares and 14,119,000 nonvoting shares -- 1994	4	4
Capital in excess of par value	4,499	4,405
Other	60	23
Retained earnings	2,566	1,658
	7,129	6,090
	$19,892	$16,278

The accompanying notes are an integral part of the consolidated financial statements.

COLUMBIA/HCA HEALTHCARE CORPORATION
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 1995, 1994 AND 1993
(DOLLARS IN MILLIONS)

	COMMON STOCK SHARES (000)	COMMON STOCK PAR VALUE	CAPITAL IN EXCESS OF PAR VALUE	OTHER	RETAINED EARNINGS	TOTAL
Balances, December 31, 1992.	403,086	$ 4	$ 3,113	$ 66	$ 1,058	$4,241
Net income................					639	639
Cash dividends............					(9)	(9)
Stock options exercised and related tax benefits, net of shares tendered in partial payment therefor.	4,099		72	(35)		37
Spinoff transaction with Humana Inc.:						
Cash payment to Humana Inc....................					(135)	(135)
Noncash transactions:						
Issuance of notes payable..............					(250)	(250)
Distribution of net investment in discontinued health plan operations.......					(392)	(392)
Transfer of a hospital facility.............					(25)	(25)
Net unrealized gains on investment securities....				27		27
Other.....................	918		25			25
Balances, December 31, 1993.	408,103	4	3,210	58	886	4,158
Net income................					814	814
Cash dividends					(42)	(42)
Issuance of common stock..	26,356		1,066			1,066
Stock options exercised and related tax benefits, net of shares tendered in partial payment therefor.	1,898		46	(16)		30
Net unrealized losses on investment securities....				(30)		(30)
Other.....................	5,599		83	11		94
Balances, December 31, 1994.	441,956	4	4,405	23	1,658	6,090
Net income................					961	961
Cash dividends............					(53)	(53)
Stock options exercised and related tax benefits, net of shares tendered in partial payment therefor.	3,458		100	(7)		93
Net unrealized gains on investment securities....				31		31
Other.....................	405		(6)	13		7
Balances, December 31, 1995.	445,819	$ 4	$ 4,499	$ 60	$ 2,566	$7,129

The accompanying notes are an integral part of the consolidated financial statements.

COLUMBIA/HCA HEALTHCARE CORPORATION
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 1995, 1994 AND 1993
(DOLLARS IN MILLIONS)

	1995	1994	1993
Cash flows from continuing operations:			
Net income	$ 961	$ 814	$ 639
Adjustments to reconcile net income to net cash provided by operating activities:			
Minority interests	71	39	17
Merger and facility consolidation costs	302	95	89
Depreciation and amortization	981	804	689
Deferred income taxes	15	27	(58)
Change in operating assets and liabilities:			
(Increase) decrease in accounts receivable	(198)	(99)	12
Increase in inventories and other assets	(174)	(80)	(9)
Increase (decrease) in income taxes	(121)	1	(4)
Increase (decrease) in other liabilities	218	(67)	2
Extraordinary charges on extinguishments of debt	170	187	156
Other	29	26	52
Net cash provided by continuing operations	2,254	1,747	1,585
Cash flows from investing activities:			
Purchase of property and equipment	(1,527)	(1,206)	(1,066)
Cash acquired in connection with Medical Care America, Inc. merger transaction	-	106	-
Acquisition of EPIC Holdings, Inc	-	(221)	-
Acquisition of hospitals and health care facilities	(1,333)	(370)	(167)
Sale of assets	334	88	298
Investments in and advances to affiliates	(609)	(6)	(12)
Change in other investments	(283)	(226)	21
Other	(182)	(111)	(41)
Net cash used in investing activities	(3,600)	(1,946)	(967)
Cash flows from financing activities:			
Issuance of long-term debt	2,257	2,361	2,113
Net change in commercial paper borrowings and lines of credit	1,230	1,148	342
Repayment of long-term debt	(1,969)	(3,724)	(2,973)
Payment to Humana Inc. in spinoff transaction	-	-	(135)
Payment of cash dividends	(50)	(36)	(40)
Issuance of common stock	42	191	43
Other	-	(21)	(34)
Net cash provided by (used in) financing activities	1,510	(81)	(684)
Change in cash and cash equivalents	164	(280)	(66)
Cash and cash equivalents at beginning of period	68	348	414
Cash and cash equivalents at end of period	$ 232	$ 68	$ 348
Interest payments	$ 479	$ 404	$ 375
Income tax payments, net of refunds	748	508	484

The accompanying notes are an integral part of the consolidated financial statements.

NOTE 1 -- ACCOUNTING POLICIES

Reporting Entity

Columbia/HCA Healthcare Corporation ("Columbia/HCA") is a Delaware corporation that operates hospitals and ancillary health care facilities through (i) wholly owned subsidiaries, (ii) joint ventures or (iii) ownership of interests in various partnerships in which subsidiaries of Columbia/HCA serve as the managing general partner. Columbia/HCA owns and operates 319 hospitals and more than 130 ambulatory surgery centers. Columbia/HCA is also a partner in several 50/50 joint ventures that own and operate 19 hospitals and 3 ambulatory surgery centers which are accounted for using the equity method. The hospitals and surgery centers are located in 36 states, England and Switzerland.

On April 24, 1995, Columbia/HCA completed a merger transaction with Healthtrust, Inc. -- The Hospital Company ("Healthtrust") (the "Healthtrust Merger"). See Note 2 for a description of the specific terms of the Healthtrust Merger.

On September 16, 1994, Columbia/HCA completed a merger transaction with Medical Care America, Inc. ("MCA") (the "MCA Merger"). See Note 3 for a description of the specific terms of the MCA Merger.

On May 5, 1994, Healthtrust completed a merger transaction with EPIC Holdings, Inc. ("EPIC") (the "EPIC Merger"). See Note 4 for a description of the specific terms of the EPIC Merger.

On February 10, 1994, Columbia Healthcare Corporation ("Columbia") completed a merger transaction with HCA -- Hospital Corporation of America ("HCA") (the "HCA Merger"). In connection with the transaction, Columbia changed its name to Columbia/HCA. See Note 5 for a description of the specific terms of the HCA Merger.

Columbia was formed on September 1, 1993 as a result of a merger involving Columbia Hospital Corporation ("CHC") and Galen Health Care, Inc. ("Galen") (the "Galen Merger"). See Note 6 for a description of the specific terms of the Galen Merger.

Basis of Presentation

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

The consolidated financial statements include all subsidiaries and less than 100% owned entities controlled by Columbia/HCA. Significant intercompany transactions have been eliminated. Investments which Columbia/HCA does not control, but in which it has a substantial ownership interest and can exercise significant influence, are accounted for using the equity method.

The MCA and EPIC Mergers and various other acquisitions and joint venture transactions have been accounted for under the purchase method. Accordingly, the accounts of these entities have been consolidated with those of Columbia/HCA for periods subsequent to the acquisition of controlling interest.

The Healthtrust, HCA and Galen Mergers have been accounted for by the pooling-of-interests method. Accordingly, the consolidated financial statements give retroactive effect to these transactions and include the combined operations of Healthtrust, HCA, Galen and CHC for all periods presented. In addition, the historical financial information related to Healthtrust and Galen (which prior to the respective mergers were reported on a fiscal year ending August 31) have been recast to conform to Columbia/HCA's annual reporting period ending December 31.

NOTE 1 -- ACCOUNTING POLICIES (CONTINUED)

Revenues

Columbia/HCA's health care facilities have entered into agreements with third-party payers, including government programs and managed care health plans, under which Columbia/HCA is paid based upon established charges, cost of providing services, predetermined rates by diagnosis, fixed per diem rates or discounts from established charges.

Revenues are recorded at estimated amounts due from patients and third-party payers for the health care services provided, including anticipated settlements under reimbursement agreements with third-party payers.

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with a maturity of three months or less when purchased. Carrying values of cash and cash equivalents approximate fair value due to the short-term nature of these instruments.

Accounts Receivable

Accounts receivable consist primarily of amounts due from the Medicare and Medicaid programs, other government programs, managed care health plans, commercial insurance companies and individual patients.

Inventories

Inventories are stated at the lower of cost (first-in, first-out) or market.

Property and Equipment

Depreciation expense, computed by the straight-line method, was $859 million in 1995, $722 million in 1994 and $631 million in 1993. Columbia/HCA uses component depreciation for buildings. Depreciation rates for buildings are equivalent to useful lives ranging generally from 20 to 25 years. Estimated useful lives of equipment vary generally from 3 to 10 years.

Investments

On December 31, 1993, Columbia/HCA adopted the provisions of Statement of Financial Accounting Standards No. 115, "Accounting for Certain Investments in Debt and Equity Securities" ("SFAS 115"), which requires that investments in debt and equity securities be classified according to certain criteria.

Intangible Assets

Intangible assets consist primarily of costs in excess of the fair value of identifiable net assets of acquired entities and are amortized using the straight-line method generally over periods ranging from 30 to 40 years for hospital acquisitions and periods ranging from 5 to 20 years for physician practice, home health and clinic acquisitions. To the extent that operating results indicate the probability that the carrying values of certain long-lived assets and the related identifiable intangible assets have been impaired, Columbia/HCA would prepare projections of the undiscounted cash flows from operations of the acquired entity over the remaining amortization period. If the projections indicated that the recorded cost would not be recoverable, such cost amounts would be reduced to estimated fair value.

NOTE 1 -- ACCOUNTING POLICIES (CONTINUED)

Noncompete and debt issuance costs are amortized based upon the lives of the respective contracts or loans.

Professional Liability Insurance Claims

Provisions for loss for professional liability risks are based upon actuarially determined estimates. To the extent that subsequent claims information varies from management's estimates, earnings are charged or credited.

Minority Interests in Consolidated Entities

The consolidated financial statements include all assets, liabilities, revenues and expenses of less than 100% owned entities controlled by Columbia/HCA. Accordingly, management has recorded minority interests in the earnings and equity of such entities.

Columbia/HCA is a party to several partnership agreements which generally include provisions for the redemption of minority interests using specified valuation techniques.

Earnings per Common and Common Equivalent Share

Earnings per common and common equivalent share are based upon the weighted average number of common shares outstanding adjusted for the dilutive effect of common stock equivalents, consisting primarily of stock options.

Fully diluted earnings per common and common equivalent share are not presented because such amounts approximate earnings per common and common equivalent share.

Newly Issued Accounting Standards

In October 1995, Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation" ("SFAS 123"), was issued which, if elected, would require companies to use a new fair value method of valuing stock-based compensation plans. Columbia/HCA has elected to continue following present accounting rules under Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" which uses an intrinsic value method and often results in no compensation expense. However, in 1996, in accordance with SFAS 123, Columbia/HCA will provide pro forma disclosure of what net income and earnings per share would have been had the new fair value method been used.

In March 1995, Statement of Accounting Standards No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of" ("SFAS 121"), was issued. SFAS 121 requires impairment losses to be recorded on long-lived assets used in operations when indicators of impairment are present and the undiscounted cash flows estimated to be generated by those assets are less than the assets' carrying amount. SFAS 121 also addresses the accounting for long-lived assets that are expected to be disposed of. Columbia/HCA will adopt SFAS 121 in the first quarter of 1996 and, based on current circumstances, does not believe the effect of adoption will be material.

Reclassifications

Certain prior year amounts have been reclassified to conform to the 1995 presentation.

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NOTE 2 -- HEALTHTRUST MERGER

The Healthtrust Merger was consummated on April 24, 1995. Shares of Healthtrust common stock were converted on a tax-free basis into approximately 80,411,800 shares of Columbia/HCA voting common stock (an exchange ratio of 0.88 of a share of Columbia/HCA common stock for each share of Healthtrust common stock).

The Healthtrust Merger has been accounted for as a pooling of interests, and accordingly, the consolidated financial statements give retroactive effect to the Healthtrust Merger and include the combined operations of Columbia/HCA and Healthtrust for all periods presented. The following is a summary of the results of operations of the separate entities for periods prior to the Healthtrust Merger (dollars in millions):

	COLUMBIA/HCA	HEALTHTRUST	POOLING ADJUSTMENTS	COMBINED
Three months ended March 31, 1995 (unaudited):				
Revenues.....................	$ 3,337	$1,043	$ -	$ 4,380
Net income...................	292	66	-	358
1994:				
Revenues.....................	$11,132	$3,430	$(19)	$14,543
Income from continuing operations.......................	745	186	(2)	929
Net income...................	630	186	(2)	814
1993:				
Revenues.....................	$10,252	$2,443	$(17)	$12,678
Income from continuing operations.......................	575	147	(2)	720
Net income...................	507	134	(2)	639

Pooling adjustments have been recorded to eliminate revenues and expenses associated with computer information services provided to Healthtrust by Columbia/HCA and to eliminate discounting of Healthtrust professional liability loss provisions to conform to the Columbia/HCA method.

NOTE 3 -- MCA MERGER

The MCA Merger was consummated on September 16, 1994. MCA was a national provider of health care services through the operation of freestanding surgical facilities.

In connection with the MCA Merger, all outstanding shares of MCA common stock were converted on a tax-free basis into approximately 21,093,600 shares of Columbia/HCA voting common stock (an exchange ratio of 0.7042 of a share of Columbia/HCA common stock for each share of MCA common stock). The following is a summary of the aggregate purchase price (dollars in millions, except per share data):

Fair value of Columbia/HCA common stock ($42.25 per share) issued in exchange for all outstanding MCA common stock......................	$ 891
Fair value of options to purchase Columbia/HCA common stock issued in exchange for all outstanding options to purchase MCA common stock...	15
Transaction costs...	6
	$ 912

NOTE 3 -- MCA MERGER (CONTINUED)

The MCA Merger has been accounted for by the purchase method, and accordingly, the accounts of MCA have been consolidated with those of Columbia/HCA since September 1, 1994. The excess of the aggregate purchase price over the estimated fair value of net assets acquired (including property and equipment of $217 million) approximated $903 million. See Note 10 for pro forma information.

