

Complaint

121 F.T.C.

IN THE MATTER OF

CANCER TREATMENT CENTERS OF AMERICA, INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF  
SECS. 5 AND 12 OF THE FEDERAL TRADE COMMISSION ACT*Docket C-3662. Complaint, May 31, 1996--Decision, May 31, 1996*

This consent order requires, among other things, the Illinois-based company and two affiliated hospitals to substantiate future claims regarding the success or efficacy of their cancer treatments and to ensure that testimonials they use do not misrepresent the typical experience of their patients.

*Appearances*For the Commission: *Walter Gross, III.*For the respondents: *Stephen Durchslag* and *Michael Silbarium*,  
*Winston & Strawn*, Washington, D.C.

## COMPLAINT

The Federal Trade Commission, having reason to believe that Cancer Treatment Centers of America, Inc., a corporation, Midwestern Regional Medical Center, Inc., a corporation, and Memorial Medical Center and Cancer Institute, Inc., a corporation, ("respondents") have violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, alleges:

PARAGRAPH 1. Respondent Cancer Treatment Centers of America, Inc., is an Illinois corporation, with its principal office or place of business at 3455 Salt Creek Lane, Suite 200, Arlington, Illinois.

Respondent Midwestern Regional Medical Center, Inc., is an Illinois corporation, with its principal office or place of business at Shiloh Boulevard and Emmaus Avenue, Zion, Illinois.

Respondent Memorial Medical Center and Cancer Institute, Inc., is an Oklahoma corporation, with its principal office or place of business at 8181 South Lewis Avenue, Tulsa, Oklahoma.

PAR. 2. Individually or in concert with others, respondents have advertised, offered for sale and sold cancer treatments and related health care services under the trade name "Cancer Treatment Centers of America" ("CTCA").

PAR. 3. The acts and practices of respondents alleged in this complaint have been in or affecting commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act.

PAR. 4. Respondents have disseminated or have caused to be disseminated advertising in the form of promotional brochures for CTCA, including but not necessarily limited to the attached Exhibit A. This brochure contained the following statement:

(a) "Statistically our five-year survivorship is among the highest documented."

PAR. 5. Through the use of the statement contained in the advertisement referred to in paragraph four, including but not necessarily limited to the statement in the advertisement attached as Exhibit A, respondents have represented, directly or by implication, that statistical evidence demonstrates that the five-year survivorship rate for cancer patients in respondents' hospitals is among the highest recorded rates of survivorship for cancer patients.

PAR. 6. Through the use of the statement contained in the promotional brochure referred to in paragraph four, including but not necessarily limited to the statement in the brochure attached as Exhibit A, respondents have represented, directly or by implication, that at the time they made the representation set forth in paragraph five, respondents possessed and relied upon a reasonable basis substantiating such representation.

PAR. 7. In truth and in fact, at the time they made the representation set forth in paragraph five, respondents did not possess and rely upon a reasonable basis substantiating such representation. Therefore, the representation set forth in paragraph six was, and is, false and misleading.

PAR. 8. Respondents have disseminated or have caused to be disseminated advertisements and promotional materials for CTCA, including but not necessarily limited to the attached Exhibits A-C. These advertisements and promotional materials contain the following statements:

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(a) "The outlook has previously been bleak for people with certain forms of cancer, which resisted conventional types of treatment. Today, as a result of several treatments we were instrumental in pioneering, those cancers are beginning to yield.

Whole body hyperthermia is one such treatment. An approved medical procedure that raises the body's temperature to kill cancer cells without harming the normal cells that surround them, it is the product of years of meticulous research.

...

We felt certain that raising the body's temperature to the threshold of a cancer cell's viability could help us save lives." (Exhibit A)

(b) 'Cancer is not invincible. I Know'

I had what the doctors called a modified radical mastectomy at a local hospital near my home in Indiana, and it didn't work.

The cancer metastasized to the bone. The prognosis took just three words. "Less than poor." They told me to go home. There was really no hope. No options left.

Maybe so, but I wasn't ready to die yet, and found a place that wasn't ready to let me. Cancer Treatment Center of America.

...

For me the treatment was fractionated-dose chemotherapy combined with whole-body hyperthermia -- killing the cancer cells with heat, intense heat, something they pioneered way back in the 70's. . . .

That was more than a year ago. More than a year of living life to the hilt. And getting to watch my daughter grow up.

*'Guess it all depends on where you go.'*

Barbara Hladek, cancer patient, at home in Indiana with her daughter." (Exhibit B)

(c) "We Found A Way To Pin A Bullseye On Lung Cancer

[The American Cancer Society] . . . estimate[s] that 142,000 [of 155,000 new cases of lung cancer diagnosed each year] will end in death, many with severe complication of lung obstruction -- a problem we hope to change with our newest weapon brachytherapy.

...

Brachytherapy is a new addition to our comprehensive cancer treatment program. Helping even one of those 142,000 lives makes it so." [Exhibit C]

PAR. 9. Through the use of the statements contained in the advertisements and promotional materials referred to in paragraph eight, including but not necessarily limited to the statements in the advertisements and promotional materials attached as Exhibits A-C, respondents have represented, directly or by implication, that:

(a) Whole body hyperthermia is a treatment that is approved for treatment of cancer by an independent medical organization;

(b) Through whole body hyperthermia, respondents are able to treat successfully certain forms of cancer that were previously unresponsive to conventional types of cancer treatment; and

(c) Through brachytherapy, respondents may be able to improve the chances of survival for many lung cancer patients.

PAR. 10. In truth and in fact, whole body hyperthermia is not approved for treatment of cancer by an independent medical organization. Therefore, the representation set forth in paragraph nine (a) was, and is, false and misleading.

