

Georgia, and thereby indirectly acquire Valdosta Bank and Trust, Valdosta, Georgia.

4. *Robinson Bancshares, Inc.*, Lenox, Georgia; to become a bank holding company by acquiring 100 percent of the voting shares of Bank of Lenox, Lenox, Georgia.

B. Federal Reserve Bank of Kansas City (D. Michael Manies, Assistant Vice President) 925 Grand Avenue, Kansas City, Missouri 64198-0001:

1. *Bugbee Family Limited Partnership*, Quinter, Kansas; to become a bank holding company by acquiring 56.35 percent of the voting shares of Quinter Insurance, Inc., Quinter, Kansas, and thereby indirectly acquire First National Bank, Quinter, Kansas.

2. *Central Bancshares, Inc.*, Cambridge, Nebraska; to acquire 100 percent of the voting shares of First Central Bank McCook, NA, McCook, Nebraska.

C. Federal Reserve Bank of Dallas (W. Arthur Tribble, Vice President) 2200 North Pearl Street, Dallas, Texas 75201-2272:

1. *First Financial Bankshares, Inc.*, Abilene, Texas; to acquire 100 percent of the voting shares of Cleburne State Bank, Cleburne, Texas.

D. Federal Reserve Bank of San Francisco (Maria Villanueva, Manager of Analytical Support, Consumer Regulation Group) 101 Market Street, San Francisco, California 94105-1579:

1. *Heritage Commerce Corp.*, San Jose, California; to acquire 100 percent of the voting shares of Heritage Bank East Bay (in organization), Fremont, California.

Board of Governors of the Federal Reserve System, September 16, 1998.

Robert deV. Frierson,

Associate Secretary of the Board.

[FR Doc. 98-25253 Filed 9-21-98; 8:45 am]

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FEDERAL RESERVE SYSTEM

Sunshine Act Meeting

AGENCY HOLDING THE MEETING: Board of Governors of the Federal Reserve System.

TIME AND DATE: 12 noon, Monday, September 28, 1998.

PLACE: Marriner S. Eccles Federal Reserve Board Building, 20th and C Streets, N.W., Washington, D.C. 20551.

STATUS: Closed.

MATTERS TO BE CONSIDERED:

1. Personnel actions (appointments, promotions, assignments, reassignments, and salary actions) involving individual Federal Reserve System employees.

2. Any items carried forward from a previously announced meeting.

CONTACT PERSON FOR MORE INFORMATION: Lynn S. Fox, Assistant to the Board; 202-452-3204.

SUPPLEMENTARY INFORMATION: You may call 202-452-3206 beginning at approximately 5 p.m. two business days before the meeting for a recorded announcement of bank and bank holding company applications scheduled for the meeting; or you may contact the Board's Web site at <http://www.federalreserve.gov> for an electronic announcement that not only lists applications, but also indicates procedural and other information about the meeting.

Dated: September 18, 1998.

Robert deV. Frierson,

Associate Secretary of the Board.

[FR Doc. 98-25467 Filed 9-18-98; 3:20 pm]

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FEDERAL TRADE COMMISSION

[File No. 981-0154]

Dentists of Juana Diaz, Coamo, and Santa Isabel, Puerto Rico, et al.; Analysis To Aid Public Comment

AGENCY: Federal Trade Commission.

ACTION: Proposed consent agreement.

SUMMARY: The consent agreement in this matter settles alleged violations of federal law prohibiting unfair or deceptive acts or practices or unfair methods of competition. The attached Analysis to Aid Public Comment describes both the allegations in the draft complaint that accompanies the consent agreement and the terms of the consent order—embodied in the consent agreement—that would settle these allegations.

DATES: Comments must be received on or before November 23, 1998.

ADDRESSES: Comments should be directed to: FTC/Office of the Secretary, Room 159, 6th St. and Pa. Ave., NW, Washington, DC 20580.