NOTE 4 -- EPIC MERGER

The EPIC Merger was completed on May 5, 1994. EPIC was a health care services provider that owned and operated 32 general acute care hospitals.

In connection with the EPIC Merger, EPIC stockholders were paid $7.00 for each outstanding share of EPIC common stock (an aggregate cost of $266 million, including transaction costs). In addition, Healthtrust assumed approximately $713 million of EPIC long-term debt, of which approximately $681 million was refinanced. The EPIC Merger was financed through the public offering of 5,262,400 shares of Healthtrust common stock (effected for the Healthtrust Merger exchange ratio), borrowings under bank credit agreements and internally generated funds.

The EPIC Merger has been accounted for under the purchase method, and accordingly, the accounts of EPIC have been consolidated with those of Columbia/HCA since May 1, 1994. The excess of the aggregate purchase price over the estimated fair value of net assets acquired (including property and equipment of $516 million) approximated $577 million. See Note 10 for pro forma information.

NOTE 5 -- HCA MERGER

The HCA Merger was completed on February 10, 1994. In connection with the HCA Merger, Columbia stockholders approved an amendment to Columbia's Certificate of Incorporation changing the name of the corporation to "Columbia/HCA Healthcare Corporation". HCA was then merged into a wholly owned subsidiary of Columbia/HCA. Shares of HCA Class A voting common stock and Class B nonvoting common stock were converted on a tax-free basis into approximately 166,846,000 shares of Columbia/HCA voting common stock and approximately 18,990,000 shares of Columbia/HCA nonvoting common stock, respectively (an exchange ratio of 1.05 shares of Columbia/HCA common stock for each share of HCA voting and nonvoting common stock). The HCA Merger has been accounted for as a pooling of interests, and accordingly, the consolidated financial statements give retroactive effect to the HCA Merger and include the combined operations of Columbia and HCA for all periods presented.

NOTE 6 -- GALEN MERGER

The Galen Merger was consummated effective as of September 1, 1993. In connection with the Galen Merger, CHC, a Nevada corporation, was merged into Columbia. Each CHC share of common stock was converted on a tax-free basis into one share of Columbia common stock. Immediately subsequent thereto, a wholly owned subsidiary of Columbia was merged into Galen, at which time Galen became a wholly owned subsidiary of Columbia. In connection with this transaction, Columbia issued approximately 123,830,000 shares of common stock in a tax-free exchange for all of the outstanding common shares of Galen (an exchange ratio of 0.775 of a share of Columbia common stock for each share of Galen common stock). The Galen Merger has been accounted for as a pooling of interests, and accordingly, the consolidated financial statements give retroactive effect to the Galen Merger and include the combined operations of CHC and Galen for all periods presented.

NOTE 7 -- SPINOFF TRANSACTION AND DISCONTINUED OPERATIONS

Prior to the Galen Merger, Galen began operating its hospital business as an independent publicly held corporation on March 1, 1993 as a result of a tax-free spinoff transaction (the "Spinoff") by Humana Inc. ("Humana"), which retained its managed care health plan business. The Spinoff separated Humana's previously integrated hospital and managed care health plan businesses and was effected through the distribution of Galen common stock to then current Humana common stockholders on a one-for-one basis.

For accounting purposes, because of the relative significance of the hospital business, the pre-Spinoff consolidated financial statements of Galen (and now those of Columbia/HCA) include the separate results of Humana's hospital business, while the operations and net assets of Humana's managed care health plans have been classified as discontinued operations.

In connection with the Spinoff, Galen entered into various agreements with Humana which were intended to facilitate orderly changes for both the hospital and managed care health plan businesses in a way which would be minimally disruptive to each entity.

Revenues of the discontinued managed care health plan business (included in discontinued operations in the accompanying consolidated statement of income) were $523 million in 1993.

NOTE 8 -- MERGER AND FACILITY CONSOLIDATION COSTS

1995

In the second quarter of 1995 Columbia/HCA recorded the following pretax charges in connection with the Healthtrust Merger and certain facility consolidation costs (dollars in millions):

Employee benefit and certain severance actions	$ 46
Investment advisory and professional fees	14
Costs of information systems consolidations, primarily related to the writedown of assets	19
Other	26
	105
Writedown of assets in connection with consolidation of duplicative facilities and facility replacements	282
	$387

The writedown of assets relates to management's assessment of certain markets in which there exists duplication of services and excess capacity in hospital facilities. In the identified markets, Columbia/HCA expects to be able to provide services more cost effectively by eliminating the fixed costs of the facilities being closed and applying the fixed costs of the other facilities to a larger patient base. The charge that was incurred is the amount considered necessary to record the identified assets at their estimated net realizable value and is substantially a non-cash charge. Columbia/HCA expects to have all replacement facilities in progress and to have completed the identified facility consolidations within twelve months.

NOTE 8 -- MERGER AND FACILITY CONSOLIDATION COSTS (CONTINUED)

1994

In the first quarter of 1994, the following pretax charges were recorded in connection with the HCA Merger (dollars in millions):

Employee benefit and certain severance actions	$ 40
Investment advisory and professional fees	12
Writedown of assets in connection with consolidation of duplicative facilities	53
Costs of information systems consolidations, primarily related to the writedown of assets	42
Other	12
	$159

1993

In the third quarter of 1993, the following pretax charges were recorded in connection with the Galen Merger (dollars in millions):

Employee benefit and certain severance actions	$ 47
Investment advisory and professional fees	15
Writedown of assets in connection with consolidation of duplicative facilities	63
Administrative facility asset writedowns and conversion costs associated with the transaction	16
Provision for loss on planned sales of assets	10
	$151

NOTE 9 -- OTHER BUSINESS COMBINATIONS

During the past three years, Columbia/HCA has acquired various hospitals and related ancillary health care facilities (or controlling interests in such facilities), all of which have been accounted for by the purchase method. Accordingly, the aggregate purchase price of these transactions has been allocated to tangible and identifiable intangible assets acquired and liabilities assumed based upon their respective fair values. The consolidated financial statements include the accounts of acquired entities since the respective acquisition dates.

The following is a summary of acquisitions consummated during the last three years under the purchase method of accounting (excluding the MCA and EPIC Mergers) (dollars in millions):

	1995	1994	1993
Number of hospitals	29	12	6
Number of licensed beds	5,647	3,065	1,297
Purchase price information:			
Fair value of assets acquired	$ 1,816	$ 608	$ 254
Fair value of liabilities assumed	(148)	(63)	(50)
Net assets acquired	1,668	545	204
Net assets sold in exchange for acquired properties	-	(45)	-
Contributions from minority partners	(331)	(124)	(28)
Other	(4)	(6)	(9)
Net cash paid	$ 1,333	$ 370	$ 167

The purchase price paid in excess of the fair value of identifiable net assets of acquired entities included in the table above aggregated $418 million in 1995, $118 million in 1994 and $18 million in 1993.

The pro forma effect of these acquisitions on Columbia/HCA's results of operations prior to consummation was not significant.

NOTE 10 -- PRO FORMA INFORMATION

The following unaudited pro forma information reflects the combined operating results of Columbia/HCA, MCA and EPIC as if the MCA Merger and EPIC Merger had occurred at the beginning of the periods indicated (dollars in millions, except per share data).

	1994	1993
Revenues	$15,222	$14,157
Income from continuing operations	950	711
Net income	923	528
Earnings per common and common equivalent share:		
Income from continuing operations	$ 2.13	$ 1.60
Net income	2.07	1.18

NOTE 11 -- INCOME TAXES

Provision for income taxes consists of the following (dollars in millions):

	1995	1994	1993
Current:			
Federal	$594	$447	$463
State	106	83	89
	700	530	552
Deferred:			
Federal	12	70	(60)
State	3	11	-
	15	81	(60)
	$715	$611	$492

A reconciliation of the federal statutory rate to the effective income tax rate follows:

	1995	1994	1993
Federal statutory rate	35.0%	35.0%	35.0%
State income taxes, net of federal income tax benefit	4.0	4.0	4.7
Costs in excess of net assets acquired	1.6	1.3	1.2
Other items, net	(0.4)	(0.6)	(0.4)
Effective income tax rate	40.2%	39.7%	40.5%

A summary of deferred income taxes by source included in the consolidated balance sheet at December 31 follows (dollars in millions):

	1995		1994	
	ASSETS	LIABILITIES	ASSETS	LIABILITIES
Depreciation	$ -	$ 870	$ -	$ 887
Long-term debt	-	21	-	22
Professional liability risks	409	-	366	-
Doubtful accounts	216	-	216	-
Property losses	34	-	46	-
Cash basis	-	18	-	39
Compensation	55	-	63	-
Capitalized leases	19	-	19	-
Other	335	350	362	346
	$1,068	$1,259	$1,072	$1,294

Deferred income taxes totaling $379 million and $314 million at December 31, 1995 and 1994, respectively, are included in other current assets. Noncurrent deferred income taxes, included in deferred taxes and other liabilities, totaled $570 million and $536 million at December 31, 1995 and 1994, respectively.

At December 31, 1995, federal and state net operating loss carryforwards (expiring in years 1996 through 2011) available to offset future taxable income approximated $99 million and $446 million, respectively. Utilization of net operating loss carryforwards in any one year may be limited and, in certain cases, result in a reduction of intangible assets. Net deferred tax assets included in the table above related to such carryforwards are not significant.

NOTE 11 -- INCOME TAXES (CONTINUED)

The Internal Revenue Service (the "IRS") has issued statutory notices of deficiency in connection with its examination of HCA's federal income tax returns for 1981 through 1988. Columbia/HCA is currently contesting these claimed deficiencies in the United States Tax Court. The IRS has proposed certain adjustments in connection with its examination of HCA's 1989 and 1990 federal income tax returns. Columbia/HCA is currently contesting the 1989 and 1990 adjustments with the IRS. In August 1995, the IRS issued a statutory notice of deficiency in connection with its examination of HCA's 1991 federal income tax return. Columbia/HCA is currently contesting the 1991 claimed deficiency in the United States Court of Federal Claims. The following is a discussion of certain disputed items and information on the settlement of certain items.

1981-1988 Tax Litigation

A Tax Court decision is expected in 1996 regarding disputes over the valuation of the Healthtrust preferred stock and stock purchase warrants HCA received in connection with the sale of certain of its subsidiaries to Healthtrust in 1987, HCA's method of calculating its deduction for doubtful accounts, the depreciable lives utilized by HCA for constructed hospital facilities, investment tax credits, vacation pay deductions and income from foreign operations. The IRS is claiming an additional $190 million in income taxes and $256 million in interest through December 31, 1995 with respect to these issues.

A Tax Court decision is also expected in 1996 regarding HCA's claim that insurance premiums paid to its wholly owned insurance subsidiary ("Parthenon") are deductible. Through December 31, 1995, Columbia/HCA is seeking a refund totaling $63 million in income taxes and $122 million in interest.

Leveraged Buy-out Expenses

The IRS has proposed the capitalization of various expenses incurred in connection with HCA's 1989 leveraged buy-out transaction, which HCA deducted in calculating taxable income for the years 1989-1991. If the IRS prevails on these issues, Columbia/HCA would owe additional income taxes of $95 million and interest of $50 million through December 31, 1995.

Tax Court Decision-Method of Accounting

In March 1996, the Tax Court ruled in Columbia/HCA's favor that the use of a method of accounting, primarily based upon the cash method, by certain of HCA's subsidiaries in calculating taxable income for the years 1981-1986 clearly reflected taxable income. Had the IRS prevailed on this issue, Columbia/HCA would have owed $68 million in income taxes and $546 million in interest as of December 31, 1995. This ruling did not have any effect on the results of operations.

Partial Settlement

In February 1996, HCA and the IRS filed a stipulation of settled issues with the Tax Court regarding the 1981-1988 tax litigation. As a result of the partial settlement, the following issues have been resolved: (1) in connection with hospitals acquired by HCA in 1981 and 1985, the allocation of costs to identifiable intangibles with ascertainable useful lives and to goodwill; (2) HCA's use of straight-line rather than accelerated depreciation to calculate its basis in the stock of the subsidiaries sold to Healthtrust in 1987; and (3) certain investment tax and foreign tax credits which had been previously disallowed by the IRS. Had the IRS prevailed on these issues, Columbia/HCA would have owed an additional $197 million in income taxes and $289 million in interest as of December 31, 1995. Columbia/HCA paid $38 million in income taxes and $49

NOTE 11 -- INCOME TAXES (CONTINUED)

million of interest ($75 million paid in March 1994 and $12 million paid in November 1995) in settlement of these issues. The payment and settlement of these items did not have any effect on the results of operations.

Management believes that HCA properly reported its income and paid its taxes in accordance with applicable laws and agreements established with the IRS during previous examinations, and that final resolution of these disputes will not have a material adverse effect on the results of operations or financial position of Columbia/HCA.

NOTE 12 -- PROFESSIONAL LIABILITY RISKS

Columbia/HCA insures a substantial portion of its professional liability risks through a wholly owned insurance subsidiary. Provisions for such risks underwritten by the subsidiary, including expenses incident to claim settlements, were $177 million for 1995, $134 million for 1994 and $132 million for 1993. Amounts funded to the insurance subsidiary were $270 million for 1995 (including $83 million of previously unfunded risks related to prior years), $253 million for 1994 (including $146 million related to prior years) and $62 million for 1993.

Allowances for professional liability risks, included principally in deferred taxes and other liabilities, were $1.2 billion at both December 31, 1995 and 1994.

Columbia/HCA adopted the provisions of SFAS 115 on December 31, 1993. Accordingly, stockholders' equity was increased by $27 million (net of deferred income taxes) to reflect the net unrealized gain on investments (all held by the wholly owned insurance subsidiary) classified as available for sale. The adoption of SFAS 115 had no effect on earnings in 1993. During 1995 and 1994, stockholders' equity was increased by $31 million and decreased by $30 million, respectively, to reflect the change in net unrealized holding gains and losses on securities classified as available for sale. Prior to 1995 Columbia/HCA classified certain debt securities as held to maturity (none of which were sold or transferred before actual maturity). Columbia/HCA no longer classifies debt securities as held to maturity.