PAR. 11. Through the use of the statements contained in the advertisements referred to in paragraph eight, including but not necessarily limited to the statements in the advertisements attached as Exhibits A-C, respondents have represented, directly or by implication, that at the time they made the representations set forth in paragraph nine, respondents possessed and relied upon a reasonable basis substantiating such representations.

PAR. 12. In truth and in fact, at the time they made the representations set forth in paragraph nine, respondents did not possess and rely upon a reasonable basis substantiating such representations. Therefore, the representation set forth in paragraph eleven was, and is, false and misleading.

PAR. 13. Respondents have disseminated or have caused to be disseminated advertisements and promotional brochures for CTCA, including but not necessarily limited to the attached Exhibits D-F. These advertisements contain the following statements:

(a) "You Can Beat Cancer. I'm Living Proof

...

[Flossie Dishong] had to travel almost a thousand miles from her home in Indiana to discover she had an inoperable tumor. Flossie refused to accept that diagnosis, and continued her search.

That's when Flossie found Cancer Treatment Centers of America . . . . We found a way to treat her cancer as well as her pain.

You see, cases like hers are the kind we generally take -- whether the cancer was just discovered or the previous treatments have failed.

...

We've given these people another chance to live, time and time again.

...

We've helped many patients to know the joy of living life to the fullest again, of waking each morning to a cloudless sky with many silver linings." (Exhibit D).

(b) "IF SOMEONE TELLS YOU DYING OF CANCER IS INEVITABLE REMEMBER THIS FACE.

You're looking at Nancy Cockle. An elated Nancy Cockle.

Thirty-Eight. Mother of three. Registered nurse. Cancer in remission. Complete remission.

We can tell you that while she may feel like one in a million at this moment in her life, full of exuberance and plans for the future, which now include a farm in Nebraska, her case is by no means novel.

We make a habit out of conquering cancer.

...

One way we measure our success is by the number of trees we plant in the park next door. One tree for each of our cancer patients who is alive and well five years later.

We're saving a spot for Nancy's." (Exhibit E)

(c) "They Beat Cancer

Sam Alsbach, Lymphoma - 7 Year Survivor; Diane Casto, Breast Cancer - 10 Year Survivor; Chester Jermakowicz - Prostate and Bone Cancer - [illegible] Year Survivor; Norma Baith Breast cancer - 9 Year Survivor; Harlan Martin, Lymphoma - 6 Year Survivor; Katy Rouse, Breast Cancer, 6 Year Survivor; Ron Benzler, Colon Cancer - 9 Year Survivor; Ewald Ehresman, Lymphoma - 6 Year Survivor.

Six-year survivor. Seven-year survivor. Eight-year survivor. Nine. Ten. Eleven. And even more! They're just some of the battles with cancer we've fought, for brave people who came to us, often after treatment elsewhere. Often with the feeling that there was little reason to hope. They came away with new leases on life, like many other patients we've helped. It's a success story built on highly advanced, innovative, comprehensive treatment programs, a team approach, and a highly caring environment." (Exhibit F)

PAR. 14. Through the use of the statements contained in the advertisements referred to in paragraph thirteen, as well as the statements contained in the advertisement referred to in paragraph eight (b), including but not necessarily limited to the statements in the advertisements attached as Exhibits B and D-F, respondents have represented, directly or by implication, that testimonials from consumers appearing in advertisements for respondents' treatment centers reflect the typical and ordinary experience of members of the public who have undergone treatment at said treatment centers.

PAR. 15. Through the use of the statements contained in the advertisements referred to in paragraph thirteen, as well as the statements contained in the advertisement referred to in paragraph eight (b), including but not necessarily limited to the statements in the advertisements attached as Exhibits B and D-F, respondents have represented, directly or by implication, that at the time they made the representation set forth in paragraph fourteen, respondents possessed and relied upon a reasonable basis substantiating such representation.

PAR. 16. In truth and in fact, at the time they made the representation set forth in paragraph fourteen, respondents did not possess and rely upon a reasonable basis substantiating such

representation. Therefore, the representation set forth in paragraph fifteen was, and is, false and misleading.

PAR. 17. The acts and practices of respondents as alleged in this complaint constitute deceptive acts or practices in or affecting commerce in violation of Section 5 (a) and 12 of the Federal Trade Commission Act.

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## EXHIBIT A

*This tree  
represents every tree growing in our Cancer Survivors' Arboretum,  
a source of inspiration to cancer victims everywhere.  
One tree is planted there for every patient of ours who has  
survived for at least five years, the standard used by the  
American Cancer Society to define the word "cure."  
There is no more fitting symbol to commemorate all the battles won and all the lives  
saved. The tree, the boy and his companion speak of the optimism of youth, of new  
beginnings, soaring spirits, years of love and laughter and loyal friends, and the joy of  
looking forward to life once again.  
We have already planted more than a hundred trees.  
Our goal is to plant a forest.*

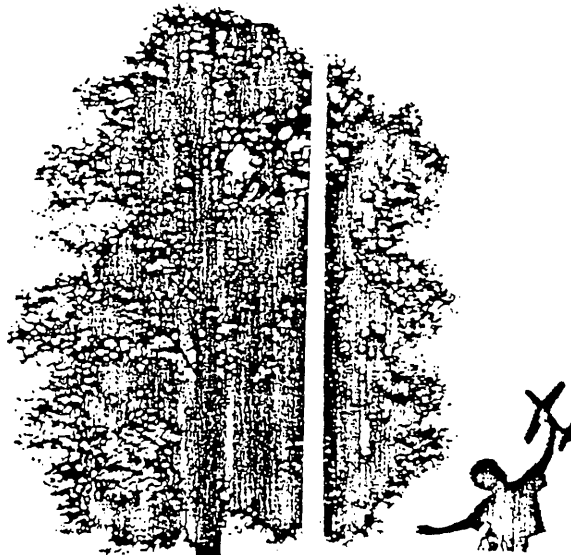


EXHIBIT A

# EXHIBIT A

## WHO WE ARE

To achieve our mission required creating an approach to treatment almost unheard of in the medical community and only dreamed of by the patient.