FOR FURTHER INFORMATION CONTACT: William Baer or Willard Tom, FTC/H-374, Washington, DC 20580. (202) 326-2932 or 326-2786.

SUPPLEMENTARY INFORMATION: Pursuant to Section 6(f) of the Federal Trade Commission Act, 38 Stat. 721, 15 U.S.C. 46 and Section 2.34 of the Commission's Rules of Practice (16 CFR 2.34), notice is hereby given that the above-captioned consent agreement containing a consent order to cease and desist, having been filed with and accepted, subject to final approval, by the Commission, has been

placed on the public record for a period of sixty (60) days. The following Analysis to Aid Public Comment describes the terms of the consent agreement, and the allegations in the complaint. An electronic copy of the full text of the consent agreement package can be obtained from the FTC Home Page (for September 16, 1998), on the World Wide Web, at "<http://www.ftc.gov/os/actions97.htm>." A paper copy can be obtained from the FTC Public Reference Room, Room H-130, Sixth Street and Pennsylvania Avenue, NW, Washington, DC 20580, either in person or by calling (202) 326-3627. Public comment is invited. Such comments or views will be considered by the Commission and will be available for inspection and copying at its principal office in accordance with Section 4.9(b)(6)(ii) of the Commission's Rules of Practice (16 CFR 4.9(b)(6)(ii)).

Analysis of Proposed Consent Order to Aid Public Comment

The Federal Trade Commission ("Commission") has agreed to accept, subject to final approval, a proposed consent order settling charges that thirteen dentists, practicing in three municipalities in southern Puerto Rico, violated Section 5 of the Federal Trade Commission Act. The proposed consent agreement settles charges that these thirteen dentists that practice in Juana Diaz, Coamo, and Santa Isabel, Puerto Rico, have fixed prices and concertedly refused to deal with the third-party payer selected for their region to provide services under Puerto Rico's Health Insurance Act of 1993.

The proposed consent order has been placed on the public record for sixty (60) days for reception of comments by interested persons. Comments received during this period will become part of the public record. After sixty (60) days, the Commission will again review the agreement and the comments received and will decide whether it should withdraw from the agreement or make final the agreement's proposed order.

The purpose of this analysis is to facilitate public comment on the agreement. The analysis is not intended to constitute an official interpretation of either the proposed complaint or the proposed consent order, or to modify their terms in any way.

The proposed consent order has been entered into for settlement purposes only and does not constitute an admission by any of the proposed respondents that the law has been violated as alleged in the complaint.

The Complaint

The complaint charges that thirteen dentists practicing in Juana Diaz, Coamo, and Santa Isabel, Puerto Rico, restrained competition among dentists by, among other things, combining or conspiring to fix the terms under which they would deal with payers and participate under Puerto Rico's program to provide health care services to the indigent (the "Reform"), and to boycott the Reform if their terms were not met. Their boycott denied services to thousands, and their concerted effort to raise the level of reimbursement is a *per se* illegal group boycott. The allegations set forth in the Commission's complaint are summarized below.

The Administration de Seguros de Salud ("ASES"), a public corporation, implements and administers the Reform. ASES has divided Puerto Rico into regions, soliciting for each region bids from payers to organize and provide services for beneficiaries. ASES currently selects one payer with which to contract per region. That payer then contracts with providers, including hospitals, physicians, pharmacies, and dentists.

After reviewing bids from several payers, ASES selected La Cruz Azul to administer the Southeast Region of the Reform beginning October, 1994. Initially the municipalities of Juana Diaz, Coamo, and Santa Isabel, with a combined population of 106,000 residents, were not included in the Reform, but ASES included them in the Southeast Region on December 20, 1995.

