

# TENET HEALTHCARE CORP

## FORM 8-K (Unscheduled Material Events)

Filed 9/4/2003 For Period Ending 9/4/2003

Address	13737 NOEL ROAD DALLAS, Texas 75240
Telephone	469-893-2200
CIK	0000070318
Industry	Healthcare Facilities
Sector	Healthcare
Fiscal Year	12/31

---

---

# SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

---

## FORM 8-K CURRENT REPORT

---

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report: September 4, 2003  
(Date of earliest event reported)

Commission file number: 1-7293

---

### TENET HEALTHCARE CORPORATION

(Exact name of Registrant as specified in its chart)

Nevada  
(State or Incorporation)

95-2557091  
(I.R.S. Employer  
Identification No.)

3820 State Street  
Santa Barbara, California 93105  
(Address of principal executive offices, including zip code)

(805) 563-7000  
(Registrant's telephone number, including area code)

N/A  
(Former name or former address, if changed since report)

---

---

---

ITEM 9.           OIG Begins Administrative Process for Possible Exclusion of Redding Medical Center from U.S. Healthcare Programs.

On September 4, 2003, Tenet Healthcare Corporation issued a press release announcing that late Wednesday September 3, 2003, it received notice from the Office of Inspector General (OIG) in the U.S. Department of Health and Human Services, of the OIG's intention to begin administrative proceedings that could exclude Redding Medical Center (RMC), owned by a subsidiary of the company, from participation in Medicare and other federal health care programs. A copy of the press release is attached to this report as Exhibit 99.1 and hereby is furnished.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Company has caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TENET HEALTHCARE CORPORATION

By: /s/ Stephen D. Farb  
Stephen D. Farb  
Chief Financial Officer

Date: September 4, 201



NEWS RELEASE

Tenet Healthcare Corporation  
Headquarters Office  
3820 State Street  
Santa Barbara, CA 93105  
Tel 805.563.6855  
Fax 805.563.6871  
<http://www.tenethealth.com>

Contacts:  
Media: Harry Andersor(805) 563-6816  
Investors: Diana Takvam (805) 563-6883

### OIG Begins Administrative Process for Possible Exclusion of Redding Medical Center from U.S. Health Care Programs

SANTA BARBARA, Calif. - Sept. 4, 2003 - Tenet Healthcare Corporation (NYSE: THC) announced today that it received notice late Wednesday from the Office of Inspector General (OIG) in the U.S. Department of Health and Human Services of the OIG's intention to begin administrative proceedings that could exclude Redding Medical Center (RMC) from participation in Medicare and other federal health care programs.

The notice gives RMC, which is owned by a Tenet subsidiary, 35 days to offer documents and other evidence to demonstrate that exclusion is unwarranted. The company said it will offer such evidence. Once the OIG receives that information from RMC, the agency will decide whether to exclude the hospital. The decision to exclude is made, the company would have the right to appeal in administrative law proceedings. Tenet said the hospital's health care services would continue uninterrupted to all patients during this process.

The OIG notice said it launched the process because it has determined that RMC from 1999 through 2002 furnished cardiology and cardiac services (including several cardiac catheterizations and coronary artery bypass grafts) that were medically unnecessary and failed to

meet professionally recognized standards of health.”

On Aug. 6, Tenet had announced that the company and certain of its subsidiaries had reached a settlement with the U.S. Department of Justice, the Department of Health and Human Services (HHS) and other federal and California state officials to end criminal and civil investigations of the Tenet entities regarding alleged unnecessary cardiac procedures at RMC.

Under the settlement, a payment of \$54 million was made with no admission of wrongdoing by Tenet's subsidiaries or RMC. At that time, the company had disclosed that HHS agreed to the settlement and released the Tenet entities from any further monetary claims. However, the company had also disclosed that as part of the settlement, HHS reserved the right to pursue administrative action later – such as the exclusion proceedings it has now begun.

As this process unfolds, Tenet will work diligently with the government to assure that the vital services provided by RMC remain available and accessible by all people in the communities served by the hospital.

Since allegations of unnecessary cardiac procedures were first made last October, Tenet and RMC have taken a number of significant steps to address the situation. Among other things, the company has put in place enhanced compliance and quality monitoring procedures, and the hospital has recruited a nationally known cardiologist and other physicians to rebuild its cardiac services, which it had suspended earlier this year. The hospital has also announced plans to appoint a physician as director of medical affairs with responsibility to coordinate physician peer reviews, and to have unaffiliated board-certified physicians conduct random reviews of cardiac procedures performed at the hospital. The two physicians whose cardiac procedures have been the focus of the investigation stopped practicing at RMC early this year.

RMC is a 269-bed acute care facility that serves rural counties covering almost

40,000 square miles in the far north portion of California. The hospital is budgeted to generate

net revenues of \$135 million in 2003; it is not currently profitable. The hospital's assets have a book value of about \$70 million.

Tenet Healthcare Corporation, through its subsidiaries, owns and operates 113 acute care hospitals with 27,674 beds and numerous related health care services. Tenet and its subsidiaries employ approximately 114,061 people serving communities in 16 states. Tenet's name reflects its core business philosophy: the importance of shared values among partners - including employees, physicians, insurers and communities - in providing a full spectrum of health care. Tenet can be found on the World Wide Web at [www.tenethealth.com](http://www.tenethealth.com).

###

Certain statements in this release may constitute forward-looking statements. They are based on management's current expectations and could be affected by numerous factors and subject to various risks and uncertainties. Certain of those risks and uncertainties are discussed in the Company's filings with the Securities and Exchange Commission, including the Company's transition report on Form 10-K for the 7-month period ended Dec. 31, 2000 and quarterly reports on Form 10-Q. Do not rely on any forward-looking statement, as we cannot predict or control many of the factors that ultimately may affect our ability to achieve the results estimated. We make no promise to update any forward-looking statement, whether as a result of changes in underlying factors, new information, future events or otherwise.