Assembling the finest professionals in oncology, tumor biology, immunology and other cancer specialties wasn't enough. Others have first-rate staffs, too. Our approach calls for the specialists on staff to work as a team, regularly sharing information and insights regarding each patient's case.

What's more, the patient is always present and participating—a partner in the planning. Until he or she fully understands each proposal, and agrees with it, no course of treatment begins. And because our oncology physicians are members of our staff exclusively, they are always close by, ready to provide immediate comfort and guidance.

Another difference in our approach—and benefit—is

ease of access. Since our patients come to us from all parts of the country, we go to great lengths to make the journey extra easy on them. Our travel staff makes arrangements for the patients and family members to visit one of our facilities. They're met at the airport and driven to our front door, and back to the airport as well. If the flight is delayed, the driver will wait with them. If it is cancelled, he'll make other arrangements on the spot and, if necessary, check them into a nearby hotel for the night.

The results that our approach to cancer treatment produces are best evidenced by the names you'll see on the last page—patients still alive at least five years after coming to us for treatment. Statistically, our five-year survivorship is among the highest documented.

We believe it is attributable to the comprehensive treatment program we offer, the kind that makes the life of every patient we work with the most important life in the world.

### ACCREDITATION

Cancer Treatment Centers of America facilities, laboratories or programs have either received or are in the process of applying for accreditation, approval or certification from the Joint Commission on the Accreditation of Health Care Organizations, the American College of Surgeons, the Association of Community Cancer Centers and the College of American Pathology.



## EXHIBIT A

## CARING

*We have seen the cycle of discovery,  
denial, shock, fear, anger, despair, helplessness—and  
hope—played out many times.  
This debilitating roller coaster ride of emotions is a  
condition that must be addressed.*

*We believe doing so calls for a recognition of special  
needs and support.*

*It requires compassion and comfort,  
especially emotional and spiritual comfort, as well as  
a great deal of the kind of care we specialize in,  
Tender, loving care.*

EXHIBIT A

OUR APPROACH

Cancer Treatment Centers of America uses what is called a multi-modality approach to treat cancer. That simply means we combine traditional therapies, primarily chemotherapy, radiation and surgery, with medicine's newest therapies—such in-

novative treatments as whole-body, local and regional hyperthermia, fractionated-dose chemotherapy and tumor vaccines.

Our objective is to provide our patients with options. Options that allow us to target the cancer as precisely as possible. Options that are tailored to its type and behavior. Options that result in the most effective available treatment or combination of treatments, old or new.

We also buttress the treatment plan selected with nutritional, psychological and pastoral support, all of which

have been proved to be biologically as well as emotionally beneficial in fighting cancer.

Our approach is as comprehensive as possible, because it offers us more ways to succeed and our patients more ways to survive.

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## EXHIBIT A

## WINNING

*Our objective is results.*

*We believe there is no alternative except to win the  
fight, to slow cancer's growth, to stop it,  
to excise it, to give back the life it's taking for as long  
as possible. By any means possible.*

*We also believe it is not enough to win once,  
or twice, or merely now and then.*

*Again, the only option is to win repeatedly,  
time after time after time.*

*For only being able to repeat and repeat and repeat  
the outcome can we truly claim  
victory over cancer.*

# EXHIBIT A

## TREATMENT

The outlook has previously been bleak for people with certain forms of cancer, which resisted conventional types of treatment. Today, as a result of several treatments we were instrumental in pioneering, those cancers are beginning to yield.

Whole-body hyperthermia is one such treatment. An approved medical procedure that raises the body's temperature to kill cancer cells without harming the normal cells that surround them; it is the product of years of meticulous research.

We knew, for instance, that the size of malignant tumors had been shown to decrease in patients running a fever. We also knew that the effectiveness of chemotherapy had been shown to increase during the presence of a fever. We felt certain that raising the body's temperature to the threshold of a cancer cell's viability could help us save lives. We acted on that belief as far back as 1978.

The treatment, which takes place in the sterile environment of a surgery

suite, calls for the patient's torso and limbs to be carefully wrapped in cotton insulating pads. Then, after being anesthetized, he or she is placed between thick rubber blankets through which very hot water is pumped. The temperature is slowly, carefully elevated to the point at which cancer cells begin to die—106 degrees Fahrenheit. It is held there for approximately two hours, during which vital signs are monitored continuously. The procedure is non-invasive and very safe when administered by specialists on our staff.

Cancer Treatment Centers of America has led the world in the development of whole-body hyperthermia. We have administered it more than 1,000 times since 1978. We have also led the way in the performance of clinical studies that seek to learn how much hyperthermia can increase the effect of chemotherapy and radiation on cancer.

We also perform local and regional hyperthermia. This method of utilizing heat to treat cancer makes it possible to target specific tumors or areas of the body very accurately with low-

power microwaves. We apply the precise amount of heat necessary—109 degrees or higher—to weaken and destroy the malignant cells and increase their vulnerability to radiation, chemotherapy and other methods of attack. Better yet, local and regional hyperthermia can be used with only a local anesthetic on either an inpatient or outpatient basis.

Unfortunately, not every cancer patient is a good candidate for hyperthermia. The type and severity of the cancer as well as the patient's medical history must be considered. Even his or her emotional and psychological well-being is taken into account. Results from extensive testing—diagnostic, laboratory and X-ray—also determine which patients may benefit most.

