



DIVISION OF
CORPORATION FINANCE

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

March 6, 2023

John M. Franck II
HCA Healthcare, Inc.

Re: HCA Healthcare, Inc. (the "Company")
Incoming letter dated December 20, 2022

Dear John M. Franck II:

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

The Proposal requests that the board require the Company's hospitals to provide plant-based food options to patients at every meal, within vending machines and in the cafeterias used by outpatients, staff and visitors.

There appears to be some basis for your view that the Company may exclude the Proposal under Rule 14a-8(i)(7). In our view, the Proposal relates to, and does not transcend, ordinary business matters. Accordingly, we will not recommend enforcement action to the Commission if the Company omits the Proposal from its proxy materials in reliance on Rule 14a-8(i)(7). In reaching this position, we have not found it necessary to address the alternative basis for omission upon which the Company relies.

Copies of all of the correspondence on which this response is based will be made available on our website at <https://www.sec.gov/corpfin/2022-2023-shareholder-proposals-no-action>.

Sincerely,

Rule 14a-8 Review Team

cc: Debra Bouton
Beyond Investing LLC



December 20, 2022

VIA EMAIL: shareholderproposals@sec.gov

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

Re: HCA Healthcare, Inc. – Exclusion of Shareholder Proposal Submitted by Beyond Investing, LLC

Dear Sir or Madam:

HCA Healthcare, Inc. (the “Company”), respectfully submits this letter pursuant to Rule 14a-8(j) promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), to notify the Securities and Exchange Commission (the “Commission”) of the Company’s intention to exclude from the Company’s proxy materials for its 2023 annual meeting of shareholders (the “2023 Proxy Materials”) a shareholder proposal submitted to the Company by Beyond Investing, LLC (the “Proponent”) in a letter dated September 2, 2022 and received by the Company on September 15, 2022 (the “Shareholder Proposal”). All references to “Company,” “HCA” and “HCA Healthcare” as used throughout this document refer to HCA Healthcare, Inc. and its affiliates.

The Company requests confirmation that the Commission’s staff (the “Staff”) will not recommend to the Commission that enforcement action be taken against the Company if the Company excludes the Shareholder Proposal from its 2023 Proxy Materials pursuant to Exchange Act:

- Rule 14a-8(i)(7), on the basis that the Shareholder Proposal relates to, and does not transcend, the Company’s ordinary business operations; and
- Rule 14a-8(i)(10), on the basis that the Company has already substantially implemented the Shareholder Proposal.

Pursuant to Exchange Act Rule 14a-8(j) and Staff Legal Bulletin No. 14D (Nov. 7, 2008) (“SLB 14D”), the Company is submitting electronically to the Commission this letter and the exhibits attached hereto, and is concurrently sending a copy of this correspondence to the Proponent, no later than eighty (80) calendar days before the Company intends to file its definitive 2023 Proxy Materials with the Commission.

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

The Shareholder Proposal

On September 15, 2022, the Company received the following Shareholder Proposal from the Proponent for inclusion in the 2023 Proxy Materials:

Stockholder Proposal Regarding Serving Plant-Based Meals in Hospitals

RESOLVED, that shareholders of HCA Healthcare, Inc. (the Company) request the Board of Directors of the Company (the Board) require their hospitals to provide plant-based food options to patients at every meal, within vending machines and in the cafeterias used by outpatients, staff and visitors.

SUPPORTING STATEMENT:

Optimal hospital care includes serving plant-based foods to assist patients on their road to recovery while in the hospital and informing patients of the benefits of a plant-based diet beyond their hospital stay. In a hospital, the food provided to patients is a key part of their treatment. Providing meals that are plant-based and which meet the individuals' nutritional needs is essential to the patient's recovery and improvement of their overall long-term health.