NOTE 12 -- PROFESSIONAL LIABILITY RISKS (CONTINUED)

A summary of the insurance subsidiary's investments at December 31 follows (dollars in millions):

	1995			
	AMORTIZED COST	UNREALIZED AMOUNTS GAINS	UNREALIZED AMOUNTS LOSSES	FAIR VALUE
Available for sale:				
Fixed maturities:				
United States Government	$ 23	$ 1	$ -	$ 24
States and municipalities	434	16	-	450
Mortgage-backed securities	103	2	(1)	104
Corporate and other	62	2	-	64
Money market funds	195	-	-	195
Commercial paper	81	-	-	81
Redeemable preferred stocks	35	-	-	35
	933	21	(1)	953
Equity securities:				
Perpetual rate preferred stocks	8	1	-	9
Common stocks	185	30	(6)	209
	193	31	(6)	218
	$1,126	$ 52	$ (7)	1,171
Amounts classified as current assets				(100)
Investment carrying value				$1,071

	1994			
	AMORTIZED COST	UNREALIZED AMOUNTS GAINS	UNREALIZED AMOUNTS LOSSES	FAIR VALUE
Held to maturity:				
United States Government obligations	$ 5	$ -	$ -	$ 5
Commercial paper	192	-	-	192
	197	-	-	197
Available for sale:				
Fixed maturities:				
United States Government	38	-	(1)	37
States and municipalities	360	3	(12)	351
Mortgage-backed securities	57	-	(3)	54
Corporate and other	79	-	(3)	76
Money market funds	58	-	-	58
Redeemable preferred stocks	16	-	(1)	15
	608	3	(20)	591
Equity securities:				
Perpetual rate preferred stocks	29	1	-	30
Common stocks	144	19	(8)	155
	173	20	(8)	185

	$978	$ 23	$ (28)	973
Amounts classified as current assets..				(85)
Investment carrying value.............				$888

NOTE 12 -- PROFESSIONAL LIABILITY RISKS (CONTINUED)

The cost and estimated fair value of debt and equity securities at December 31, 1995 by contractual maturity are shown below (dollars in millions). Expected and contractual maturities will differ because the issuers of certain securities may have the right to prepay or otherwise redeem such obligations without penalty.

	AMORTIZED COST	FAIR VALUE
Available for sale:		
Due in one year or less	$ 343	$ 343
Due after one year through five years	103	105
Due after five years through ten years	191	198
Due after ten years	296	307
	933	953
Equity securities	193	218
	$1,126	$1,171

The fair value of the subsidiary's investments is based generally on quoted market prices.

The average maturity of the above investments (excluding common stocks) approximated 4.4 years at December 31, 1995 and the tax equivalent yield on such investments averaged 9% for 1995, 8% for 1994 and 10% for 1993. Tax equivalent yield is the rate earned on invested assets, excluding unrealized gains and losses, adjusted for the benefit of nontaxable investment income.

Sales of securities for the years ended December 31 are summarized below (dollars in millions). The cost of securities sold is based on the specific identification method.

	1995	1994	1993
Fixed maturities:			
Cash proceeds	$427	$134	$185
Gross realized gains	3	1	4
Gross realized losses	1	2	-
Equity securities:			
Cash proceeds	$149	$ 98	$106
Gross realized gains	33	16	19
Gross realized losses	8	5	10

NOTE 13 -- LONG-TERM DEBT

Capitalization

A summary of long-term debt at December 31 follows (dollars in millions):

	1995	1994
Senior collateralized debt, 3.5% to 18% (rates generally fixed) payable in periodic installments through 2034	$ 203	$ 239
Senior debt, 3.0% to 13.3% (rates generally fixed) payable in periodic installments through 2095	3,774	1,522
Senior debt (floating rates averaging 5.9%) payable in periodic installments through 1997	270	299
Commercial paper (floating rates averaging 6.1%)	2,607	1,630
Commercial paper (rates generally fixed averaging 6.3%)	300	-
Bank credit agreements (floating rates averaging 6.1%)	56	709
Bank line of credit (floating rates averaging 6.0%)	49	149
Subordinated debt, 6.8% to 11.5% (rates generally fixed) payable in periodic installments through 2015	121	1,124
Total debt, average life of ten years (rates averaging 7.1%)	7,380	5,672
Amounts due within one year	243	124
Long-term debt	$7,137	$5,548

Credit Facilities

Subsequent to December 31, 1995, Columbia/HCA amended its revolving credit agreements (the "Credit Facilities") from an aggregate amount of $3.75 billion to $4.0 billion. The Credit Facilities comprise a $2.5 billion five-year revolving credit agreement and a $1.5 billion 364-day revolving credit agreement. The Credit Facilities were established to support Columbia/HCA's commercial paper programs and replace prior revolving credit agreements. Interest is payable generally at either LIBOR plus .18% to .35% (depending on Columbia/HCA's credit rating), the prime lending rate or a competitive bid rate. The Credit Facilities contain customary covenants which include (i) limitations on additional debt, (ii) limitations on sales of assets, mergers and changes of ownership and (iii) maintenance of certain interest coverage ratios.

Significant Financing Activities

HEALTHTRUST MERGER

In connection with the Healthtrust Merger, Columbia/HCA completed exchange offers for substantially all of Healthtrust's $1.0 billion subordinated notes and debentures. Columbia/HCA defeased the remaining $44 million of unexchanged subordinated notes and debentures in the third quarter. Additionally, in connection with the Healthtrust Merger, $706 million of borrowings under the Healthtrust $1.2 billion credit agreement were refinanced.

1995

During 1995 Columbia/HCA issued $150 million of 6.63% notes due 2002; $100 million of 6.73% notes due 2003; $125 million of 6.87% notes due 2003; $150 million of 8.7% notes due 2010; $150 million of 9.0% notes due 2014; $150 million of 7.19% debentures due 2015; $125 million of 7.58% debentures due 2025; $150 million of 7.05% debentures due 2027 and $200 million of 7.5% debentures due 2095.

NOTE 13 -- LONG-TERM DEBT (CONTINUED)

1994

During 1994 Columbia/HCA issued $175 million of 6.5% notes due 1999; $50 million of 7.6% notes due 2001; $50 million of 8.02% notes due 2002; $100 million of 8.13% notes due 2003; $150 million of 7.15% notes due 2004; $200 million of 10.25% notes due 2004; $55 million of 8.05% notes due 2006; $150 million of 8.85% notes due 2007; and $150 million of 8.36% notes due 2024. Additionally, Columbia/HCA issued $100 million and $200 million of LIBOR-based notes with final maturities of 1996 and 1997, respectively.

During 1994 a $40 million 9% subordinated mandatory convertible note due 1999 was converted into approximately 2.2 million shares of Columbia/HCA common stock.

1993

During 1993 Columbia/HCA issued $150 million of 6.13% notes due 2000, $300 million of 8.75% subordinated debentures due 2005 and $150 million of 7.5% notes due 2023.

General Information

Borrowings under the commercial paper programs are classified as long-term debt due to the credit available under the revolving credit agreements discussed above and management's intention to refinance these borrowings on a long-term basis.

Maturities of long-term debt in years 1997 through 2000 are $250 million, $120 million, $218 million and $411 million, respectively. Such amounts reflect maturities of debt for certain short-term debt classified as long-term, based upon maturities under the revolving credit agreements. Approximately 4% of Columbia/HCA's property and equipment is pledged on senior collateralized debt.

During the past three years Columbia/HCA has reduced interest costs and eliminated certain restrictive covenants by refinancing or prepaying high interest rate debt, primarily through the use of existing cash and cash equivalents and issuance of long-term debt, commercial paper and equity. Amounts refinanced or prepaid totaled $1.8 billion in 1995, $2.2 billion in 1994 and $1.4 billion in 1993. After-tax losses from refinancing activities aggregated $103 million ($.23 per share) in 1995, $115 million ($.27 per share) in 1994 and $97 million ($.24 per share) in 1993.

The estimated fair value of Columbia/HCA's long-term debt was $7.7 billion and $5.7 billion at December 31, 1995 and 1994, respectively, compared to carrying amounts aggregating $7.4 billion and $5.7 billion, respectively. The estimate of fair value is based upon the quoted market prices for the same or similar issues of long-term debt with the same remaining maturities.

NOTE 14 -- CONTINGENCIES

Management continually evaluates contingencies based upon the best available evidence. In addition, allowances for loss are provided currently for disputed items that have continuing significance, such as certain third-party reimbursements and deductions that continue to be claimed in current cost reports and tax returns.

Management believes that allowances for loss have been provided to the extent necessary and that its assessment of contingencies is reasonable. Management believes that resolution of contingencies will not materially affect Columbia/HCA's financial position or results of operations.

Principal contingencies are described below:

Revenues -- Certain third-party payments are subject to examination by agencies administering the programs. Columbia/HCA is contesting certain issues raised in audits of prior year cost reports.

Professional liability risks -- Columbia/HCA has provided for loss for professional liability risks based upon actuarially determined estimates. Actual settlements and expenses incident thereto may differ from the provisions for loss.

Income taxes -- Columbia/HCA is contesting adjustments proposed by the IRS.

Spinoff -- Certain subsidiaries of Columbia/HCA are parties to risk-sharing arrangements with Humana.

Regulatory review -- Federal regulators are investigating certain financial arrangements with physicians at two psychiatric hospitals.

Litigation -- Various suits and claims arising in the ordinary course of business are pending against Columbia/HCA.

NOTE 15 -- CAPITAL STOCK

The terms and conditions associated with each class of Columbia/HCA common stock are substantially identical except for voting rights. All nonvoting common stockholders may convert their shares on a one-for-one basis into voting common stock, subject to certain limitations. In addition, certain voting common stockholders may convert their shares on a one-for-one basis into nonvoting common stock.

Columbia/HCA has plans under which options to purchase common stock may be granted to officers, employees and directors. Generally options have been granted at not less than the market price on the date of grant. Exercise provisions vary, but most options are exercisable in whole or in part beginning one to four years after grant and ending four to fifteen years after grant. Activity in the plans is summarized below (share amounts in thousands):

	SHARES UNDER OPTION	OPTION PRICE PER SHARE
Balances, December 31, 1992	16,213	$ 0.22 to $25.71
Granted	2,613	0.01 to 33.38
Exercised	(4,123)	0.01 to 23.37
Cancelled or lapsed	(852)	0.22 to 25.71
Balances, December 31, 1993	13,851	0.01 to 33.38
Granted	5,271	34.24 to 43.38
Conversion of MCA stock options	938	5.64 to 57.16
Exercised	(1,921)	0.22 to 37.63
Cancelled or lapsed	(1,574)	0.22 to 57.16
Balances, December 31, 1994	16,565	0.01 to 57.16
Granted	6,267	39.77 to 48.75
Exercised	(3,656)	0.01 to 47.04
Cancelled or lapsed	(1,586)	0.22 to 57.16
Balances, December 31, 1995	17,590	$ 0.22 to $57.16

At December 31, 1995, options for 5,519,900 shares were exercisable. Shares of common stock available for future grants were 8,941,900 at December 31, 1995 and 14,075,200 at December 31, 1994.

Shares of common stock reserved for the employee stock purchase plan were 8,615,200 at December 31, 1995.

Columbia/HCA has adopted a stockholder rights plan under which common stockholders have the right to purchase Series A Preferred Stock in the event of accumulation of or tender offer for certain percentages of Columbia/HCA's common stock. The rights will expire in 2003 unless redeemed earlier by Columbia/HCA. Columbia/HCA has authorized 25 million shares of preferred stock. No preferred shares have been issued.

In September 1993 the Board of Directors initiated a regular quarterly cash dividend on the common stock of $.03 per share.

NOTE 16 -- EMPLOYEE BENEFIT PLANS

Columbia/HCA maintains noncontributory defined contribution retirement plans covering substantially all employees. Benefits are determined as a percentage of a participant's earned income and are vested over specified periods of employee service. Retirement plan expense was $110 million for 1995, $107 million for 1994 and $121 million for 1993. Amounts equal to retirement plan expense are funded annually.

Columbia/HCA maintains various contributory savings plans which are available to employees who meet certain minimum requirements. Certain of the plans require that Columbia/HCA match an amount ranging from 25% to 100% of a participant's contribution up to certain maximum levels. The cost of these plans totaled $24 million for 1995, $39 million for 1994 and $33 million for 1993. Columbia/HCA contributions are funded periodically during the year.

NOTE 17 -- ACCRUED EXPENSES

A summary of other accrued expenses at December 31 follows (dollars in millions):

	1995	1994
Workers' compensation	$ 130	$ 136
Taxes other than income	226	181
Professional liability risks	115	133
Employee benefit plans	185	187
Interest	199	170
Other	291	324
	$1,146	$1,131

COLUMBIA/HCA HEALTHCARE CORPORATION
QUARTERLY CONSOLIDATED FINANCIAL INFORMATION
(UNAUDITED)
(DOLLARS IN MILLIONS, EXCEPT PER SHARE AMOUNTS)

	1995			
	FIRST	SECOND	THIRD	FOURTH
Revenues	$4,380	$4,361	$4,371	$4,583
Net income (loss):				
Before extraordinary charges (a)	358	78	274	354
Extraordinary charges on extinguishments of debt	-	(96)	(7)	-
Net income (loss)	358	(18)	267	354
Per common share:				
Earnings (loss):				
Before extraordinary charges (a)	.80	.17	.61	.79
Extraordinary charges on extinguishments of debt	-	(.21)	(.02)	-
Net income (loss)	.80	(.04)	.59	.79
Cash dividends	.03	.03	.03	.03
Market prices (b):				
High	44 1/4	46	49 7/8	54
Low	35 3/8	38 5/8	42 1/2	46 5/8

	1994			
	FIRST	SECOND	THIRD	FOURTH
Revenues	$3,432	$3,521	$3,668	$3,922
Net income:				
Before extraordinary charges (c)	187	243	213	286
Extraordinary charges on extinguishments of debt	(92)	-	(23)	-
Net income	95	243	190	286
Per common share:				
Earnings:				
Before extraordinary charges (c)	.45	.58	.49	.64
Extraordinary charges on extinguishments of debt	(.22)	-	(.05)	-
Net income	.23	.58	.44	.64
Cash dividends	.03	.03	.03	.03
Market prices (b):				
High	45 1/4	43	44	43 3/4
Low	33 1/4	36 1/2	38 1/4	33 1/2

- --------

(a) Second quarter results include $235 million ($.53 per share) of costs related to the Healthtrust Merger and the consolidation of certain facilities. See Note 8 of the Notes to Consolidated Financial Statements.