Patients who choose to have the treatment meet with our hyperthermia specialists to discuss possible risks as well as benefits. Mutual understanding and agreement are essential.



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## EXHIBIT A

## PATIENT RIGHTS

*We believe  
the last word in the formulation of a patient's  
treatment plan belongs to the patient alone.  
It is his or her inalienable right.  
The right to know the options and the expectations  
for each, and then to decide.  
Exercising that right can help greatly to improve the  
chances for success.*

*For those reasons our team of doctors,  
nurses and supporting staff works closely with both  
patient and family to make sure  
that the likely effects of possible treatment modalities  
are clearly understood.*

*Only then can patient join with  
their medical team in confidently choosing the most  
prudent course of action.*

## EXHIBIT A

## LABORATORY

Our fully accredited laboratory is one of the finest in the country. It's an asset that makes Cancer Treatment Centers of America stand above all other such organizations.

It gives us, for instance, the ability to perform highly sophisticated advanced assays that gauge the function of the immune system, a measurement tool not readily available at most hospitals. Three such tests—natural killer cell, mitogen stimulation, and T-suppressor assays—allow our oncology physician team to monitor the overall effect of the treatment as well as each patient's capacity to battle his or her cancer.

Most important of all, perhaps, is the ability our laboratory gives us to clone some patients' tumor cells, to "grow" them outside the patient's body. For some patients this means we can determine beforehand the

type of treatment—the kind of chemotherapy or the optimum amount of radiation that will be most effective.

This procedure, *in vitro* determination of chemosensitivity, allows us to determine in a glass or test tube (*in vitro*) which chemical or other agent will work best on the cells taken from the patient's body. How they react is carefully monitored and the agent that proves most effective is then selected as a possible treatment.

Another great advantage our laboratory affords us is assessment of the immune function, by which we can detect very early on which of the body's cells may become cancerous. The test, called a tumor marker panel, analyzes normal-appearing cells to detect "markers" on or in them that indicate a predisposition to cancer, or that cancer is already present in a very early stage of development.

Once cancer is positively identified, the lab's cancer specialists work to develop

both the most effective treatments for fighting it as well as methods of reinforcing the body's own natural defenses. Although impaired by the growth of the cancer, the immune system can be strengthened to help with the fight.

In addition, the laboratory houses a research and development section where, as a matter of course, new ideas are joined with new technology to find more effective ways to combat cancer. We are currently developing tumor vaccines, tumor-derived killer cells, and lymphokine-activated lymphocytes that may prove to be the breakthroughs we've been searching for.

The goal of this aggressive research program, the effort of every waking moment, is to find new, new ways to arrest cancer and, someday, a way to cure it and even prevent it.



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## EXHIBIT A

## FAMILY

*We are family.**We think as one and we work as one.**Equally important, we take pains to treat our  
patients and their loved ones as family.**It is at the heart of the caring atmosphere our  
patients experience.**It also creates a powerful  
force that can help in their treatment, a  
"we're in this together"  
mentality that welds us all together in  
the battle against cancer.*

EXHIBIT A

SUPPORT SERVICES

"Comprehensive" means using every available weapon in the fight against cancer. Not only treatments and lab work, but support services as well.

One important area of support is the creation and maintenance of a positive mental attitude. Studies that examine the relationship between mind and body suggest that being positive helps the body fight disease. We provide an environment that makes it easier.

A team of psychologists, social and pastoral care counselors meets with patients regularly, in one-on-one and group sessions. The staff

also encourages unstructured, informal meetings among patients where they can speak frankly about their cancers, share ideas, and support one another emotionally.

Equally important is patient diet and nutrition, which bears directly on how well the immune system functions. Our first step, therefore, is to determine each patient's overall nutritional status. Vitamin, mineral and amino-acid levels are examined by the lab, as well as the levels of metals like copper, chromium, zinc and manganese. How individual cells absorb and process nutrients is also monitored.

The findings guide our team of nutritionists in developing an individualized diet program for each patient, one loaded with natural foods and vitamin and

mineral supplements, to help his or her immune system regain its natural cancer-fighting ability.

The National Academy of Sciences issued its dietary recommendations for reducing the risk of contracting cancer in 1982. They paralleled our own patient nutrition program in use since 1976. In the fight against cancer, "you are what you eat" is not a hackneyed expression. It is a valid aspect of modern care.



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## EXHIBIT A

## THE DIFFERENCE

*Cancer Treatment Centers of America  
is a leader in innovative cancer treatment.*

*We were among the first to adopt a  
comprehensive approach to treatment, to offer  
programs for strengthening minds as well as bodies,  
to place a premium on family involvement and  
spiritual needs, and to encourage patients to play a  
decision-making role in treatment selection.*

*As a result, we are now one of the most progressive  
cancer treatment organizations in America. All  
our resources have been dedicated to achieving that  
result and will continue to be in order that we may  
provide our patients with better treatment options  
than they have ever had before.*

EXHIBIT A

INSTITUTIONAL REVIEW BOARD  
FOR RESEARCH AND ETHICS

Our strong commitment to clinical research requires an equally strong, highly qualified Institutional Review Board for Research and Ethics (IRBRE) to guide our efforts in this area. To that end, we have assembled some of the brightest minds in medicine as the Scientific Advisory Board component of the IRBRE.

Several are currently professors of medicine at this country's leading universi-

ties. Many have published extensively in the area of clinical oncology and have devoted major portions of their careers to cancer research.

We have also reached out to the communities where Cancer Treatment Centers of America has established cancer units and hospitals, enlisting the aid of community leaders and successful men and women from the ranks of business, the professions, and clergy. Together with the board's scientifically oriented members, they form a blue-ribbon panel tasked with developing guidelines and making recommendations for ethical research procedures.