According to The American College of Cardiology, hospitalization can be a "teachable moment." "By adopting plant-based options and eliminating cancer-causing food products, hospitals not only provide a vital service to patients, staff, and visitors. They also serve a key educational function, modeling healthful habits."^[1]

Healthful diets may also play a role in the economics of medical care, particularly for heart patients. Acute heart failure is the most common cause of readmission to a hospital within 30 days of discharge.^[2] Under the Affordable Care Act, the Hospital Readmissions Reduction Program reduces payments to hospitals for readmissions within 30 days of discharge from the prior hospital stay.^[3] Individual hospital 30-day readmission rates are also compared to national averages, increasing pressure on both physicians and hospital administrators to improve outcomes. To the extent that hospitals help patients adopt healthful habits, their health benefits may be accompanied by financial benefits. The World Health Organization has determined that processed meat is a major contributor to colorectal cancer, classifying it as a "carcinogenic to humans." Processed meat is also linked to death from heart disease, stroke, and type 2 diabetes. According to the Physicians Committee for Responsible Medicine, "Plant-based diets help reduce the risk of cardiovascular disease, diabetes, and many cancers."^[4]

Given the impact of nutrition on a patient's recovery process and overall health, the proposers of this resolution believe the HCA Healthcare, Inc. board and management have a responsibility to its investors and stakeholders to require their hospitals to provide plant-based food options to hospital patients, staff and visitors.

References:

¹ "Planting a Seed: Heart-Healthy Food Recommendations for Hospitals." American College of Cardiology, 2017. <https://www.acc.org/membership/sections-and-councils/prevention-of-cardiovascular-disease-section/about-us/section-sub-groups/features/hospital-food-program>

² Jencks S, Williams M, Coleman E. *Rehospitalizations among Patients in the Medicare Fee-for-Service Program. Journal of Vascular Surgery.* 2009;50(1):234.

³ *Cms.gov. Readmissions Reduction Program - Centers for Medicare & Medicaid Services 2015.* <https://www.cms.gov/medicare/medicare-fee-for-service-payment/acuteinpatientpps/readmissions-reduction-program.html>

⁴ <https://www.pcrm.org/healthy-hospital-program#:~:text=In%202017%2C%20the%20American%20Medical,processed%20meat%20from%20hospital%20menus.>

A copy of the Shareholder Proposal, as well as related correspondence with the Proponent, is attached hereto as Exhibit A.

Basis for Exclusion

We respectfully request that the Staff concur in our view that the Shareholder Proposal may be excluded from the 2023 Proxy Materials pursuant to Exchange Act (i) Rule 14a-8(i)(7), on the basis that the Shareholder Proposal relates to, and does not transcend, the Company's ordinary business operations, and (ii) Rule 14a-8(i)(10), on the basis that the Company has substantially implemented the Shareholder Proposal.

Analysis

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

A. Background of the Ordinary Business Exclusion.

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

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

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

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

As discussed below, the Shareholder Proposal implicates each of the central considerations underlying the ordinary business exclusion: the subject matter of the Shareholder Proposal deals with issues that are "fundamental to management's ability to run the company on a day-to-day basis" and seeks to micromanage the Company by limiting its discretion with respect to complex, day-to-day operations. Furthermore, the Shareholder Proposal does not focus on sufficiently significant social policy issues that transcend day-to-day business matters. Accordingly, the Shareholder Proposal relates to, and does not transcend, the Company's ordinary business operations and therefore may be excluded from the 2023 Proxy Materials pursuant to Rule 14a-8(i)(7).

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

The Shareholder Proposal requests the Company's board of directors to "require [the Company's] hospitals to provide plant-based food options to patients at every meal, within vending machines and in the cafeterias used by outpatients, staff and visitors." At its core, the Shareholder Proposal attempts to direct the Company to regularly provide particular products and therefore involves the Company's "ordinary business."

The Staff has long concurred with this view in allowing companies to exclude, as relating to ordinary business operations, proposals seeking to influence management's decision with respect to menu items and food options. In *Papa John's International, Inc.* (Feb. 13, 2015), for example, the Staff allowed exclusion of a proposal encouraging the board of directors to expand menu offerings to include vegan cheeses and vegan meats to "advance animal welfare, reduce its ecological footprint, expand its healthier options, and meet a growing demand for plant-based foods." Similarly, in *McDonald's Corp.* (Mar. 24, 1992), the Staff permitted exclusion of a proposal requiring the company to offer a "[low-fat] burger, switch to an all-vegetable cooking oil and offer salads . . . in keeping with enlightened medical research findings and nutritional practice both in the U.S. and abroad," and in *McDonald's Corp.* (Mar. 9, 1990), the Staff allowed exclusion of a proposal recommending that the board of directors introduce "a vegetarian entree whose means of production neither degrades the environment nor exploits other species." In each case, the company emphasized the complex decision-making process involved in selecting menu items and food options.