(b) Represents high and low sales prices of Columbia/HCA. Columbia/HCA common stock is traded on the New York Stock Exchange (ticker symbol COL).

(c) First quarter results include $102 million ($.24 per share) of costs related to the HCA Merger. See Note 8 of the Notes to Consolidated Financial Statements.

REPORT OF MANAGEMENT

To our Stockholders

Management is responsible for the preparation, integrity and objectivity of the consolidated financial statements and related notes. To meet these responsibilities, management maintains a system of internal control intended to insure that key employees adhere to the highest standards of personal and professional integrity. Although no cost effective internal control system will preclude all errors and irregularities, we believe the established system of internal control provides reasonable assurance that the assets are safeguarded, transactions are recorded in accordance with management's policies and the financial information is reliable.

The consolidated financial statements of Columbia/HCA Healthcare Corporation have been prepared in conformity with generally accepted accounting principles and include amounts based upon our best estimates and judgments. These financial statements have been audited and reported on by our independent auditors, Ernst & Young LLP, in accordance with generally accepted auditing standards.

The Audit Committee of the Board of Directors, consisting entirely of outside directors, meets regularly with management, internal auditors and Ernst & Young LLP and reviews audit plans and results as well as management's actions taken in discharging responsibilities for accounting, financial reporting and internal control. Ernst & Young LLP and the internal auditors have direct and confidential access to the Audit Committee at all times to discuss the results of their examinations.

Kenneth C. Donahey
Senior Vice President and Controller

REPORT OF INDEPENDENT AUDITORS

To the Board of Directors and Stockholders
Columbia/HCA Healthcare Corporation

We have audited the accompanying consolidated balance sheet of Columbia/HCA Healthcare Corporation as of December 31, 1995 and 1994, and the related consolidated statements of income, stockholders' equity and cash flows for each of the three years in the period ended December 31, 1995. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Columbia/HCA Healthcare Corporation at December 31, 1995 and 1994, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 1995 in conformity with generally accepted accounting principles.

LOGO
ERNST & YOUNG LLP

Nashville, Tennessee
February 14, 1996,
except for Note 11
as to which the date
is March 8, 1996

EXHIBIT 21

ALABAMA
- -------

Alabama-Tennessee Health Network, Inc.

Birmingham Outpatient Surgical Center, Inc.

Columbia/HCA Montgomery Healthcare System, Inc.

Community Hospital of Andalusia, Inc. d/b/a
Andalusia Hospital

Crestwood Hospital & Nursing Home, Inc. d/b/a
Crestwood Hospital

Doctor's Hospital of Mobile, Inc.

East Montgomery Medical Center, Inc. d/b/a
East Montgomery Medical Center

Florence Hospital, Inc. d/b/a
Florence Hospital

Four Rivers Medical Center PHO, Inc.

Galen Medical Corporation

HCA Health Services of Alabama, Inc.

Huntsville Physical Therapy, Inc. d/b/a
Sports Therapy & Rehabilitation of Huntsville

Maynor Eye Center, Inc.

Medical Center Shoals, Inc. d/b/a
Medical Center Shoals

Montgomery Regional Medical Center, Inc. d/b/a
Montgomery Regional Medical Center

North Alabama Healthcare System, Inc.

Northwest Medical Center, Inc. d/b/a
Northwest Medical Center
Northwest Medical Center Home Health
Diabetic Care Center
Behavioral Health Systems of North Broward
Olsten Kimberly Quality Care (Margate, FL)

Selma Medical Center Hospital, Inc. d/b/a
Four Rivers Medical Center
Linden Clinic

Surgicare of Huntsville, Inc.

Surgicare of Mobile, Inc.

Surgicare of Montgomery, Inc.

ALASKA
- ------

Chugach Physical Therapy, Inc. d/b/a
Chugach Physical Therapy & Fitness Center

Columbia Behavioral Healthcare, Inc.

ARIZONA
- -------

Arizona ASC Management, Inc.

Galen of Arizona, Inc. d/b/a
Doctors Medical Plaza-South
Healthwest Regional Medical Center
Paradise Valley Hospital
Paradise Valley HomeCare
Columbia HomeCare

HCA Health Services of Arizona, Inc.

Hospital Corporation of Arizona d/b/a
Columbia El Dorado Hospital
ReHab Works

Hospital Corporation of Northwest, Inc.

HTI Tucson Rehabilitation, Inc.

Paradise Valley Psychiatric Services, Inc. d/b/a
Senior Horizons
Paradise Valley Psychiatric Services

Samaritan Surgicenters of Arizona, L.L.C.

Surgicare of Phoenix, Inc.

Surgicenter of Glendale, Inc. d/b/a
Glendale Surgicenter

Surgicenters of America, Inc. d/b/a
Surgicenter Pain Unit
Surgicenter

Tri-City Med, Inc. d/b/a
Tri-City Med Ambulance

ARKANSAS
- --------

Central Arkansas Provider Network, Inc.

Columbia El Dorado, Inc.

Columbia Health System of Arkansas, Inc.

DeQueen Health Services, Inc. d/b/a
Community Hospital of DeQueen
DeQueen Regional Medical Center
Physician Management Services of DeQueen

HCA Health Services of Arkansas, Inc.

HCMH, Inc. d/b/a
Medical Park Hospital

MCSA, L.L.C. d/b/a
Medical Center of South Arkansas

Surgicare Outpatient Center of Ft. Smith, Inc.

BERMUDA
- -------

Parthenon Insurance Company, Limited

CALIFORNIA
- ----------

Amisub (Westside), Inc.

Birthing Facility of Beverly Hills, Inc.

C.H.L.H., Inc.

CH Systems

Chino Community Hospital Corporation, Inc. d/b/a
Chino Valley Medical Center
The Birthplace A Family Experience

Columbia Psychiatric MSO, LLC

Columbia/HCA San Clemente, Inc.

Community Hospital of Gardena Corporation, Inc.

EyeCare Providers of California, Inc.

Galen-Soch, Inc.

HCA Allied Health Services of San Diego, Inc.

HCA Health Services of California, Inc.

HCA Hospital Services of San Diego, Inc.

Healdsburg General Hospital, Inc.

Huntington Intercommunity Hospital d/b/a
 Huntington Beach Diagnostic Imaging Center
 Columbia Huntington Beach Hospital and Medical Center

Las Encinas Hospital d/b/a
 Columbia Las Encinas Hospital

LE Corporation d/b/a
 The Oaks Retirement Center

Los Robles Regional Medical Center d/b/a
 Los Robles Regional Medical Center

MCA Investment Company

Mission Bay Memorial Hospital, Inc.

Notami Hospitals of California, Inc. d/b/a
 Healdsburg General Hospital
 Mission Bay Memorial Hospital
 The Good Samaritan Hospital of Santa Clara
 San Jose Medical Center
 South Valley Hospital
 Good Samaritan Health System Home Care & Hospice

PPO Alliance

Psychiatric Company of California, Inc.
 Samaritan Medical Center-San Clemente

Samaritan Medical Center - San Clemente, L.L.C.

San Joaquin Surgical Center, Inc.

Sebastopol Hospital Corporation d/b/a
 Palm Drive Hospital

SLCO, Inc. d/b/a
 San Leandro Hospital

Southwest Surgical Clinic, Inc.

Surgical Centers of Southern California, Inc.

Surgicare of Anaheim, Inc.

Surgicare of Beverly Hills, Inc.

Surgicare of La Veta, Inc.

Surgicare of Laguna Hills, Inc.

Surgicare of Los Gatos, Inc.

Surgicare of Montebello, Inc.

Surgicare of North Anaheim, Inc.

Surgicare of Oceanside, Inc.

Surgicare of Orange, Inc.

Surgicare of San Leandro, Inc.

Surgicare of West Hills, Inc.

Sutter Corporation

Ukiah Hospital Corporation

Visalia Community Hospital, Inc.

West Anaheim Community Hospital d/b/a
Columbia West Anaheim Medical Center

West Hills Hospital d/b/a
West Hills Regional Medical Center

West Los Angeles Physicians' Hospital, Inc.

Westminster Community Hospital d/b/a
Humana Hospital-Westminster

Westside Hospital

Woodward Park Surgicenter, Inc.

COLORADO
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Colorado Healthcare Management, Inc.

Columbia - HealthOne, L.L.C.
  Aurora Presbyterian Hospital
  Aurora Regional Medical Center
  Bethesda PsycHealth
  Columbine Psychiatric Center
  North Surburban Medical Center
  Presbyterian/St. Luke's Medical Center
  Rocky Mountain Rehabilitation Institute
  Rose Medical Center
  Spalding Rehabilitation Hospital
  Swedish Medical Center

Columbia/HCA of Denver, Inc.

Columbia/Rose Health System, Inc.

Columbine Psychiatric Center, Inc.

EyeCare Providers of Colorado, Inc.

Galen of Aurora, Inc. d/b/a
  Aurora Physicians Building

HCA Health Services of Colorado, Inc.

Health Care Indemnity, Inc.

Lakewood Surgicare, Inc.

MOVCO, Inc.

Rose Medical Center, Inc.

Surgicare of Denver Mid-Town, Inc.

Surgicare of Southeast Denver, Inc.

DELAWARE
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Alice Physicians and Surgeons Hospital, Inc. d/b/a
  Columbia Alice Physicians & Surgeons Hospital

AlternaCare Corp.

Alvin Community Hospital, Inc.
  Columbia Alvin Medical Center

Amedicorp, Inc.

American Medicorp Development Co.

BMC-CT, Inc.

CBH-CT, Inc.

CHC Finance Co.

CHC Holdings, Inc.

CHC Payroll Agent, Inc.

Coastal Bend Hospital, Inc.

Coastal Healthcare Services, Inc.

Columbia Auto Laboratories, Inc.

Columbia Healthcare Network of Central Kentucky, Inc.

Columbia Homecare Group, Inc. d/b/a
Lifeway Health Services

Columbia Hospital Corporation of Fort Worth

Columbia Hospital Corporation of Houston

Columbia Hospital Corporation-Delaware

Columbia/HCA Healthcare Corporation

Columbia/HCA Middle East Management Company

CoralStone Management, Inc.

Critical Care America, Inc.

Critical Care America-East, Inc.

Critical Care America-West, Inc.

Danforth Hospital, Inc. d/b/a
Columbia Mainland Medical Center

Delaware Psychiatric Company, Inc. d/b/a
Rockford Center

Denton Regional Medical Center, Inc. d/b/a
Regional Home Care - Flower Mound

DHL Corporation

DHL Management, Inc.

Doctors Hospital of Augusta, Inc. d/b/a
Augusta Diagnostic Associates

Doctors' Hospital of Laredo, Inc.

Drake Development Company

Drake Development Company II

Drake Development Company III

Drake Development Company IV

Drake Development Company V

Drake Development Company VI

Drake Management Company

EarthStone HomeHealth Company

Eastside Hospital Holding, Inc.

Edison Homes-Southeast, Inc.

EPIC Development, Inc.

EPIC Diagnostic Centers, Inc. d/b/a
First Care Clinics

EPIC Diagnostic Management Company

EPIC Healthcare Group, Inc.

EPIC Healthcare Management Company

EPIC Holdings, Inc.

EPIC Master Leasing, Inc.

EPIC Surgery Centers, Inc.

EPIC Technology, Inc.

Extendicare Properties, Inc.

Forest Park Surgery Pavilion, Inc.

Fort Bend Hospital, Inc. d/b/a
Columbia Fort Bend Medical Center

Galen BH, Inc.

Galen Health Care, Inc.

Galen Hospital Alaska, Inc. d/b/a
Columbia Alaska Regional Hospital

Galen Hospital Corporation, Inc.

Galendeco, Inc.

General Health Services, Inc. d/b/a
Edward White Hospital

GPCH Management, Inc.

GPCH-GP, Inc.

Greystone Healthcare, Inc.

H.H.U.K., Inc.

HCA, Inc.

HCA Health Services of Midwest, Inc. d/b/a
Columbia Doctors Hospital

HCA Healthcare Alliance, Inc.

HCA - Hospital Corporation of America

HCA Holding Corporation

HCA Investments, Inc.

HCA Psychiatric Company (DE)

HCA Wesley Rehabilitation Hospital, Inc.

Health Services (Delaware), Inc.

Health Services Acquisition Corp.

Healthcare Technology Assessment Corporation

Healthtrust, Inc. - The Hospital Company

Healthtrust Texas Management Services, Inc.

Hearthstone Home Health, Inc.

Hospital Development Properties, Inc. d/b/a
Murchison Medical Plaza

Katy Medical Center, Inc. d/b/a
Columbia Katy Medical Center

Lake City Health Centers, Inc.

Loon Investments, Inc.

Mallard Finance Company

Managed Prescription Network, Inc.

Medical Arts Corporation

Medical Arts Hospital of Texarkana, Inc. d/b/a
Medical Arts Hospital - Texarkana

Medical Care America, Inc.

Medical Care Financial Services Corp.

Medical Care International, Inc.

Medical Care Real Estate Finance, Inc.

Medical Corporation of America, Inc.

Medical Plaza Hospital, Inc. d/b/a
Columbia Medical Center of Sherman

Medical Specialties, Inc. d/b/a
Coral Springs Family Medicine

Medistone Healthcare Ventures, Inc. d/b/a
Tomlinson Health Services

Medistone Management Company

MediVision, Inc.

MediVision of Mecklenburg County, Inc.