Their charter is clearcut, and based in part on the following principles which we consider sacred:

1. In all clinical research work with patients, the voluntary consent of the patient is essential.
2. The objective of clinical research effort is to yield results capable of advancing the fight against cancer.
3. The objective of the clinical research project is an necessary suffering and injury.
4. The degree of risk involved must never outweigh the potential benefits to the patient.
5. Studies should be undertaken only by qualified medical professionals.

The foregoing represents the unwavering allegiance of Cancer Treatment Centers of America to the highest ethical and technical standards of cancer research.



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## EXHIBIT A

## QUALITY OF LIFE

*We never forget**what it is like to have cancer, nor to put ourselves  
in our patients' shoes.**Treatment modalities are therefore chosen  
for more than their effectiveness in battling a  
specific cancer.**They are also chosen to allow patients to live  
life as normally as possible while being treated.**Life as free of nausea or hair loss or  
siredness or depression as we can make it.**Life as our patients have always lived it—working,  
raising their kids, going dancing,  
whatever—interrupted as infrequently as possible by  
treatments at the center.*

EXHIBIT A

FINANCIAL MATTERS

Because changes occur frequently in the health insurance industry, Cancer Treatment Centers of America updates financial policies and procedures continuously to assure compliance with insurance carrier requirements.

Under the Clinical Case Management Department, there are strong pre-admission, pre-certification and utilization review programs. Medical criteria such as severity of illness and inter-

sity of service are constantly monitored throughout the hospital stay. Extended certifications are done as necessary, in conjunction with concurrent medical reviews.

To expedite the processing of insurance claims, Cancer Treatment Centers of America utilizes a state-of-the-art computerized billing system for both hospital and physician services. Claim accuracy and timeliness has been noticeably improved by an order-entry charge system and a central billing system for both hospital and physician services.

Financial counselors are individually assigned to patients in order to expedite

both hospital and physician claims. This establishes a close, positive relationship which makes dealing with financial matters a great deal easier for the patient.

The important thing to remember is at Cancer Treatment Centers of America we never forget the financial burden our patients face. Like the treatment options offered, we also think it's essential to provide financial options as well.



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## EXHIBIT A

## OUR TRAVEL PROGRAM

Our patients come to us from throughout the United States and from abroad as well. Since that can entail traveling great distances, we have established a program to make the journey easier—financially as well as emotionally.

We recognize that travel under trying circumstances can be most difficult. And that the cost to and from Cancer Treatment Centers

of America, or any other treatment facility for that matter, is usually not covered by insurance. For those reasons we have established a program designed to cut down on the strain and the expense of travel.

We will make all the arrangements every time you come for treatment. We will be at the airport when you arrive. We will take you back to the airport after each visit.

On your first visit, not only is your airfare paid for, but the airfare of a guest as well. Whomever you choose

to accompany you. He or she will also receive our VIP Card, good for three meals in our dining room every day. On subsequent visits you will continue to be reimbursed for your travel expenses, but not for those of a guest.

Our program covers travel within the continental United States only. For more information call 1-800-FOR-HELP.



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EXHIBIT A

MEMBERS OF OUR MEDICAL STAFF

Nowhere is our commitment to excellence more important than in the selection of our medical staff. Its members must be at the top of their profession. They must be doctors with exemplary qualifications in one or more cancer specialties, doctors who believe in the kind of close collaboration implicit in our teamwork approach to treatment, doctors who truly "feel" for the patients they treat... and they show it.

**R. Michael Williams, MD, PhD**  
Senior Medical Director,  
Cancer Treatment Centers of America

Dr. Williams is a medical oncologist with subspecialties in microbiology and immunological therapy.

He received his Bachelor of Arts degree in 1969 from Yale College, his Master of Science degree in microbiology from Yale University in 1970, and his MD in 1974 from Harvard Medical School. He also received a PhD in immunology from Harvard University, after which he served his internship and residency at Peter Bent Brigham Hospital in Boston.

In 1976 he was appointed Assistant Professor of Medicine, Harvard Medical School, and joined the professional staff of the Sidney Farber Cancer Institute, Boston.

In 1979 he became Professor of Medicine and Chief of the Section of Medical Oncology at Northwestern University Medical School and

Northwestern Memorial Hospital. In 1987 Dr. Williams joined American International Hospital in Zion, Illinois, and subsequently Cancer Treatment Centers of America as Senior Medical Director and Chief Medical Officer.

Dr. Williams has also published extensively. Additionally, he is the founder and Chairman of the Cancer Consulting Group, a cancer information and referral service in Evanston, Illinois.

**Ranulfo S. Sanchez, MD**  
Co-Medical Director,  
Cancer Treatment Centers of America,  
American International Hospital,  
Zion, Illinois

Dr. Sanchez is a general surgeon with a subspecialty in oncology.

He received his Bachelor of Arts degree in 1961 from the University of San Carlos at Cebu in the Philippines, and MD in 1966 from the Cebu Institute of Medicine. He interned and served two residency programs (in surgery and pathology) at St. John's Episcopal Hospital in Brooklyn, New York.

Upon completion of his training there, Dr. Sanchez practiced at St. John's Baptist Hospital and Flatbush General Hospital for the next twelve years. Then, in 1978, he joined the cancer program at American International Hospital in Zion, Illinois, where he later became Chief of Surgical Oncology.

**Alfonso V. Mellijor, MD**  
Co-Medical Director,  
Cancer Treatment Centers of America,  
American International Hospital,  
Zion, Illinois

Dr. Mellijor is board certified in general surgery and surgical oncology.