The Staff has also consistently allowed retailers, for example, to exclude, as relating to ordinary business operations, proposals seeking to influence management's decision whether to sell particular products. *See, e.g., Wal-Mart Stores, Inc.* (Mar. 24, 2008) (permitting exclusion of a proposal requesting that the board issue a report on the viability of Wal-Mart's U.K. cage-free egg policy); *PetSmart, Inc.* (Apr. 14, 2006) (permitting exclusion of a proposal requesting the company's board to issue a report based on the company's findings in an investigation into whether to end bird sales); *Marriott International, Inc.* (Feb. 13, 2004) (permitting exclusion of a proposal prohibiting the sale of sexually explicit material at Marriott-owned and managed properties); *Albertson's, Inc.* (Mar. 18, 1999) (permitting exclusion of a proposal

that the company's board take steps necessary to assure that the company no longer sells, advertises, or promotes tobacco products).

Allowing shareholders to dictate which products the Company's hospitals make available and serve at "every meal, within vending machines and in the cafeterias used by outpatients, staff and visitors" would inappropriately delegate management functions to shareholders. We own and operate 182 hospitals and over 2,300 sites of care, and purchase decisions, which are made by our individual hospital facilities, inherently involve complex operational, business and quality of care issues requiring knowledge of ordinary business and operational matters such as the individual dietary needs and preferences of their respective hospital populations and the varying and transient needs and demands of their respective patients, visitors and staff. These hospital-level decisions, for example, may be affected by a hospital's respective integrated delivery network. Also, with respect to patients, we generally must adhere to the Academy of Nutrition and Dietetics Nutrition Care Manual, which each of our hospitals consults to define patient menus and other offerings appropriate for patients. Assessing these and the many other factors that influence purchase decisions at the Company's hospitals requires the real-time judgment of the management and employees at each respective Company hospital and facility, which, unlike the Company's shareholders, are well-positioned, and have the necessary knowledge, information and resources, to make informed decisions on such business and operational matters.

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

The Shareholder Proposal, like those addressed in the letters cited above, seeks to probe too deeply into matters of a complex nature which are not appropriate for shareholder determination. Many complex factors, many of which require analysis of constantly changing information to which the Company's shareholders do not have access, are considered by the Company's hospitals in connection with their respective purchase decisions. These factors include, in addition to those noted in the discussion above, cost, demand, other dietary restrictions and preferences, health conditions and needs of each patient. Additionally, instead of "providing high-level direction on large strategic corporate matters," the Shareholder Proposal would "inappropriately limit discretion of the board or management" by usurping the day-to-day decision-making process involved with purchase decisions at the Company's hospitals, no less at the granular level of the contents of the Company's vending machines. The ability of the Company's hospitals to address constantly changing information, to which the Company's shareholders do not have access, related to individual dietary needs and preferences of hospital populations and the varying and transient needs and demands of its patients, visitors and staff is fundamental to the Company's business operations, and cannot properly be submitted to shareholders to micromanage.

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

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

The Shareholder Proposal's supporting statement is focused primarily on plant-based foods and the related "impact of nutrition on a patient's recovery process and overall health," which is not a sufficiently significant social policy issue that transcends the ordinary business of the Company. *See, e.g., McDonald's Corp.* (Mar. 24, 1992) (permitting exclusion of a proposal asking the company to "offer [a

low-fat] burger, switch to an all-vegetable cooking oil and offer salads . . . in keeping with enlightened medical research findings and nutritional practice”); *Papa John’s International, Inc.* (Feb. 13, 2015) (permitting exclusion of a proposal requesting that the company offer vegan meats and cheeses to expand the company’s healthier options).

The Staff has concurred with the exclusion of shareholder proposals pursuant to Rule 14a-8(i)(7) as matters that deal with the company’s ordinary business when proposals relating to particular products, services or practices raised public health concerns related to the company but nevertheless did not transcend day-to-day business matters. In *Viacom Inc.* (Dec. 18, 2015), the proposal requested the company’s board of directors issue a report assessing the company’s policy responses to public concerns regarding linkages of food and beverage advertising to childhood obesity, diet-related diseases and other impacts on children’s health. The Staff concurred that the proposal could be excluded under Rule 14a-8(i)(7) because it related to the company’s “nature, presentation and content of advertising,” which was part of its ordinary business operations. *See also McDonald’s Corp.* (Mar. 12, 2019) (permitting exclusion of a proposal under Rule 14a-8(i)(7) that sought to create a special board committee on food integrity because it related to the company’s ordinary business operations). To the extent that the Staff has denied exclusion of health-related proposals on the ground that they raise a significant policy issue, the proposals have focused on inherent and significant hazards to human health or the prioritization of financial returns over healthcare purpose. *See, e.g., CVS Health Corporation* (Mar. 15, 2022); *Columbia/HCA Healthcare Corp.* (Mar. 30, 1999); *Baxter International Inc.* (Mar. 1, 1999); *Universal Health Services Inc.* (Mar. 30, 1999).