MediVision of Tampa, Inc. d/b/a
Tampa Eye Surgery Center

Mid-continent Health Services, Inc.

Mobile Corps., Inc.

MRT&C, INC.

North Texas Medical Center, Inc.

Northwest Surgicare, Inc.

Notami (Texas), Inc.

Notami Holdco, Inc.

Notami Service Company

NTMC Management Company

NTMC Venture, Inc.

Orlando Outpatient Surgical Center, Inc.

Paragon SDS, Inc.

Paragon WSC, Inc.

Parkway Cardiac Center Management Company

Parkway Hospital, Inc.

PMM, Inc. d/b/a
Augusta Womens Medical Group

Primary Medical Management, Inc.

PSS-GP, Inc.

Riverside Hospital, Inc. d/b/a
Columbia Northwest Hospital

Round Rock Hospital, Inc. d/b/a
Round Rock Hospital

Suburban Medical Center at Hoffman Estates, Inc. d/b/a
Hoffman Estates Medical Center

Sun Bay Medical Office Building, Inc.

Surgicare Corporation

The Coltree Corporation

Westbury Hospital, Inc.

DISTRICT OF COLUMBIA
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National Association of Family and Friends

FLORIDA
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Bay Hospital, Inc. d/b/a
    Gulf Coast Hospital
    Emerald Shores Medical Center

Big Cypress Medical Center, Inc.

Bonita Bay Surgery Center, Inc.

Broward Healthcare System, Inc.

Cape Coral Surgery Center, Inc.

CCH Management, Inc.

CCH-GP, Inc.

Cedarcare, Inc.

Cedars BTW Program, Inc.

Central Florida Regional Hospital, Inc. d/b/a
    Central Florida Regional Hospital
    Central Florida Home Care

Charlotte Community Hospital, Inc.

Charlotte County Physician - Hospital Organization, Inc.

Collier County Home Health Agency, Inc.

Columbia Credentialing Services, Inc.

Columbia Hospital Corporation of Central Miami

Columbia Hospital Corporation of Kendall

Columbia Hospital Corporation of Miami

Columbia Hospital Corporation of Miami Beach

Columbia Hospital Corporation of North Miami Beach

Columbia Hospital Corporation of South Broward d/b/a
    Westside Regional Medical Center
    Olsten Kimberly Quality Care (Plantation, FL)

Columbia Hospital Corporation of South Dade

Columbia Hospital Corporation of South Florida d/b/a
    Florida Physicians Group

Columbia Hospital Corporation of South Miami

Columbia Hospital Corporation of Tamarac

Columbia Hospital Corporation - SMM

Columbia Jacksonville Healthcare System, Inc.

Columbia Park Healthcare System, Inc.

Columbia Park Medical Center, Inc. d/b/a
    Columbia Park Medical Center
    Orlando Home Care

Columbia Staffing Services, Inc.

Columbia-Pinellas Long-Term, Inc.

Columbia/HCA of Treasure Coast, Inc.

Community Hospital of the Palm Beaches, Inc. d/b/a
    Columbia Hospital
    The Arthritis Center at Palm Beaches Medical Ctr.
    Olsten Kimberly Quality Care (West Palm Beach, FL)

Community Hospitals of Galen, Inc. d/b/a
    Cypress Medical Office Building

Daytona Medical Center, Inc. d/b/a
    Daytona Medical Center
    NSB Medical Associates
    Ormond Beach Medical Associates

Deering Marketing and Communication Services, Inc.

Doctors Hospital Physician-Hospital Organization, Inc.

Doctors OB Clinic, Inc.

Doctors Osteopathic Medical Center, Inc. d/b/a
    Gulf Coast Hospital
    Olsten Kimberly Quality Care (Miami Lakes, FL)
    Able Care (Ft. Myers)
    Olsten Kimberly Quality Care (Ft. Myers, FL)

Doctors Pediatric Clinic, Inc.

Doctors Physician Clinic, Inc.

Doctors Same Day Surgery Center, Inc.

East Point PHO, Inc.

East Pointe Hospital, Inc. d/b/a
Able Care (Lehigh, FL)
East Point Hospital
Columbia Healthlink
LeHigh Pediatrics

East Pointe Physician Management, Inc.

Edward White Hospital, Inc. d/b/a
Edward White Hospital

Edward White Physician Clinic, Inc.

Englewood Community Health Care Group, Inc.

Englewood Community Hospital Auxiliary, Inc.

Englewood Community Hospital, Inc. d/b/a
Englewood Community Hospital

Englewood Physician Hospital Organization, Inc.

EyeCare Providers of Florida, Inc.

Fawcett Memorial Hospital, Inc. d/b/a
Fawcett Memorial Hospital

Florida Home Health Services-Private Care, Inc. d/b/a
Florida Home Health-Private Care
Columbia Staffing Services
Florida Home Health Registry

Florida Medical Collection Services, Inc.

Florida MRI Services, Inc.

Florida Psychiatric Company, Inc.

Fort Walton Beach Medical Center, Inc. d/b/a
Destin Hospital
Ft. Walton Beach Medical Center
Advanced Home Health Care

Galen Hospital-Pembroke Pines, Inc. d/b/a
P & L Associates
Pembroke Pines Hospital

Galen of Florida, Inc. d/b/a
- Bushnell Family Practice Center
- Dade City Hospital
- Dade City Professional Building
- Normandy Manor Transitional Living Facility
- Orange Park Medical Center
- St. Petersburg General Hospital
- West Central Florida OB/GYN
- Olsten Kimberly Quality Care (S. Pasadena, FL)
- Olsten Kimberly Quality Care (Dade City, FL)
- Columbia St. Petersburg Medical Center
- Atlantic Home Health Care

Galencare, Inc.d/b/a
- Brandon Hospital

Gateway Medical Services Organization, Inc. d/b/a
- LaGrange Medical Clinic
- Spanish Trail Medical Clinic
- North Okaloosa Medical Center Emergency Depart

Grant Center Hospital of Ocala, Inc. Florida

Gulf Coast Health Technologies, Inc.

Gulf Coast Physicians, Inc.

Hamilton Memorial Hospital, Inc. d/b/a
- Our Home Care
- Hamilton Memorial Hospital

HCA Development Corporation of Florida

HCA Family Care Center, Inc.

HCA Health Services of Florida, Inc. d/b/a
- L.W. Blake Hospital
- Medical Center of Port St. Lucie
- North Florida Regional Medical Center
- Oak Hill Hospital
- Olsten Kimberly Quality Care (Miami Lakes, FL)
- Vero Home Care
- Columbia Regional Medical Center at Bayonet Point
- CareOne (Hudson, FL)
- Blake Home Health
- Olsten Kimberly Quality Care (Hudson, FL)
- Olsten Kimberly Quality Care (Spring Hill, FL)
- Olsten Kimberly Quality Care (Margate, FL)

HCA Healthcare - Florida, Inc.

HCA of Florida, Inc.

HCA Physician Services of Tamarac, Inc.

Hernando County Physicians Organization, L.C.

Home Health of Citrus County, Inc.

Home Health of Lee County, Inc.

Hospital Corporation of Lake Worth

Hospital Development & Service Corp.

Imaging and Surgery Centers of Florida, Inc. d/b/a
Clearwater Imaging

Intercare, Inc.

Lake City Medical Services Organization, Inc.

Lake Forest Utilities, Inc.

Largo Medical Center, Inc. d/b/a
Largo Medical Center
Olsten Kimberly Quality Care (Largo, FL)

Largo MRI, Inc.

Lawnwood Medical Center, Inc. d/b/a
Harbour Shores of Lawnwood (Division of Lawnwood)
Lawnwood Regional Medical Center
Lawnwood Pavilion

M & M of Ocala, Inc.

Marion Community Hospital, Inc. d/b/a
Marion Community Hospital

Medical Care of Broward, Inc.

Medical Center of Port St. Lucie, Inc.

Medical Center of Santa Rosa, Inc. d/b/a
Santa Rosa Medical Center
Horizon Healthcare

MedPlan, Inc.

Memorial Healthcare Group, Inc. d/b/a
Memorial Hospital Jacksonville
Memorial Specialty Hospital

MHS Partnership Holdings JSC, Inc.

MHS Partnership Holdings SDS, Inc.

Naples Rehabilitative Services, Inc.
    Naples Rehab Center

New Port Richey Hospital, Inc. d/b/a
    Community Home Health Care
    New Port Richey Hospital
    Olsten Kimberly Quality Care (Miami Lakes, FL)
    Olsten Kimberly Quality Care (New Port Richey, FL)

North Beach Hospital, Inc.

North Central Florida Health System, Inc.

North Florida Immediate Care Center, Inc.

North Florida Infusion Corporation

North Florida Regional Investments, Inc.

North Florida Regional Medical Center - Gainesville PHO, L.L.C.

North Florida Regional Medical Center - Gainesville PO, L.L.C.

North Florida Regional Medical Center, Inc.

North Okaloosa Medical Center, Inc. d/b/a
    North Okaloosa Medical Center

North Palm Beach County Surgery Center, Inc.

Northwest Florida Healthcare Systems, Inc.

Northwest Medical Center, Inc. (FL) d/b/a
    Northwest Medical Center (FL)

Northwest Regional Investments, Inc.

Notami (Clearwater), Inc.

Notami Hospitals of Florida, Inc. d/b/a
    Lake City Medical Center

Oak Hill Acquisition, Inc.

Oak Hill Physician Hospital Association, L.C.

Okaloosa Hospital, Inc. d/b/a
    Twin Cities Hospital

Okeechobee Hospital, Inc. d/b/a
Raulerson Hospital

OneSource Health Network of South Florida, Inc. d/b/a
OneSource Health Network

Orange Park Medical Center, Inc.

Orlando Depression Center, Inc. d/b/a
Orlando Depression Center

Osceola Regional Hospital, Inc. d/b/a
Orlando Home Care
Osceola Regional Hospital
TRICO Home Health Agency
Kissimmee Imaging
Central Florida Home Care

Palm Beach Healthcare System, Inc.

Palms West Diagnostic, Inc.

Palms West Hospital, Inc. d/b/a
Palms West Hospital
Palms West Physician Hospital Organization

Palms West Physician Hospital Organization, Inc.

Physical Therapy of Orlando, Inc. d/b/a
Kissimmee Physical Therapy
Orlando Hand & Microvascular
Central Florida Physical Therapy

Physician Healthcare Network of Central Florida Regional, Inc.

Physician Healthcare Network of Columbia Park Medical Center, Inc,

Physician Healthcare Network of Columbia Park, Inc.

Physician Healthcare Network of Osceola Regional Hospital, Inc.

Physician Healthcare Network, Inc.

Physician Services of Palm Beach County, Inc.

Primary Medical Care Associates, Inc.

Pulmonary Care Services, Inc.

Putnam Community Hospital PHO, L.L.C.

Putnam Community Hospital PO, L.L.C.

Putnam Hospital, Inc. d/b/a
- Putnam Community Hospital
- Hospital Home Health

Santa Rosa Emergency Medical Services, Inc.
- Santa Rosa Emergency Medical Services

Sarasota Doctors Hospital, Inc. d/b/a
- Doctors Data Center
- Doctors Home Health Services
- Doctors Hospital of Sarasota
- Doctors Medical Lab
- Midtown Nuclear Medicine
- Midtown Radiology
- MRI of Sarasota
- Sarasota Rehabilitation Center
- Sarasota Vascular Lab
- The Center for Breast Care
- Olsten Kimberly Quality Care (Sarasota, FL)
- Able Care (Sarasota, FL)

Sarasota Rehabilitative Center, Inc.

South Bay Physician Clinics, Inc

South Seminole Hospital, Inc. d/b/a
- South Seminole Hospital
- South Seminole Community Hospital
- Healthworks Plus

Southwest Florida Health System, Inc.

Southwest Florida Management Associates, Inc.

Southwest Florida Physician Hospital Organization, Inc.

Southwest Florida Regional Medical Center, Inc. d/b/a
- Southwest Florida Regional Medical Center
- Columbia Care Medical Center
- CareOne (Ft. Myers, FL)
- Mature Adult Counseling Center
- Columbia Care
- Olsten Kimberly Quality Care (Ft. Myers, FL)
- The Memory Center (SW FL Reg.)
- Columbia Center For Cosmetic Surgery

St. Augustine Hospital, Inc.

Sun City Hospital, Inc. d/b/a
South Bay Hospital
South Bay Transitional Care Unit

Surgicare America - Winter Park, Inc.

Surgicare of Altamonte Springs, Inc. d/b/a
Florida Surgery Center

Surgicare of Brandon, Inc.

Surgicare of Central Florida, Inc.

Surgicare of Countryside, Inc.

Surgicare of Deland, Inc.

Surgicare of Florida, Inc. d/b/a
Tampa Bay Area Anesthesia

Surgicare of Ft. Pierce, Inc.

Surgicare of Kissimmee, Inc.

Surgicare of Manatee, Inc.

Surgicare of Merritt Island, Inc.

Surgicare of New Port Richey, Inc.

Surgicare of Niceville, Inc.

Surgicare of Orange Park, Inc.

Surgicare of Orlando, Inc.

Surgicare of Pinellas, Inc.

Surgicare of Plantation, Inc.

Surgicare of Port St. Lucie, Inc.

Surgicare of Stuart, Inc.

Surgicare of Tallahassee, Inc.

Surgicare of West Boynton, Inc.

Surgicare of Zephyrhills, Inc.

Systems Medical Management, Inc.d/b/a
The Health Advantage Network

Tallahassee Medical Center, Inc. d/b/a
Tallahassee Community Hospital

Tamarac Acquisition Corporation

Tamarac Hospital Corporation, Inc.

Tampa Bay Health System. Inc.

Tampa Surgi-Centre, Inc.

The Pinellas Healthcare Alliance, Inc.

The West Florida Professionals, Inc.

TSI Investments, Inc.

University Psychiatric Center, Inc.

Visions Healthcare, Inc.

Visual Health and Surgical Center, Inc.

Volusia Healthcare Network, Inc.