He received his Bachelor of Science degree in 1966 from the University of San Carlos at Cebu in the Philippines, and his MD in 1972 from Cebu Institute of Medicine. He served his internship and surgical residency at St. John's Episcopal Hospital in Brooklyn, New York, as well as a fellowship in surgical oncology at the State University of New York.

Dr. Mellijor then joined St. John's and New York's Downstate Medical Center, where he practiced his medical specialties until 1980. At that time he became a member of the cancer program at American International Hospital in Zion, Illinois, where he was subsequently named Chief of Surgery.

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## EXHIBIT A

**Robert D. Levin, MD**  
*Chief of Medical Oncology,  
 Cancer Treatment Centers of America,  
 American International Hospital,  
 Zion, Illinois.*

Dr. Levin is board certified in internal medicine, hematology and medical oncology.

He received his Bachelor of Science degree in 1963 from the California Institute of Technology in Pasadena, and his MD in 1969 from the University of Chicago. He took his internship at the General Rose Memorial Hospital in Denver, Colorado, and his residency at Chicago's Northwestern Memorial Hospital. His specialties at Northwestern: internal medicine, hematology and oncology.

Subsequently, Dr. Levin became a member of the medical staff at Mt. Sinai Hospital in Chicago, as well as a consulting physician at several other area hospitals. In 1986, he joined the cancer program at American International Hospital in Zion, Illinois, as Chief of Medical Oncology.

**Young D. Kim, MD**  
*Medical Director,  
 Whole Body Hyperthermia Program,  
 Cancer Treatment Centers of America,  
 American International Hospital,  
 Zion, Illinois.*

Dr. Kim did his undergraduate work at the Korean University in Seoul, South Korea, receiving his Bachelor of Science degree in 1961. His MD came from Korean University as well. In 1965 he served his internship at Mercy Hospital in Toledo, Ohio.

Graduate training in general surgery and anesthesia followed, the former at Medical College of Ohio in Toledo and the latter at New York's highly regarded Beth Israel Medical Center. Upon completion of his graduate work, Dr. Kim went back to Korean University where he joined the Department of Anesthesia as an instructor.

He then returned to the United States, entering private practice at Whitestone General Hospital in Whitestone, New York, before joining the cancer team at American International Hospital in Zion, Illinois in 1982.

**Hans B. Nevinsky, MD**  
*Chairman of Medical Oncology,  
 Cancer Treatment Centers of America,  
 Memorial Medical Center & Cancer  
 Institute, Tulsa, Oklahoma.*

Dr. Nevinsky holds an MD degree from Leopold Franzens University in Innsbruck, Austria, and a master of science degree from the Harvard University School of Public Health. His credentials also include a research fellowship in medicine at Harvard Medical School and a postdoctoral fellowship sponsored by the National Cancer Institute. He served as a research associate at Harvard and at Boston's Children Cancer Research Foundation, where he trained under the renowned cancer specialist, Dr. Sidney Farber.

Additionally, Dr. Nevinsky served as an assistant and research associate at Peter Ben Brigham Hospital in Boston and as Director of the Stans Oncology Center, L.A. West Memorial Hospital in Chicago. He also has held professorships in medicine and oncology at the University of Illinois, Chicago since 1970 and before his appointment as Chairman of Medical Oncology at Memorial Medical Center & Cancer Institute in Tulsa was Chairman of the Oncology Department at Charter Medical Center in Hawaiian Gardens, California.



PLEASE CALL 1-800-FOR-HE

692

Complaint

EXHIBIT A



**"You Can Beat Cancer. I'm Living Proof."**

Flossie Dishong was in terrible pain, and nobody knew why. She finally had to travel almost a thousand miles from her home in Indiana to be told she had inoperable cancer.

Fortunately, Flossie refused to accept that diagnosis. She came to us for a second opinion. To Cancer Treatment Centers of America. We found a way to treat her cancer, not just her pain.

You see, we specialize in treating cases others call "hopeless." They made up more than 90% of our admissions in 1989, and nearly the same last year. People fighting for a chance to live. We can't guarantee success in every case, but we make difficult cases our specialty.

We've helped people live life to the fullest once more. And we've done it without the horrible side effects of single-dose chemotherapy pills that can make other cancer treatments unbearable.

One reason, we're certain, is our caring, love-filled environment. Another is the quality and the scope of our cancer treatment program.

It's as comprehensive as we can make it, utilizing the most advanced, innovative weapons known to medicine. It has to be, because the effectiveness of any cancer treatment program depends on a variety of factors and differs from patient to patient. While no one can offer a guarantee, we can offer our best effort and our extensive experience.

As for Flossie, that picture really is worth a thousand words, although she said it all in just fourteen:

*"Never thought I'd be fishing with my husband again. I am one happy lady."*

Complaint

121 F.T.C.

## EXHIBIT B

## "Cancer Is Not Invincible. I Know."

"I had what the doctors called a modified radical mastectomy at a local hospital near my home in Indiana, and it didn't work.

The cancer metastasized to the bone. The prognosis took just three words: 'Less than poor.' They told me to go home. There was really no hope. No options left.

"Maybe so, but I wasn't ready to die yet, and I found a place that wasn't ready to let me. Cancer Treatment Centers of America.

They gave me options, let me choose, and then fought like the dickens to save my life.

"For me the treatment was fractionated-dose chemotherapy combined with whole-body hyperthermia—killing the cancer cells with heat, intense heat, something they pioneered way back in the 70's. It's part of what I believe is the most comprehensive cancer-fighting program there is, incorporating the most advanced thinking in the field.

That was more than a year ago. More than a year of living life to the hilt. And getting to watch my daughter grow up.

"Guess it all depends on where you go."