The Shareholder Proposal, in contrast, merely attempts to link potential health-related advantages to plant-based food options, without regard to the specific dietary needs, restrictions and preferences of the diverse and transient populations of each of the Company’s hospitals, a majority of which, as of the date hereof, regularly offer plant-based food options to their respective hospital populations. The Shareholder Proposal also does not take into account the requirements of existing regulations and standards to which the Company’s hospitals are expected to adhere. For example, in the Joint Commission’s Comprehensive Accreditation Manual for Hospitals (updated July 2022), Standard PC.02.02.03 requires that the hospital make food and nutrition products available to its patients. There are several “Elements of Performance” for this Standard. Relevant here, Element 9 states: “When possible, the hospital accommodates the patient’s cultural, religious, or ethnic food and nutrition preferences, *unless contraindicated*” (emphasis added). The Shareholder Proposal attempts to address one type of dietary option without taking into consideration the Company’s existing practices and the nuanced and diverse hospital populations that the Company’s hospitals serve.

For the above reasons, the Shareholder Proposal relates to, and does not transcend, the Company’s ordinary business operations and may be excluded from the 2023 Proxy Materials in reliance on Rule 14a-8(i)(7).

II. The Shareholder Proposal May Be Excluded Pursuant to Rule 14a-8(i)(10) Because The Company Has Substantially Implemented The Shareholder Proposal.

A. Background of the Substantially Implemented Exclusion.

Rule 14a-8(i)(10) permits a company to exclude a shareholder proposal if “the company has already substantially implemented the proposal.” Under the “substantially implemented” standard, a company may exclude a shareholder proposal when the company’s actions address the shareholder proposal’s underlying concerns, even if the company does not implement every aspect of the shareholder proposal. *Masco Corporation* (Mar. 29, 1999) (permitting exclusion on substantial implementation grounds where

the company adopted a version of the proposal with slight modification and clarification as to one of its terms). See also *Starbucks Corp.* (Jan. 19, 2022) (permitting exclusion on substantial implementation grounds of a proposal requesting public disclosure of the company's non-discrimination and civil rights reports and training manuals where the company had already made some reports public and publicly disclosed certain information regarding employee training efforts); *AutoZone, Inc.* (Oct. 9, 2019) (concurring with the company's exclusion of a proposal requesting the Board to issue a report on sustainability to shareholders taking into consideration certain SASB standards where existing public disclosures align with the guidelines of the proposal); *MGM Resorts International* (Feb. 28, 2012) (permitting exclusion on substantial implementation grounds of a proposal requesting a report on the company's sustainability policies and performance, including multiple objective statistical indicators, where the company published an annual sustainability report); *Exxon Mobil Corp. (Rossi)* (Mar. 19, 2010) (permitting differences between a company's actions and a shareholder proposal so long as the company's actions satisfactorily address the proposal's essential objectives); *Texaco, Inc.* (Mar. 28, 1991) ("a determination that the company has substantially implemented the proposal depends upon whether [the company's] particular policies, practices and procedures compare favorably with the guidelines of the proposal"). Ultimately, the actions taken by the company must have addressed the proposal's "essential objective." See, e.g., *Freeport-McMoRan Copper & Gold, Inc.* (Mar. 5, 2003) (company had already implemented a human rights policy, even though the specific elements of the policy did not meet the shareholder proponent's objectives). The purpose of Rule 14a-8(i)(10) is to "avoid the possibility of shareholders having to consider matters which have already been favorably acted upon by management." See Exchange Release No. 34-20091 (August 16, 1983); Exchange Act Release No. 34-12598 (July 7, 1976) (discussing Rule 14a-8(c)(10), the predecessor to Rule 14a8(i)(10)).