Beginning in September of 1995, many of the proposed respondents, in various combinations, sometimes including other dentists, met and discussed the impending expansion of the Southeast Region to Juana Diaz, Coamo, and Santa Isabel, and the terms and conditions under which they would agree to participate in the Reform. A letter was prepared to present to La Cruz Azul, stating opposition to certain terms and conditions, including the amount of payment, that they wanted increased. The respondents threatened a boycott of the Reform program if La Cruz Azul did not address their demand. During this period the proposed respondents constituted a majority of dentists engaged in the practice of dentistry in the municipalities of Juana Diaz, Coamo, and Santa Isabel.

The proposed respondents met with a representative of La Cruz Azul, and presented their letter with the terms and

conditions under which they would participate in the Reform, including price terms, for which they sought higher reimbursement. During the meeting with La Cruz Azul, and while a representative of La Cruz Azul was not present, the proposed respondents discussed among themselves their response to the terms and conditions for participation in the Reform, and agreed to nearly identical responses. Each respondent provided La Cruz Azul written notice that the dentist would not participate in Reform under the terms offered by La Cruz Azul.

The proposed respondents communicated with both La Cruz Azul and the public that they would not accept patients under the Reform. The proposed respondents in Juana Diaz placed an advertisement in a newspaper notifying the public they would not participate, and some respondents conveyed their refusal to deal with the Reform in a radio interview.

When dentists from the city of Ponce advertised their willingness to accept Reform patients from Juana Diaz, Coamo, and Santa Isabel, proposed respondents sought to have the Colegio de Cirujanos Dentistas de Puerto Rico (the "Colegio") prohibit this advertising. The Colegio eventually found advertisements by one of the dentists from Ponce to be in violation of the Colegio's rules, and notified the dentist, who then stopped advertising directed to residents of Juana Diaz, Coamo, and Santa Isabel.

La Cruz Azul acceded to the proposed respondents' demand to raise the level of reimbursement of dental fees under the Reform. The proposed respondents then agreed to participate in the Reform.

The proposed respondents have not integrated their practices in any economically significant way, nor have they created efficiencies sufficient to justify their acts or practices described above.

The complaint charges that the conduct of the proposed respondents, by fixing the compensation upon which dentists would participate in the Reform, raised the cost of and limited access to dental services funded by the Reform, and thereby deprived the Commonwealth of Puerto Rico, payers, and consumers the benefits of competition among dentists.

The Proposed Consent Order

The proposed consent order would prohibit each of the proposed respondents from concertedly 1)

negotiating on behalf of any other dentist with any payer or provider; 2) refusing to deal, boycotting, or threatening to boycott any payer or provider; or 3) determining any terms, conditions, or requirements upon which dentists will deal with any provider, including, but not limited to, terms of reimbursement.

Notwithstanding these provisions, however, the proposed consent order would not prevent any of the proposed respondents from operating, or participating in, legitimate arrangements. First, any of the proposed respondents, if operating through a "qualified risk-sharing joint arrangement," may enter agreements to provide dental services. Such arrangements cannot restrict the dentists' ability to participate in any other arrangements, and all participants in the arrangement must share substantial financial risk from their participation in the arrangement.

Second, any of the proposed respondents, if operating through a "qualified clinically integrated joint arrangement," may enter into agreements to provide dental services if they have provided the Commission with adequate prior notification. Such arrangements could not restrict participating dentists' ability to participate in other arrangements with payers, and the participating providers in the arrangement would have to participate in active and ongoing programs designed to control costs and ensure the quality of the services provided.

Part III of the proposed order would require that each proposed respondent distribute copies of the order and accompanying complaint, as well as certified Spanish translations, to each payer or provider, who at any time since January 1, 1995, has communicated any desire, willingness, or interest in contracting for dentists' goods and services.

Parts IV and V of the order impose certain reporting requirements in order to assist the Commission in monitoring compliance with the order.

The proposed consent order would terminate 20 years after the date it is issued.

By direction of the Commission.

Donald S. Clark,

Secretary.

[FR Doc. 98-25302 Filed 9-21-98; 8:45 am]

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