Barbara Hladik, cancer patient, at home in Indiana with her daughter.



EXHIBIT C

# We Found A Way To Pin A Bullseye On Lung Cancer



According to the American Cancer Society, 155,000 new cases of lung cancer will be diagnosed this year.

They also estimate that 142,000 of them will end in death, many with severe complication of lung obstruction—a problem we hope to change with our newest weapon brachytherapy.

What sets it apart—makes it extraordinary—is pinpoint accuracy. It can hit a tumor dead-center. Bombard it. Without harming the healthy tissue that surrounds it.

The 'bomb' is a very high-dose radiation source, delivered to the target for a precise period in a precise amount and configuration, all of which is determined and monitored by computer. The path is equally pre-

cise, guided to its location by a catheter with built in fiber-optics.

It's a quick, painless, out-patient procedure. In addition, brachytherapy can help those patients whose tumor has come back after surgery, radiation therapy or chemotherapy.

Brachytherapy is a new addition to our comprehensive cancer treatment program. Helping even one of those 142,000 lives makes it so.



CANCER TREATMENT CENTERS  
OF AMERICA  
CALL

1-800-553-0396

EXHIBIT C

Complaint

121 F.T.C.

## EXHIBIT D



## "You Can Beat Cancer. I'm Living Proof."

Flossie Dishong was in terrible pain, and nobody knew why.

She finally had to travel almost a thousand miles from her home in Indiana to discover she had inoperable cancer. Flossie refused to accept that diagnosis, and continued her search.

That's when Flossie found Cancer Treatment Centers of America at American International Hospital in Zion, Illinois. We found a way to treat her cancer as well as her pain.

You see, cases like hers are the kind we generally take—whether the cancer was just discovered or the previous treatments have failed. These cases made up more than 90% of our admissions in 1989, and nearly the same in 1990.

We've given these people another chance to live, time and again.

We've done it without the horrible side effects that sometimes make other cancer treatments unbearable. We've helped many patients to know the joy of living life to the fullest again, of waking each morning to a cloudless sky with many silver linings.

The reason, we're certain, is the quality and the scope of our cancer treatment program. It's the most comprehensive available, utilizing the most advanced, innovative weapons known to medicine. What's more, we never forget that the lives of our patients matter just as much as our own, and that a caring, love-filled environment is excellent medicine.

As for Flossie, that picture really is worth a thousand words, although she summed up her feelings just fine in fourteen.

"Never thought I'd be fishing with my husband again. I am one happy lady."

*Wanda  
New Line  
ad 1/90*



**CANCER TREATMENT CENTERS**  
OF AMERICA  
CALL 1-800-520-7111



Affiliate Hospitals



EXHIBIT E

IF SOMEONE TELLS YOU  
DYING OF CANCER IS INEVITABLE,  
REMEMBER THIS FACE.



You are looking at Nancy Cockle. An elated Nancy Cockle.

Thirty-Eight. Mother of three. Registered nurse. Cancer in remission. Complete remission.

We can tell you that while she may feel like one in a million at this moment in her life, full of exuberance and plans for the future, which now include a farm in Nebraska, her case is by no means novel.

We make a habit of conquering cancer.

It is, after all, our specialty. A holistic approach that makes American Interna-

tional Hospital quite unique. An integrated program that combines stress management, nutrition and traditional therapies with promising new treatments like whole-body hyperthermia and fractionated-dose chemotherapy.

One way we measure our success is by the number of trees we plant in the park next door. One tree for each of our cancer patients who's still alive and well five years later.

Last year alone, we planted seventy-three.

We're saving a spot  
for Nancy's.



American International  
Hospital Cancer program  
Call 1-800-FOR-HELP



Complaint

121 F.T.C.

## EXHIBIT F

# They Beat Cancer.



**Sam Alsbach**  
Eight-year survivor



**Diane Casto**  
Eight-year survivor



**Chester Jermakowicz**  
Eight-year survivor



**Norma Baith**  
Eight-year survivor



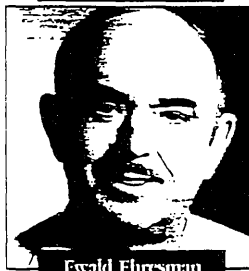
**Harlan Martin**  
Eight-year survivor



**Katy Rouse**  
Eight-year survivor



**Ron Benzler**  
Eight-year survivor



**Ewald Ehresman**  
Eight-year survivor

Six-year survivor. Seven-year survivor. Eight-year survivor. Nine. Ten. Eleven. And even more.

They're just some of the battles with cancer we've fought for brave people who came to us, often after treatment elsewhere. Often with the feeling that there was little reason to hope.

They came away with new lenses on life, like many other patients we've helped.

It's a success story built on highly advanced, innovative, comprehensive treatment programs, a team approach, and a truly caring environment. This is a little of what it looks like.



**CANCER TREATMENT CENTERS<sup>®</sup>**  
OF AMERICA

CALL 1-800-545-8259 TOLL FREE

EXHIBIT F

## DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondents named in the caption hereof, and the respondents having been furnished thereafter with a copy of a draft of complaint which the Bureau of Consumer Protection proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondents with violation of the Federal Trade Commission Act; and

The respondents, their attorneys, and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondents of all the jurisdictional facts set forth in the aforesaid draft of complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondents that the law has been violated as alleged in such complaint, and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the respondents have violated the said Act, and that complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of sixty (60) days, now in further conformity with the procedure prescribed in Section 2.34 of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings and enters the following order:

1. Respondent Cancer Treatment Centers of America, Inc., is an Illinois corporation, with its principal office or place of business at 3455 Salt Creek Lane, Suite 200, Arlington, Illinois.