B. The Company Has Substantially Implemented the Shareholder Proposal by Regularly Providing a Variety of Plant-Based Food Options to Patients, Staff and Visitors.

The Shareholder Proposal requests the Company's board of directors to "require [the Company's] hospitals to provide plant-based food options to patients at every meal, within vending machines and in the cafeterias used by outpatients, staff and visitors." As described above, the Staff has interpreted substantial implementation under Rule 14a-8(i)(10) to require a company to have satisfactorily addressed both the proposal's underlying concern and its essential objective, not implement every aspect of the shareholder proposal. Here, the Shareholder Proposal's underlying concern is the availability and accessibility (or presumed lack thereof) of plant-based food options at the Company's hospitals, and its essential objective is for the Company to regularly provide plant-based food options to patients, staff, and visitors.

The Company has satisfactorily addressed both the Shareholder Proposal's underlying concern and essential objective because, as of the date hereof, a majority of the Company's hospitals regularly offer a variety of plant-based meals and food options to patients, visitors and staff in, for example, cafeterias, vending machines and physician lounges. Moreover, the Company currently offers an array of plant-based protein options to all of its hospitals, and the managed order guides available to all of its hospitals currently offer more than 70 unique plant-based and meatless protein options, such as vegetarian burger patties, chicken style chunks and strips, fishless fillets, vegan cheese, meatless meatballs and a variety of vegan pizza toppings, from leading plant-based brands such as Beyond Meat, Impossible, Morningstar Farms | Incogmeato, dr. Praegers, Happy Little Plants, and Gardein. The Company is also working to relaunch its HealthBites program for vending and micromarkets and anticipates providing guidelines for retail and physician food options and plant-based and related designations for packaged vending items.

The Shareholder Proposal specifically seeks for the Company's board of directors to "require" its hospitals to provide plant-based options to patients, visitors and staff. The Company has substantially

implemented this requirement where relevant under accreditation standards and/or state law. For example, the Joint Commission's Comprehensive Accreditation Manual for Hospitals (updated July 2022), Standard PC.02.02.03 requires that the hospital make food and nutrition products available to its patients. There are several "Elements of Performance" for this Standard. Relevant here, Element 9 states: "When possible, the hospital accommodates the patient's cultural, religious, or ethnic food and nutrition preferences, *unless contraindicated*" (emphasis added). This language already covers plant-based options where relevant. In addition, certain of the Company's hospitals are already required to provide plant-based options to patient pursuant to certain state-level initiatives. For example, in 2018, California passed SB1138, which requires hospitals and certain other licensed healthcare facilities to make available plant-based meals to patients.¹

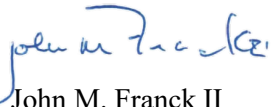
In summary, by making an array of plant-based food options widely available and accessible at its hospitals, the Company has satisfactorily addressed the Shareholder Proposal's underlying concern, and by regularly serving plant-based meals and food options, the Company has satisfactorily achieved the Shareholder Proposal's essential objective.

For the above reasons, the Company has substantially implemented the Shareholder Proposal, and it may be excluded from the 2023 Proxy Materials in reliance on Rule 14a-8(i)(10).

Conclusion

For the foregoing reasons, we respectfully request that the Staff not recommend any enforcement action from the Commission if the Company excludes the Shareholder Proposal from its 2023 Proxy Materials. Should you have any questions, or if the Staff is unable to concur in our view without additional information or discussions, we respectfully request the opportunity to confer with members of the Staff prior to the issuance of any written response to this letter. If the Staff has any questions regarding this request or requires additional information, please contact the undersigned by phone at (615) 344-5881 or by email at John.Franck@HCAHealthcare.com.

Sincerely,



John M. Franck II
Vice President — Legal and Corporate Secretary
HCA Healthcare, Inc.

cc: Beyond Investing, LLC

¹ See CA Health & Safety Code § 1265.10.

Exhibit A

Shareholder Proposal



RECEIVED
9/15/22

September 2, 2022

Corporate Secretary
HCA Healthcare, Inc.
One Park Plaza
Nashville, Tennessee 37203
Re: Shareholder proposal for 2023 annual meeting

Dear Secretary,

I, Debra Bouton, on behalf of Beyond Investing, LLC, submit the enclosed shareowner proposal for inclusion in the proxy statement that HCA Healthcare, Inc. plans to circulate to shareowners in anticipation of the 2023 annual meeting. The proposal is being submitted under SEC Rule 14a-8 and relates to governance policies.