West Florida Regional Medical Center, Inc. d/b/a
Okaloosa Cancer Care Center
West Florida Regional Medical Center
Advanced Home Health Care

West Lake Joint Venture Investments, Inc.

Winter Park Physician Services, Inc.

Women's and Children's Health Connection, Inc.

GEORGIA
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Academic Health, Inc.

Amisub of Georgia, Inc. d/b/a
Barrow Medical Center

AOSC Sports Medicine, Inc. d/b/a
Northside Sports Medicine and Rehabilitation Ctr.

Atlanta Outpatient Surgery Center, Inc.

Atlanta Rehabilitation Medicine Management, Inc.

Barrow Medical Ventures, Inc.

Chatsworth Hospital Corp. d/b/a
Murray Medical Center

CMC Ventures, Inc.

Coliseum Park Hospital, Inc. d/b/a
Coliseum Medical Centers

Coliseum Physician Practice Company
Columbia Health Systems of Georgia Resource Network

Columbia Physicians Services, Inc.

Columbia Polk General Hospital, Inc.

Columbia-Georgia PT, Inc.

Columbia/HCA Healthcare Corporation of Atlanta

Columbus Cardiology, Inc.

Columbus Doctors Hospital, Inc. d/b/a
Doctors Hospital

Coosa Valley Home Health Care Agency, Inc. d/b/a
Coosa Valley Home Health Agency

Cumberland Physician Corporation

Doctors-I, Inc.

Doctors-II, Inc.

Doctors-III, Inc.

Doctors-IV, Inc.

Doctors-IX, Inc.

Doctors-V, Inc.

Doctors-VI, Inc.

Doctors-VII, Inc.

Doctors-VIII, Inc.

Doctors-X, Inc.

Dublin Community Hospital, Inc. d/b/a
Fairview Park Hospital

Eastside Physician Practice Company

Gainesville Cardiology, Inc.

Georgia Psychiatric Company, Inc. d/b/a
Coliseum Psychiatric Hospital

Gwinnett Community Hospital, Inc. d/b/a
Eastside Medical Center

HCA Health Services of Georgia, Inc. d/b/a
Hughston Sports Medicine Hospital
Northlake Regional Medical Center

HCA Health Services of Gwinnett County, Inc.

HCA Parkway Investments, Inc.

Health Care Management Corporation d/b/a
Stewart Webster
Wheeler County Hospital

Lanier Physician Services, Inc.

Marietta Outpatient Medical Building, Inc.

Marietta Surgical Center, Inc.

Med Corp., Inc.

MedFirst, Inc.

Medical Center-West, Inc. d/b/a
Parkway Medical Center

MOSC Sports Medicine, Inc. d/b/a
SportsSouth Sports Medicine & Rehabilitation

North Cobb Physical Therapy, Inc. d/b/a
North Cobb Physical Therapy

Northlake Physician Practice Company

Palmyra Family Care Centers, Inc.

Palmyra Park Hospital, Inc. d/b/a
Palmyra Medical Centers

Parkway Physician Practice Company

Redmond Oncology Services, Inc.

Redmond P.D.N., Inc.

Redmond Park Health Services, Inc.

Redmond Park Hospital, Inc.

Surgery Center of Rome, Inc.

Surgicare of Augusta, Inc. d/b/a
Augusta Surgical Center

Surgicare Outpatient Center of Brunswick, Inc.

West Paces Ferry Hospital, Inc. d/b/a
West Paces Medical Center

West Paces Services,.Inc.

HAWAII
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Nenalani Insurance Services Corporation

IDAHO
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Eastern Idaho Health Services, Inc. d/b/a
Eastern Idaho Regional Medical Center
Mountain River Hospital

HCA Health Services of Idaho, Inc.

Med Central, Inc.

West Valley Medical Center, Inc. d/b/a
West Valley Medical Center

ILLINOIS
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Chicago Grant Hospital, Inc. d/b/a
Grant Hospital
Total Home Care of Chicago

COFH, Inc.

Columbia Chicago Osteopathic Hospitals, Inc.

Columbia LaGrange Hospital, Inc. d/b/a
  Grant Square Imaging
  LaGrange Memorial Hospital

Galen Hospital Illinois, Inc. d/b/a
  Michael Reese Hospital and Medical Center
  Michael Reese Sears Tower
  Michael Reese-North
  Michael Reese North-One Day Surgery
  Hardy Home Health Services
  Michael Reese Chatham Ridge
  Michael Reese Fertility Center
  Michael Reese Hyde Park

Galen of Illinois, Inc. d/b/a
  Community Medical Plaza

Illinois Psychiatric Hospital Company, Inc. d/b/a
  Chicago Lakeshore Hospital
  Riveredge Hospital
  Woodland Hospital
  Columbia Behavioral Health Provider Organization
  Woodland Behavioral Practice Group

Michael Reese Physicians Groups, Inc.

Smith Laboratories, Inc.

Surgicare of Belleville, Inc.

Surgicare of Joliet, Inc.

Surgicare of North Michigan Ave., Inc.

Surgicare of Palos Heights, Inc.

INDIANA
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BAMI-COL, Inc.

Basic American Medical, Inc.

F & E Community Developers of Florida, Inc.

HTI Health Services of Indiana, Inc. d/b/a
  North Clark Community Hospital

Jeffersonville MediVision, Inc.

Surgicare of Jeffersonville, L.L.C.

Terre Haute Regional Hospital, Inc. d/b/a
Terre Haute Regional Hospital
Regional Family Medical Center

Thomasville Hospital, Inc.

IOWA
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Surgery Center of Des Moines, Inc.

KANSAS
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Columbia/HCA Capital Corp.

Columbia/HCA of Dodge City, Inc.

Day Surgery, Inc.

Galen of Kansas, Inc.

Galichia Laboratories, Inc.

HCA Health Services of Kansas, Inc.

OB-GYN Diagostics, Inc.

Overland Park Homecare Services, Inc.

Surgicare of Wichita, Inc.

Surgicenter of Johnson County, Inc.

Western Plains Regional Hospital, Inc.

KENTUCKY
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A. C. Medical, Inc.

B.G. MRI, Inc.

CHCK, Inc. d/b/a
Columbia Hospital Lexington
Primary Care Partners of Lexington

Columbia/HCA Healthcare Foundation, Inc.

Community Hospital, Inc. d/b/a
PineLake Medical Center

Frankfort Hospital, Inc. d/b/a
    Bluegrass Regional Primary Care Centre
    Columbia Hospital Frankfort

Galen Heart Foundation, Inc.

Galen International Holdings, Inc.

Galen of Kentucky, Inc.

GALENCO, Inc.

Greenview Hospital, Inc. d/b/a
    Greenview Hospital
    Same Day Surgery

GSD, Inc.

Hospital Corporation of Kentucky d/b/a
    Meadowview Regional Hospital
    Maysville Family Medical Clinic - Brooksville Bran
    Meadowview Regional Hospital Skilled Nursing Faci
    Columbia Hospital Paris
    Columbia Hospital Georgetown
    Columbia Hospital Maysville

Kentucky IMS, Inc.

LACO, Inc.

Lake Cumberland Health Care, Inc.

Logan Memorial Hospital, Inc. d/b/a
    Logan Memorial Hospital

River Valley Health Network, Inc.

South Central Kentucky Corp.

Springview Hospital, Inc. d/b/a
    Springview Hospital

Subco of Kentucky, Inc.

Surgicare of Owensboro, Inc.

The Owensboro Surgery Center, Inc. d/b/a
    Owensboro Ambulatory Surgical Facility

Tri-County Community Hospital, Inc.

LOUISIANA
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Acadiana Care Center, Inc.

Acadiana Practice Management, Inc.

Acadiana Regional Pharmacy, Inc.

Columbia Healthcare System of Louisiana, Inc.

Columbia/HCA Healthcare Corporation of Central Louisiana

Columbia/HCA of New Orleans, Inc.

Columbia/Lakeview, Inc.

Cypress Medical Advantage, lnc.

Dauterive Hospital Corporation d/b/a
Dauterive Hospital
Physio-Industrial Network

Doctors Hospital of Opelousas Management, Inc.

Galen of Louisiana, Inc. d/b/a
Avoyelles Hospital
Springhill Medical Center
Northwest Regional Home Health Care

Hamilton Medical Center, Inc.

HCA Health Services of Louisiana, Inc. d/b/a
North Monroe Hospital

HCA Highland Hospital, Inc. d/b/a
Highland Hospital

Highland Park Hospital, Inc.

Lake Area Medical Center, Inc.

Lake Area Medical Management Services, Inc.

Lake Charles Surgery Center, Inc.

Lakeside Associates, Inc.

Louisiana Psychiatric Company, Inc. d/b/a
Cypress Hospital
DePaul Hospital

Medical Center of Baton Rouge, Inc. d/b/a
    Medical Center of Baton Rouge
    Lakeside Hospital
    Medical Center of Baton Rouge Genesis Family Center

New Orleans Surgicare, Inc. d/b/a
    The Greater New Orleans Surgery Center

Northeast Louisiana Medical Management, Inc.

Notami (Opelousas), Inc.

Notami Hospitals of Louisiana, Inc. d/b/a
    Lakeview Regional Medical Center
    Riverview Medical Center
    Savoy Medical Center

Riverview Medical Center, Inc.

Select Healthcare Services, Inc.

Surgicare Merger Company of Louisiana

Surgicare Outpatient Center of Baton Rouge, Inc.

Surgicare Outpatient Center of Lake Charles, Inc.

Surgicenter of East Jefferson, Inc.

University Healthcare System, L.C. d/b/a
    Tulane University Hospital and Clinic

Ville Platte Acquisition Corp.

WGH, Inc.

Women's and Children's Hospital, Inc. d/b/a
    Women's and Children's Hospital (LA)

MARYLAND
- --------

Surgicare of Prince Georges County, Inc.

MASSACHUSETTS
- -------------

Columbia Hospital Corporation of Massachusetts, Inc.

Health Imaging Center of Boston, Inc.

Same Day Surgicare of New England, Inc. d/b/a
Same Day Surgicare of New England

Surgicare of Suburban, Inc.

Waltham Surgicare, Inc.

MICHIGAN
- --------

Critical Care America Pharmacy, Inc.

Surgicare of Saginaw, Inc.

MINNESOTA
- ---------

St. Cloud Surgical Center, Inc.

Surgicare of Minneapolis, Inc.

MISSISSIPPI
- -----------

Brookwood Medical Center of Gulfport, Inc.

Coastal Imaging Center of Gulfport, Inc.

Galen of Mississippi, Inc.

Garden Park Physician Services Corporation

GOSC-GP, INC.

Gulf Coast Medical Ventures, Inc.

HTI Health Services, Inc. d/b/a
Vicksburg Medical Center

Lakeland Physicians Medical Building, Inc.

Surgicare of Gulfport, Inc.

Surgicare of Jackson, Inc.

Surgicare of Mississippi, Inc.

VIP, Inc.

MISSOURI
- --------

Business Health Services, Inc. d/b/a
Keystone Family Medical Clinic

Clinical Management Services, Inc. d/b/a
CareNow

Clinical Specialties, Inc. d/b/a
PRO-LAB

Columbia/HCA Kansas City Medical Management, Inc.

Comprehensive Care Clinics, Inc.

HCA Health Services of Missouri, Inc.

HEI Missouri, Inc.

HEI Sullivan, Inc.

Kensington Care Services, Inc. d/b/a
American Nursing Services-Overland Park

M.W.A., Inc.

Metropolitan Providers Alliance, Inc.

Midwest Psychiatric Center, Inc. d/b/a
Research Psychiatric Center

National Association of Senior Friends
Senior Friends - Aurora Regional Medical Center Cha

Notami Hospitals of Missouri, Inc.

Oak Grove Medical Clinic, Inc. d/b/a
Odessa MMP
Oak Grove MMP

Physical Therapy Affiliates, Inc. d/b/a
Physical Therapy Affiliates

Precise Imaging, Inc.

PRI-MED, Inc.

Regional Multicare Group, Inc.

Surgicare of Antioch Hills, Inc. d/b/a
North Hills Medical and Surgical Center
Surgicenter of Gladstone

Surgicare of Independence, Inc.

Truman-Forest Pharmacy, Inc.

NEBRASKA
- --------

Omaha Healthcare System, Inc.

NEVADA
- ------

CHC Venture Co.

Chiron, Inc.

Columbia Hospital Corporation of West Houston

Desert Physical Therapy, Inc. d/b/a
Desert Physical Therapy

HCA Health Services of Nevada, Inc.

James Bros., Inc.

Las Vegas Physical Therapy, Inc. d/b/a
Lynn Maguire Physical Therapy

Las Vegas Surgicare, Inc.

National Care Services Corp. of Nevada d/b/a
Sunrise Diagnostic Center
Sunrise Medical Tower III
Sunrise Medical Tower IV
Sunrise Professional Pharmacy

Nevada Psychiatric Company, Inc.

Sunrise Hospital d/b/a
Sunrise Children's Hospital
Sunrise Hospital & Medical Center
Sunrise MoutainView Hospital and Medical Center
The Women's Hospital (Bought as an empty facility)
Sunrise MountainView Hospital

Sunrise Mountainview Hospital, Inc.

Sunrise Outpatient Services, Inc.

Sunrise Surgicenters, Inc.

Surgicare of Las Vegas, Inc.

Surgicare of Reno, Inc.

NEW HAMPSHIRE
- -------------

Appledore Medical Group, Inc.

HCA Health Services of New Hampshire, Inc. d/b/a
Main Street Medical Park
Parkland Medical Center
Portsmouth Pavilion
Portsmouth Regional Hospital

Health Imaging Asset Management, Inc.

Health Imaging Center of Columbus, Inc.

Health Imaging Centers, Inc.

Parkland Physician Services, Inc.

Regional Psychiatric Company, Inc.

NEW MEXICO
- ----------

Guadalupe Medical Center, Inc. d/b/a
Guadalupe Medical Center

HCA Health Services of New Mexico, Inc.