2. Respondent Midwestern Regional Medical Center, Inc., is an Illinois corporation, with its principal office or place of business at Shiloh Boulevard and Emmaus Avenue, Zion, Illinois.

3. Respondent Memorial Medical Center and Cancer Institute, Inc. is an Oklahoma corporation, with its principal office or place of business at 8181 South Lewis Avenue, Tulsa, Oklahoma.

4. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of respondents, and the proceeding is in the public interest.

## ORDER

## DEFINITIONS

For the purposes of this order, the following definitions shall apply:

A. "*Competent and reliable scientific evidence*" shall mean tests, analyses, research, studies or other evidence based on the expertise of professionals in the relevant area that have been conducted and evaluated in an objective manner by persons qualified to do so, using procedures generally accepted in the profession to yield accurate and reliable results.

B. "*Cancer*" shall mean any of various malignant neoplasms characterized by the proliferation of anaplastic cells that tend to invade surrounding tissue and may metastasize to new body sites or the pathological condition characterized by such growths.

C. "*Independent organization or facility*" means any organization, association, or entity, whether or not for profit, which is not owned or controlled, directly or indirectly, by respondents, individually or collectively.

D. "*Endorsement*" means any advertising message (including verbal statements, demonstrations or depictions of the name, signature, likeness or other personal identifying characteristics of any individual or the name or seal of an organization) which message consumers are likely to believe reflects the opinions, beliefs, findings, or experience of a party other than the sponsoring advertiser.

## I.

*It is ordered*, That respondents Cancer Treatment Centers of America, Inc., a corporation, Midwestern Regional Medical Center, Inc., a corporation, and Memorial Medical Center and Cancer Institute, Inc., a corporation, their successors or assigns, (hereinafter sometimes referred to as "respondents"), and respondents' officers, representatives, agents, and employees, directly or through any corporation, subsidiary, division, or other device, including franchisees or licensees, in connection with the advertising, promotion, offering for sale, or sale of products or services purporting to treat or cure disease, in or affecting commerce, as

"commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

A. Making any representation, directly or by implication, about either:

(1) The existence or content of statistical data that purports to document survivorship rates or cure rates for cancer patients in respondents' treatment facilities; or

(2) Cure rates or survivorship rates either for any of respondents' treatment facilities or for any treatment modality or modalities offered by respondents,

unless, at the time of making any such representation, respondents possess and rely upon competent and reliable evidence, which when appropriate must be competent and reliable scientific evidence, substantiating the representation.

B. Representing, directly or by implication, that any modality for the treatment or mitigation of cancer or its attendant symptoms is approved, endorsed or accepted by any independent organization or facility unless, at the time of making any such representation, respondents possess and rely upon competent and reliable evidence, which when appropriate must be competent and reliable scientific evidence, substantiating the representation.

C. Making any representation, directly or by implication, about the efficacy of any modality that purports to treat or mitigate cancer or its attendant symptoms, unless, at the time of making any such representation, respondents possess and rely upon competent and reliable scientific evidence substantiating the representation.

D. Representing, directly or by implication, that any endorsement of any of respondents' treatment programs that purport to mitigate or cure cancer represents the typical or ordinary experience of members of the public who use the program, unless:

(1) At the time of making such representation, respondents possess and rely upon competent and reliable scientific evidence, that substantiates such representation, or

(2) Respondents disclose clearly, prominently and in close proximity to the endorsement or testimonial either:

(a) What the generally expected results would be for users of such program, or

(b) The limited applicability of the endorser's experience to what consumers may generally expect to achieve, that is, that consumers should not expect to experience similar results.

E. Making any representation, directly or by implication, about the performance, safety or benefits of any modality that purports to treat or mitigate cancer, its attendant symptoms or attendant diseases, unless, at the time of making any such representation, respondents possess and rely upon competent and reliable scientific evidence substantiating the representation.

## II.

*It is further ordered,* That respondents shall notify the Commission at least thirty (30) days prior to the effective date of any proposed change such as dissolution, assignment, or sale resulting in the emergence of a successor corporation(s), the creation or dissolution of subsidiaries, or any other change in the corporation(s) that may affect compliance obligations arising out of this order.

## III.

*It is further ordered,* That for three (3) years after the last date of dissemination of any representation covered by this order, respondents, or their successors and assigns, shall maintain and upon request make available to the Federal Trade Commission for inspection and copying:

A. All materials that were relied upon in disseminating such representation; and

B. All tests, reports, studies, surveys, demonstrations or other evidence in their possession or control that contradict, qualify, or call into question such representation, or the basis relied upon for such representation, including complaints from consumers.

## IV.

*It is further ordered,* That within ten (10) days from the date of service of this order, respondents shall distribute a copy of this order

to each of their officers, agents, representatives, independent contractors and employees who are involved in the preparation and placement of advertisements or promotional materials or who have any responsibilities with respect to the subject matter of this order; and, shall secure from each such person a signed statement acknowledging receipt of this order.

V.

This order will terminate on May 31, 2016, or twenty years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; provided, however, that the filing of such a complaint will not affect the duration of:

A. Any paragraph in this order that terminates in less than twenty years;

B. This order's application to any respondent that is not named as a defendant in such complaint; and

C. This order if such complaint is filed after the order has terminated pursuant to this paragraph.

Provided further, that if such complaint is dismissed or a federal court rules that the respondent did not violate any provision of the order, and the dismissal or ruling is either not appealed or upheld on appeal, then the order will terminate according to this paragraph as though the complaint was never filed, except that the order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

VI.

*It is further ordered,* That respondents shall, within sixty (60) days after the date of service of this order, file with the Commission a report, in writing, setting forth in detail the manner and form in which they have complied with this order.