Beyond Investing LLC is located at 11600 New Haven Drive, Spring Hill, Florida 34609. Beyond Investing LLC has beneficially owned more than \$2,000 worth of HCA common stock for longer than a year. Beyond Investing LLC intends to continue ownership of at least \$2,000 worth of HCA common stock through the date of the 2023 annual meeting.

We would be pleased to discuss the issues presented by this proposal with you. If you require any additional information, please contact me.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Debra Bouton", is written over the "Very truly yours," text.

Debra Bouton
Beyond Investing LLC
11600 New Haven Drive
Spring Hill, Florida 34609

Stockholder Proposal Regarding Serving Plant-Based Meals in Hospitals

The following proposal is submitted by Beyond Investing LLC, the beneficial owner of 1449 shares of HCA common stock.

RESOLVED, that shareholders of HCA Healthcare, Inc. (the Company) request the Board of Directors of the Company (the Board) require their hospitals to provide plant-based food options to patients at every meal, within vending machines and in the cafeterias used by outpatients, staff and visitors.

SUPPORTING STATEMENT:

Optimal hospital care includes serving plant-based foods to assist patients on their road to recovery while in the hospital and informing patients of the benefits of a plant-based diet beyond their hospital stay. In a hospital, the food provided to patients is a key part of their treatment. Providing meals that are plant-based and which meet the individuals' nutritional needs is essential to the patient's recovery and improvement of their overall long-term health.

According to The American College of Cardiology, hospitalization can be a "teachable moment." "By adopting plant-based options and eliminating cancer-causing food products, hospitals not only provide a vital service to patients, staff, and visitors. They also serve a key educational function, modeling healthful habits." ¹

Healthful diets may also play a role in the economics of medical care, particularly for heart patients. Acute heart failure is the most common cause of readmission to a hospital within 30 days of discharge.² Under the Affordable Care Act, the Hospital Readmissions Reduction Program reduces payments to hospitals for readmissions within 30 days of discharge from the prior hospital stay.³ Individual hospital 30-day readmission rates are also compared to national averages, increasing pressure on both physicians and hospital administrators to improve outcomes. To the extent that hospitals help patients adopt healthful habits, their health benefits may be accompanied by financial benefits. The World Health Organization has determined that processed meat is a major contributor to colorectal cancer, classifying it as a "carcinogenic to humans." Processed meat is also linked to death from heart disease, stroke, and type 2 diabetes. According to the Physicians Committee for Responsible Medicine, "Plant-based diets help reduce the risk of cardiovascular disease, diabetes, and many cancers." ⁴

Given the impact of nutrition on a patient's recovery process and overall health, the proposers of this resolution believe the HCA Healthcare, Inc. board and management have a responsibility to its investors and stakeholders to require their hospitals to provide plant-based food options to hospital patients, staff and visitors.

References:

1 "Planting a Seed: Heart-Healthy Food Recommendations for Hospitals." American College of Cardiology, 2017. <https://www.acc.org/membership/sections-and-councils/prevention-of-cardiovascular-disease-section/about-us/section-sub-groups/features/hospital-food-program>

2 Jencks S, Williams M, Coleman E. Rehospitalizations among Patients in the Medicare Fee-for-Service Program. *Journal of Vascular Surgery*. 2009;50(1):234.

3 Cms.gov. Readmissions Reduction Program - Centers for Medicare & Medicaid Services 2015. <https://www.cms.gov/medicare/medicare-fee-for-service-payment/acuteinpatientpps/readmissions-reduction-program.html>.

4 <https://www.pcrm.org/healthy-hospital-program#:~:text=In%202017%2C%20the%20American%20Medical,processed%20meat%20from%20hospital%20menus>.



September 26, 2022

VIA OVERNIGHT COURIER AND EMAIL

Ms. Debra Bouton
Beyond Investing LLC
11600 New Haven Drive
Spring Hill, Florida 34609

Dear Ms. Bouton:

RE: Rule 14a-8 Stockholder Proposal – “Stockholder Proposal Regarding Serving Plant-Based Meals in Hospitals”

I am writing on behalf of HCA Healthcare, Inc. (the “Company”), which on September 15, 2022 received from you, on behalf of Beyond Investing LLC (“Beyond Investing”), a stockholder proposal (the “Proposal”) to be included in the Company’s proxy statement (the “Proxy Statement”) to be sent to the Company’s stockholders in connection with the Company’s 2023 annual meeting of stockholders (the “Annual Meeting”). We are currently reviewing the Proposal to determine if it is eligible for inclusion in the Proxy Statement; however, in accordance with Rule 14a-8(f) of the Securities Exchange Act of 1934, as amended (“Rule 14a-8”), the purpose of this letter is to notify Beyond Investing that the Proposal is procedurally deficient with respect to the requirements of Rule 14a-8(b) described below.