Hobbs Community Hospital, Inc. d/b/a
Columbia Lea Regional Medical Center
Lea Regional Home Health

New Mexico Psychiatric Company, Inc. d/b/a
Heights Psychiatric Hospital

NEW YORK
- --------

Critical Care America of New York, Incorporated

NORTH CAROLINA
- --------------

Brunswick Health Alliance, Inc.

CareOne Home Health Services, Inc. d/b/a
CareOne (Charlotte, NC)
CareOne (Monroe, NC)

Columbia-CFMH, Inc.

Cumberland Medical Center, Inc. d/b/a
Highsmith-Rainey Memorial Hospital

Davis Community Primary Care Network, Inc.

Eyecare Providers of North Carolina, Inc.

Fayetteville Healthcare System, Inc.

Galen of North Carolina, Inc.

HCA -Raleigh Community Hospital, Inc. d/b/a
Raleigh Community Hospital
Professional Fitness Program
Health Plus
Columbia Advantage Home Care

Heritage Hospital, Inc. d/b/a
Heritage Hospital
Northeastern Rehabilitation Center

Highsmith-Rainey Hospital Primary Care Network, Inc.

Hospital Corporation of North Carolina, Inc. d/b/a
The Brunswick Hosptial
Davis Community Hospital

HTI Health Services of North Carolina, Inc.

Optical Shop, Inc.

Raleigh Community Physical Therapy & Sports Medicine

Raleigh Community Primary Care Network, Inc.

Salem Optical Company, Inc.

Southeastern Eye Center, Inc.

Wake Psychiatric Hospital, Inc. d/b/a
Holly Hill Hospital

OHIO
- ----

Columbia/HCA Healthcare Corporation of Northern Ohio

E.N.T. Services, Inc.

EyeCare Providers of Ohio, Inc.

Middleburg Heights Surgical Center, Inc.

Surgicare of East Cleveland, Inc.

Surgicare of Westlake, Inc.

OKLAHOMA
- --------

Claremore Regional Hospital, Inc.

Doctor's Hospital - Tulsa, Inc.

Edmond Physician Hospital Organization, Inc.

HCA Affiliated Services of Oklahoma, Inc.

HCA Health Services of Oklahoma, Inc. d/b/a
Presbyterian Hospital

Hospital Corporation of Seiling, Inc.

Integrated Management Services of Oklahoma, Inc.

Lake Region Health Alliance Corporation

Medical Imaging, Inc.

Notami Hospitals of Oklahoma, Inc. d/b/a
Northwest Hospital
Claremore Regional Hospital
Doctors Hospital-Tulsa
Southwestern Medical Center
Tulsa Regional Medical Center
The Specialty Hospital of Tulsa

Oklahoma Surgicare, Inc.

Southwestern Medical Center, Inc.

Surgicare of Tulsa, Inc. d/b/a
Surgicare of Tulsa

OREGON
- ------

Hospital Corporation of Douglas, Inc. d/b/a
Douglas Community Hospital

McMinnville Hospital, Inc. d/b/a
McMinnville Community Hospital
Central Coast Counseling

Roseburg Ambulance, Inc. d/b/a
Roseburg Ambulance Service

Surgicare of Salem, Inc.

PENNSYLVANIA
- ------------

Basic American Medical Equipment Company, Inc.

Surgicare of Philadelphia, Inc.

RHODE ISLAND
- ------------

Atwood Surgicare, Inc.

Blackstone Valley Surgicare, Inc. d/b/a
Columbia Blackstone Valley Surgicare

Columbia Northeast Corporation

Pawtucket Outpatient Medical Building, Inc.

Wayland Square Surgicare, Inc. d/b/a
Columbia Wayland Square Surgicare

SOUTH CAROLINA
- --------------

Carolina Regional Surgery Center, Inc.

C/HCA Development, Inc.

Chesterfield General Hospital, Inc. d/b/a
Chesterfield General Hospital

Coastal Carolina Home Care, Inc.

Columbia/HCA Healthcare Corporation of South Carolina

Doctors Memorial Hospital, Inc.

DMH Spartanburg Management, Inc.

DMH Spartanburg, Inc.

HCA Healthcare - South Carolina, Inc.

HCA South Carolina Health Services, Inc.

HTI South Carolina, Inc. d/b/a
Marlboro Park Hospital

Low Country Health Services, Inc. of the Southeast

Medical Office of Colleton, Inc.

Myrtle Beach Hospital, Inc. d/b/a
Grand Strand Regional Medical Center

North Trident Regional Hospital, Inc. d/b/a
Summerville Medical Center
Summerville Medical Center (Downtown)
Trident Regional Medical Center
Coastal Carolina Home Health

Trident Medical Services, Inc.

Walterboro Community Hospital, Inc. d/b/a
Colleton Regional Hospital

SWITZERLAND
- -----------

Permanence de L'Hopital de la Tour d/b/a
Geneva Out-Patient Clinic

Societe' Anonyme de l'Eploitation de l'Hopital de la d/b/a
Hospital de la Tour et Pavillon Gourgas

TENNESSEE
- ---------

Athens Community Hospital, Inc. d/b/a
Athens Regional Medical Center

Athens Orthopaedic Rehabilitation, Inc.

Benton Community Hospital, Inc.

Central Tennessee Hospital Corporation d/b/a
Horizon Medical Center
Cheatham Medical Center
Columbia HomeCare

Chattanooga Health System, Inc.

Chattanooga Healthcare Network Partner, Inc.

Chattanooga Healthcare Partner Network, Inc.

Columbia Behavioral Health of Tennessee, L.L.C.

Columbia Health Management, Inc. d/b/a
Columbia Healthcare Network

Columbia Healthcare Network of Middle Tennessee,

Columbia Healthcare Network of Tri-Cities, Inc.

Columbia Healthcare Network of West Tennessee, Inc.

Columbia Integrated Health Systems, Inc.

Columbia Internal Medicine-Athens, Inc.

Columbia Medical Group - Athens, Inc.

Columbia Medical Group - Centennial, Inc.

Columbia Medical Group - Chatsworth, Inc.

Columbia Medical Group - Crockett, Inc.

Columbia Medical Group - Eastridge, Inc.

Columbia Medical Group - Hendersonville, Inc.

Columbia Medical Group - Indian Path, Inc.

Columbia Medical Group - Livingston, Inc.

Columbia Medical Group - Nashville Memorial, Inc.

Columbia Medical Group - North Side Specialty, Inc

Columbia Medical Group - North Side, Inc.

Columbia Medical Group - Parkridge, Inc.

Columbia Medical Group - Parthenon, Inc.

Columbia Medical Group - Regional, Inc.

Columbia Medical Group - River Park, Inc.

Columbia Medical Group - Southern Hills, Inc.

Columbia Medical Group - Southern Tennessee, Inc.

Columbia Medical Group - Stones River, Inc.

Columbia Medical Group - Summit, Inc.

Columbia Medical Group - Sycamore Shoals, Inc.

Columbia Medical Group - Trinity, Inc.

Columbia Medical Group - Volunteer, Inc.

Columbia Private Duty Nursing Services of Davidson County, Inc.

Columbia/HCA Information Services, Inc.

Community and Occupational Health Services, Inc.

Crockett General Hospital, Inc. d/b/a
Crockett Hospital

Diagnostic Center Hospital Corporation

Eastern Tennessee Medical Services, Inc.

EyeCare Providers of Tennessee, Inc.

Galen of Tennessee, Inc. d/b/a
Care Plus Home Health Services of Chattanooga
East Ridge Hospital

General Care Corp. d/b/a
Regional Hospital of Jackson

HCA Capital Corporation

HCA Crossroads Residential Centers, Inc.

HCA Development Company, Inc.

HCA Donelson Investments, Inc.

HCA Health Services of Tennessee, Inc.

HCA Home and Clinical Services, Inc.

HCA International Company

HCA Medical Services, Inc.

HCA Physician Services, Inc.

HCA Properties, Inc.

HCA Psychiatric Company

HCA Realty, Inc.

HCA Southern Hills Investments, Inc.

Health Enterprises, Inc.

Health Information Associates, L.L.C.

Healthtrust, Inc. - The Hospital Company (TN)

Hendersonville Hospital Corporation d/b/a
Hendersonville Hospital

Hometrust Management Services, Inc.

Horizon Occupational Health Services Corporation

Hospital Corporation of Smith and Overton County d/b/a
Livingston Regional Hospital

Hospital Corporation of Tennessee d/b/a
Volunteer General Hospital
Superior Home Health Care

Hospital Realty Corporation

HTI Edgefield, Inc.

HTI Medical Services Corporation

HTI Memorial Hospital Corporation d/b/a
Nashville Memorial Hospital
Columbia Subacute Services of Tennessee

HTI Tri-Cities Rehabilitation, Inc.

Humbolt Cedar Crest Hospital, Inc.

Indian Path Hospital, Inc. d/b/a
Indian Path Medical Center
Superior Home Health Care of East Tennessee
Superior Home Medical Equipment
Indian Path Medical Group
Superior Home Health of East Tennessee

Indian Path Rehabilitation Center, Inc.

IPH, Inc.

IPN Services, Inc.

Johnson City Eye & Ear Hospital, Inc. d/b/a
Johnson City Specialty Hopital

Johnson City Medical Services, Inc. d/b/a
PyraMed Healthcare Services

Judy's Foods, Inc.

Medical Resource Group, Inc.

Middle Tennessee Medical Services Corporation d/b/a
Masterpiece Healthcare Services

North Side Hospital, Inc. d/b/a
North Side Hospital

Park Plaza Realty, Inc.

Parkridge Hospital, Inc. d/b/a
Parkridge Medical Center

Parkside Surgery Center, Inc.

Parthenon Financial Services, Inc.

Parthenon Travel Services, Inc.

River Park Hospital, Inc.

SCMH Corporation d/b/a
Smith County Memorial Hospital
The Renewal Center at Smith County Memorial Hosp

Southern Tennessee Ambulance Services, Inc.

SP Acquisition Corp. d/b/a
South Pittsburg Municipal Hospital

Stones River Hospital, Inc. d/b/a
Stones River Hospital
Southern Tennessee Medical Center
Southern Tennessee Skilled Facility
Southern Tennessee Home Care
Emerald-Hodgson Healthcare Center (and Hospital)

Sycamore Shoals Hospital, Inc d/b/a
Sycamore Shoals Hospital

TCPN, Inc.

Tennessee Healthcare Management, Inc. d/b/a
Columbia Care Medical Center
Columbia Physician Services

Tennessee Psychiatric Company, Inc. d/b/a
Indian Path Pavilion

The Center for Health Services, Inc.

The Charter Cypress Behavioral Health System, L.L.C. d/b/a
Cypress Hospital

Trinity Hospital Corporation d/b/a
Trinity Hospital

Valley Psychiatric Hospital Corporation d/b/a
Valley Hospital

WDC, Inc. d/b/a
CEQUIP

TEXAS
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Arlington Diagnostic South, Inc.

Austin Medical Center, Inc. d/b/a
Austin Diagnostic Clinic

Bailey Square Outpatient Surgical Center, Inc.

Bay Area Surgicare Center, Inc. d/b/a
Bay Area Surgicare Center

Bayview Psychiatric Organization

Beaumont Healthcare System, Inc.

Beaumont Hospital, Inc. d/b/a
Beaumont Regional Medical Center
Fannin Pavillion

Beaumont Medical Arts, Inc.

Beaumont Regional Physician Hospital Organization

Bedford-Northeast Community Hospital, Inc. d/b/a
Columbia HEB Hospital
Northeast Community Hospital Skilled Nursing Unit
Institute of Sports Rehabilitation and Fitness

Bellaire Imaging, Inc.

BMSH, Inc.

Brazos Acquisition Corp.

Brownsville-Valley Regional Medical Center, Inc. d/b/a
    Columbia Valley Regional Medical Center
    Valley Regional Home Health Agency
    South Texas Center for Home Health of Valley Regional

Brownwood Regional Hospital, Inc. d/b/a
    Brownwood Regional Medical Center
    Doctors Medical Clinic
    Brownwood Regional Hospital Home Care Services

BVMC, Inc. d/b/a
    Brazos Valley Medical Center
    Brazos Valley Medical Center-Bremond
    Brazos Valley Surgical Center
    Brazos Valley Medical Center Homecare

CHC Payroll Corp.

CHC Realty Company

CHC-DC, Inc.

CHC-El Paso, Corp.

CHC-Miami Corp.

Clear Lake Regional Medical Center, Inc. d/b/a
    Columbia Clear Lake Regional Medical Center

Columbia Champions Treatment Center, Inc. d/b/a
    Columbia Champions Treatment Center

Columbia Family Birth Center, Inc.

Columbia Hospital Corporation at the Medical Center

Columbia Hospital Corporation of Arlington

Columbia Hospital Corporation of Bay Area

Columbia Hospital Corporation of Corpus Christi

Columbia Hospital Securities Corporation

Columbia Physician Hospital Organization

Columbia Physician Hospital Organization - Bellaire Hospital

Columbia Physician Hospital Organization - Rosewood Medical Center

Columbia Physician Hospital Organization Heights Hospital

Columbia Physician Hospital Organization Sam Houston Memorial Hospital d/b/a
Columbia Physician Hospital Organization Sam Houston Memorial Hospital/Spring Branch Medical Center

Columbia Provider Services, Inc.

Columbia Psychiatric Management Co.

Columbia Purchasing Group, Inc.

Columbia/HCA Healthcare Corp. of Central Texas

Columbia/HCA Heartcare of Corpus Christi, Inc.

Columbia/HCA of Houston, Inc.

Columbia/HCA of North Texas, Inc.

Columbia/HCA of San Angelo, Inc. d/b/a
Angelo Community Hospital

Columbia/HCA Physician Hospital Organization Medical Center Hospital

Columbia/HCA Physician Hospital Organization West Houston Medical Center

Conroe Hospital Corporation d/b/a
Columbia Conroe Medical Center

Coronado Community Hospital, Inc. d/b/a
Columbia Panhandle Regional Medical Center
Coronado Health Network

Custom Medical Management, Inc.