In order to be eligible to submit a stockholder proposal pursuant to Rule 14a-8 for inclusion in a company’s proxy statement for its annual meeting of stockholders, Rule 14a-8(b)(1)(i) requires a proponent to have continuously held, as of the date the proponent submits the proposal, at least (i) \$2,000 in market value of the company’s securities entitled to vote on the proposal for at least three years, (ii) \$15,000 in market value of the company’s securities entitled to vote on the proposal for at least two years, or (iii) \$25,000 in market value of the company’s securities entitled to vote on the proposal for at least one year.¹ Moreover, in order to be eligible to submit a stockholder proposal pursuant to Rule 14a-8 for inclusion in a company’s proxy statement for its annual meeting of stockholders, the proponent must, pursuant to Rule 14a-8(b)(1)(ii), provide a written statement that the proponent intends to continue to hold the required minimum amount of securities listed above through the date of such annual meeting for which the stockholder proposal is submitted, and must so hold such securities through such date, and, pursuant to Rule 14a-8(b)(2), the proponent must be the registered holder of the requisite securities or if the proponent is not the registered holder of the requisite securities, the proponent must offer appropriate proof of eligibility in accordance with Rule 14a-8(b)(2)(ii) to submit the proposal.

Additionally, Rule 14a-8(b)(1)(iii) requires the proponent to (i) provide the company with a written statement that the proponent is able to meet with the company in person or via teleconference no less than 10 calendar days, nor more than 30 calendar days, after submission of

¹ In addition, Rule 14a-8(b)(3) provides that, for an annual or special meeting held prior to January 1, 2023, a proponent submitting a stockholder proposal pursuant to Rule 14a-8 to a company for such annual or special meeting may also be eligible if the proponent continuously held at least \$2,000 in market value of that company’s securities entitled to vote on the proposal for at least one year as of January 4, 2021, and maintained such minimum investment through the date on which the proposal is submitted to the company. However, this threshold in Rule 14a-8(b)(3) is not applicable to proposals submitted for the Company’s Annual Meeting because it will be held after January 1, 2023.

the proposal, (ii) include in such written statement the proponent's contact information as well as business days and specific times that the proponent is available to discuss the proposal with the company, and (iii) identify in such written statement times that are within the regular business hours of the company's principal executive offices (as disclosed in the company's proxy statement for the prior year's annual meeting or, if the company's regular business hours are not so disclosed, between 9 a.m. and 5:30 p.m. in the time zone of the company's principal executive offices).

In the Proposal, you stated that "Beyond Investing LLC has beneficially owned more than \$2,000 worth of HCA common stock for longer than a year," and that "Beyond Investing LLC intends to continue ownership of at least \$2,000 worth of HCA common stock through the date of the 2023 annual meeting." As described above, to be eligible to submit to the Company a stockholder proposal for inclusion in the Company's Proxy Statement for the Annual Meeting, Rule 14a-8(b)(1)(i) requires Beyond Investing to have held, at the time it submitted the Proposal, at least \$2,000, \$15,000, or \$25,000 in market value of the Company's common stock for at least three years, two years, or one year, respectively. The Proposal, however, merely indicates that Beyond Investing has held more than \$2,000 in market value of the Company's common stock for "longer than a year," which on its face does not meet the three-year holding period required by Rule 14a-8(b)(1)(i) for the applicable ownership amount (at least \$2,000 in market value of the Company's common stock). If Beyond Investing qualifies for one or more of the requisite ownership amounts and holding periods described above, please include in your response a revised statement setting forth your applicable ownership amount and holding period in compliance with Rule 14a-8(b)(1)(i).