DFW Physician Services Corporation

DHA-Acquisition, Inc. d/b/a
Doctors Hospital (Airline)

Doctors Bay Area Physician Hospital Organization

Doctors Hospital (Conroe), Inc.

Doctors Hospital of Corpus Christi, Inc.

E.P. Physical Therapy Centers, Inc.

El Paso Nurses Unlimited, Inc. d/b/a
Nurses Unlimited of El Paso

El Paso Pathology Group, P.A.

El Paso Surgicenter, Inc. d/b/a
Surgical Center of El Paso

Endoscopy Clinic of Dallas, Inc.

EPIC Properties, Inc.

EyeCare Providers of America, Inc.

EyeCare Providers of Texas, Inc.

Fort Worth Investments, Inc.

Fort Worth Medical Plaza, Inc. d/b/a
Columbia Plaza Medical Center of Fort Worth
Plaza Medical Center-East (Div. of Plaza Med Ctr.)
Homecare Plus

Galen Hospital of Baytown, Inc.

Galen Hospitals of Texas, Inc.

Greater Houston Preferred Provider Option, Inc. d/b/a
Greater Houston PPO

Gulf Coast Provider Network, Inc.

HCA - Arlington, Inc. d/b/a
Columbia Medical Center of Arlington

HCA Health Services of Texas, Inc.

HCA Physician Services of North Texas, Inc.

HCA Plano Imaging, Inc.

Health Institutions Purchasing Group, Inc.

HEI Construction, Inc.

HEI Orange, Inc.

HEI Publishing, Inc.

HEI Sealy, Inc.

Houston Northwest Surgical Partners, Inc.

HSP of Texas, Inc. d/b/a
Columbia Medical Center of Plano

HTI Gulf Coast, Inc.

HTI Round Rock Clinics, Inc.

KPH-Consolidation, Inc. d/b/a
Columbia Kingwood Medical Center
Columbia Kingwood Homecare

Lockhart Acquisition Corp.

Longview Regional Hospital, Inc. d/b/a
Columbia Longview Regional Medical Center
Gilmer Home Care
Home Health Care

Longview Regional Physician Hospital Organization, Inc.

Mansfield Hospital, Inc.

Med Plus of El Paso, Inc.

Med-Center Hosp./Houston, Inc.

Medical Arts Hospital of Dallas, Inc. d/b/a
Columbia Medical Arts Hospital
Columbia Specialty Hospital

Medical Center Del Oro Hospital, Inc.

Medical Center Healthcare Alliance, Inc.

Medical City Dallas Hospital, Inc. d/b/a
Medical City Dallas Hospital
CareOne (Dallas,TX)
CareOne (Hurst,TX)
Comfort Health Care Services

MediPurchase, Inc.

Metroplex Surgicenters, Inc.

MGH Medical, Inc. d/b/a
Metropolitan Transitional Care Unit

MHS Surgery Centers, L.L.C.

Mid-Cities Surgi-Center, Inc. d/b/a
Mid-Cities Surgicenter

Midway Park Health Network, Inc.

Midway Park Medical Center Corporation d/b/a
Columbia Medical Center at Lancaster

Navarro Memorial Hospital, Inc. d/b/a
Columbia Navarro Regional Hospital

Northeast PHO, Inc.

Panhandle Medical Management Services, Inc.

Paragon of Texas Health Properties, Inc.

Paragon Surgery Centers of Texas, Inc.

Pasadena Bayshore Hospital, Inc. d/b/a
Columbia Bayshore Medical Center

Physician Hospital Organization of the Brazos Valley

Physicians Alternative Purchasing Group, Inc.

Physicians MRI Services, Inc.

Regional Employee Assistance Program

Rio Grande Development Corp.

Rio Grande Regional Hospital, Inc.

Rio Grande Regional Investments, Inc.

Rosewood Medical Center, Inc. d/b/a
Columbia Rosewood Medical Center

S.A. Medical Center, Inc. d/b/a
South Austin Medical Center
CareOne (Austin,TX)
CareOne (Lockhart,TX)
CareOne (Marble Falls,TX)
CareOne (Austin,TX) (private duty)

San Antonio Regional Hospital, Inc. d/b/a
Bandera Medical Clinic

Silsbee Hospital, Inc. d/b/a
Silsbee Doctors Hospital

South Texas Surgicare, Inc.

Southwest Houston Surgicare, Inc.

Spring Branch Medical Center, Inc. d/b/a
Sam Houston Memorial Hospital (Div Spring Branch)
Columbia Spring Branch Medical Center

Sun Towers/Vista Hills Holding Co.

Sunbelt Regional Medical Center, Inc. d/b/a
Columbia Sun Belt Medical Center
Doctors Hospital East Loop
Columbia Sun Belt Medical Center (East Campus)

Surgical Center of Irving, Inc.

Surgical Center of Wichita Falls, Inc.

Surgicare of Amarillo, Inc.

Surgicare of Central San Antonio, Inc.

Surgicare of Gramercy, Inc.

Surgicare of North San Antonio, Inc.

Surgicare of Sherman, Inc.

Surgicare of Southeast Texas, Inc.

Surgicare of Travis Center, Inc. d/b/a
Travis Centre Outpatient Surgery

Surgicare of Victoria, Inc.

Terrell Comunity Hospital, Inc. d/b/a
Columbia Medical Center at Terrell

Texas Healthcare, Inc.

Texas Medical Technologies, Inc.

Texas Outpatient Surgicare Center, Inc.

Texas Psychiatric Company, Inc.

The Woman's Physician Hospital Organization

Victoria Hospital Corporation d/b/a
DeTar Hospital

Village Oaks Medical Center, Inc. d/b/a
McQueeney Medical Clinic

W & C Hospital, Inc. d/b/a
The Woman's Place

Waco Hospital Corp.

Waco Outpatient Surgical Center, Inc.

West Houston ASC, Inc.

West Houston Outpatient Medical Facility, Inc.

West Houston Surgicare, Inc.

Wharton Hospital Corporation d/b/a
Gulf Coast Medical Center
El Campo Memorial Hospital
South Texas Rural Health Clinic

WHMC, Inc. d/b/a
Columbia West Houston Medical Center

Woman's Hospital of Texas, Incorporated d/b/a
Columbia Woman's Hospital of Texas

Woodland Heights General Hospital, Inc. d/b/a
Woodland Heights Medical Center

U.K.
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BMI/Columbia Healthcare Limited d/b/a
London Laboratory, MDL
Princess Grace Hospital
The Harley Street Clinic
The Portland Hospital for Women and Children
The Wellington Day Surgery Center
The Wellington Hospital

The Wellington Private Hospital Limited

UTAH
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Brigham City Community Hospital, Inc. d/b/a
Brigham City Community Hospital

Brigham City Health Plan, Inc.

Castleview Hospital, Inc. d/b/a
Castleview Hospital

Columbia Home Care Services of Utah, Inc.

Eastern Utah Health Plan, Inc.

General Hospitals of Galen, Inc. d/b/a
Cartersville Medical Center

HCA Health Services of Utah, Inc. d/b/a
St. Marks Hospital
Creekside Home Health Care

Healthtrust Utah Management Services, Inc.

Hospital Corporation of Utah d/b/a
Lakeview Hospital
Bountiful Laundry

HTI - Managed Care of Utah, Inc.

HTI Homemed of Utah, Inc.

HTI of Utah, Inc. d/b/a
Ashley Valley Medical Center

HTI Physician Services of Utah, Inc.

HTI Utah Data Corporation

Lakeview Health Plan, Inc.

Medical Services of Salt Lake City, Inc.

MGGI Corporation

MHHE Corporation

Mountain View Health Plan, Inc.

Mountain View Hospital, Inc. d/b/a
Mountain View Hospital
Mountain View Alcohol and Substance Abuse Program
The Birthplace
Small Miracles
Mountain View Professional Plaza

Ogden Medical Center, Inc. d/b/a
Ogden Regional Medical Center

Ogden Regional Health Plan, Inc.

Pioneer Valley Health Plan, Inc.

Pioneer Valley Hospital, Inc. d/b/a
Pioneer Valley Hospital

Salt Lake City Surgicare, Inc.

Southridge Professional Plaza, L.L.C.

St. Mark's Investments, Inc.

West Jordan Hospital Corporation d/b/a
Jordan Valley Hospital

VIRGINIA
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Behavioral Health of Virginia Corporation

Chicago Medical School Hospital, Inc.

Chippenham and Johnston-Willis Hospitals, Inc. d/b/a
Chippenham Medical Center
Johnston-Willis Hospital
Tucker Pavilion (Div. of Chippenham Hosp.)
Amelia Healthcare Clinic

Circle Terrace Hospital Corporation

Columbia Healthcare of Central Virginia, Inc. d/b/a
Columbia Primary Care
Columbia Practice Services

Columbia Home Therapies of Virginia, Inc.

Columbia Medical Group - Southwest Virginia, Inc.

Columbia/Alleghany Regional Hospital, Inc. d/b/a
Alleghany Regional Hospital
Alleghany Healthcare Services

Columbia/HCA John Randolph, Inc. d/b/a
John Randolph Medical Center

Columbia/HCA Retreat Hospital, Inc. d/b/a
The Retreat Hospital

Galen of Virginia, Inc. d/b/a
James Graham Brown Cancer Center

Galen Virginia Hospital Corporation

Galen-Med, Inc. d/b/a
Clinch Valley Medical Center
Lake Area Medical Center
Lakeland Medical Center
Metropolitan Health Services

HCA Ambulatory Surgery Investments, Inc.

HCA Health Services of Virginia, Inc. d/b/a
- Lewis-Gale Psychiatric Center
- Dominion Hospital
- Dominion Psychiatric Treatment Center
- Greater Richmond Physician Referral Service
- HCA Chester Office
- Henrico Doctors Hospital
- Petersburg Psychiatric Hospital
- Reston Hospital Center

Health Resource Productions, Inc.

Imaging and Surgery Centers of Virginia, Inc. d/b/a
- Fairfax City Imaging

Lewis-Gale Hospital, Inc. d/b/a
- Lewis-Gale Hospital

Montgomery Regional Hospital, Inc. d/b/a
- Montgomery Regional Hospital
- Blue Ridge Health Clinic

MOS Temps, Inc.

New River Healthcare Plan, Inc.

NOCO, Inc.

Northern Virginia Hospital Corporation

Preferred Care of Richmond, Inc.

Pulaski Community Hospital, Inc. d/b/a
- Pulaski Community Hospital

Reston Oncology Center Associates, Inc.

Richmond West End Real Estate, Inc.

Skipfor, Inc.

Surgicare of Virginia, Inc.

United Ambulance Service, Inc.

Virginia Psychiatric Company, Inc. d/b/a
- Peninsula Center For Behavior Health
- Poplar Springs Hospital
- Barcroft Institute
- Peninsula Hospital
- Perspectives Health Services of Canada

WASHINGTON
- ----------

Capital Network Services, Inc.

Olympia Hospital Corporation d/b/a
Capital Medical Center

Rainier Regional Rehabilitation Hospital, Inc.

WEST VIRGINIA
- -------------

Charleston Hospital, Inc. d/b/a
Columbia St. Francis Hospital

Galen of West Virginia, Inc. d/b/a
Columbia Home Infusion Services
Galen Shared Services
Greenbrier Valley Medical Center
St. Luke's Hospital

HCA Health Services of West Virginia, Inc.

Hospital Corporation of America

Raleigh General Hospital

Teays Valley Health Services, Inc. d/b/a
Putnam General Hospital

The Health Alliance of Southern West Virginia, Inc.

Tri Cities Health Services Corp. d/b/a
River Park Hospital (WVa)

West Virginia Management Services Organization, Inc.

WISCONSIN
- ---------

Psychiatric Company of Dane County, Inc.

WYOMING
- -------

Riverton MSO, Inc.

Wyoming Health Services, Inc. d/b/a
Riverton Memorial Hospital

EXHIBIT 23.1

CONSENT OF ERNST & YOUNG LLP, INDEPENDENT AUDITORS

We consent to the incorporation by reference in this Annual Report (Form 10-K) of Columbia/HCA Healthcare Corporation of our report dated February 14, 1996, except for Note 11 as to which the date is March 8, 1996, included in the 1995 Annual Report to Stockholders of Columbia/HCA Healthcare Corporation.

Our audit also included the financial statement schedule of Columbia/HCA Healthcare Corporation listed in Item 14(a). This schedule is the responsibility of the Company's management. Our responsibility is to express an opinion based on our audits. In our opinion, the financial statement schedule referred to above, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

We also consent to the incorporation by reference in the Registration Statements on Forms S-3 (File Nos. 333-01337, 33-64105, 33-53661, 33-53409, 33-52379 and 33-50985) and Forms S-8 (File Nos. 33-62309, 33-62303, 33-55511, 33-55509, 33-55272, 33-55270, 33-52253, 33-51114, 33-51082, 33-51052, 33-50151, 33-50147, 33-49783 and 33-36571) of our report dated February 14, 1996, except for Note 11, as to which the date is March 8, 1996, with respect to the consolidated financial statements incorporated herein by reference, and our report included in the preceding paragraph with respect to the financial statement schedule included in this Annual Report (Form 10-K) of Columbia/HCA Healthcare Corporation for the year ended December 31, 1995.

Nashville, Tennessee
March 28, 1996

EXHIBIT 23.2

CONSENT OF SR. JUDITH ANN KARAM, CSA

The undersigned hereby consents to the inclusion of her name in the Annual Report to Stockholders and definitive Proxy Statement as a person nominated to become a director of Columbia/HCA Healthcare Corporation upon election by the stockholders at the 1996 Annual Meeting of Stockholders.

/s/ Sr. Judith Ann Karam, CSA

Sr. Judith Ann Karam, CSA

March 29, 1996

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE STATEMENT OF INCOME AND BALANCE SHEET AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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DEC-31-1995
DEC-31-1995
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2,665
901
406
4,200
14,315
4,564
19,892
2,738
7,137
4
0
0
7,125
19,892
0
17,695
0
9,659
3,418
998
460
1,779
715
1,064
0
(103)
0
961
2.14
2.14