In addition, the Company has not been able to verify, based on its stock register, that Beyond Investing is a registered holder of the Company's common stock. Therefore, Beyond Investing has not demonstrated its eligibility to submit a proposal through submitting evidence of ownership of the Company's common stock as required by Rule 14a-8(b)(2). Because Beyond Investing does not appear in the Company's stock register as the registered holder of the requisite amount of the Company's common stock, under Rule 14a-8(b)(2)(ii), it must submit sufficient proof of ownership by either:

- (i) submitting to the Company (a) a written statement from the "record" holder of its stock in the Company (usually a broker or bank) verifying that, at the time it submitted the Proposal, it continuously held at least \$2,000, \$15,000, or \$25,000 in market value of the Company's common stock for at least one year, two years or three years, respectively (please note that an account statement from your broker or bank will not satisfy this requirement) and (b) a written statement that it intends to continuously hold the required number of shares through the Annual Meeting; or
- (ii) if Beyond Investing was required to file, and has filed, a Schedule 13D, Schedule 13G, Form 3, Form 4, and/or Form 5, or amendments to those documents or updated forms, demonstrating that it meets at least one of the requisite ownership amounts and holding periods under Rule 14a-8(b)(1)(i), submitting to the Company: (a) a copy of the schedule and/or form, and any subsequent amendments reporting a change in its ownership level, (b) a written statement that it continuously held the required number of shares for the applicable period as of the date of the statement and (c) a written statement that it intends to continuously hold the required number of shares through the Annual Meeting.

Ms. Debra Bouton
Beyond Investing LLC
September 26, 2022
Page 3

Finally, the Proposal is deficient under Rule 14a-8(b)(1)(iii) because it does not (i) provide the Company with a written statement that Beyond Investing and/or its representatives are able to meet with the Company in person or via teleconference no less than 10 calendar days, nor more than 30 calendar days, after submission of the Proposal, (ii) include business days and specific times that Beyond Investing and/or its representatives are available to discuss the Proposal with the Company, and (iii) identify times that are within the regular business hours of the Company's principal executive offices (which are between 9 a.m. and 5:30 p.m., Central Time). Please include each of these items in your response.

Enclosed for your reference please find (i) a copy of Rule 14a-8 and (ii) guidance from the staff of the Securities and Exchange Commission ("SEC") regarding, among other things, brokers and banks that constitute "record" holders under Rule 14a-8(b)(2)(ii)(A) for purposes of verifying whether a beneficial owner is eligible to submit a proposal under Rule 14a-8, and common errors shareholders can avoid when submitting proof of ownership and revised proposals to companies. Please note, however, that the enclosed guidance is not authoritative and has in some cases been superseded by recent amendments to Rule 14a-8, which amendments are summarized in the enclosed compliance guide prepared by the staff of the SEC.

Rule 14a-8(f) provides that your response, including the required proof of eligibility and the revisions described above, must be postmarked or transmitted electronically no later than fourteen (14) calendar days from the date you receive this notice of defects. If you do not adequately cure the defects within the stipulated timeframe, Rule 14a-8(f) allows the Company to exclude the Proposal from the Proxy Statement. Please address any response to me at HCA Healthcare, Inc., One Park Plaza, Nashville, TN 37203, Attention: Corporate Secretary. Alternatively, you may e-mail your response to me at John.Franck@HCAHealthcare.com.

Sincerely,



John M. Franck II
Vice President, Legal and
Corporate Secretary

Enclosures:

Rule 14a-8 of the Securities Exchange Act of 1934

Division of Corporation Finance Staff Bulletin No. 14F

Division of Corporation Finance Staff Bulletin No. 14G

Procedural Requirements and Resubmission Thresholds under Exchange Act Rule 14a-8:
A Small Entity Compliance Guide

From: Debra Bouton
Sent: Monday, October 10, 2022 1:01:49 PM
To: Franck John <John.Franck@HCAHealthcare.com>
Cc: claire.smith
Subject: {EXTERNAL} re 'Stockholder Proposal Regarding Serving Plant-Based Meals in Hospitals' by Beyond Investing

CAUTION! This email originated from outside of our organization. **DO NOT CLICK** links or open attachments unless you recognize the sender and know the content is safe.

October 10, 2022

Re: Shareholder proposal for 2023 annual meeting

Dear Mr. Franck,

I am writing in response to your letter regarding the Rule 14a-8 shareholder proposal entitled “Stockholder Proposal Regarding Serving Plant-Based Meals in Hospitals” (the “Proposal”) that was submitted for consideration at HCA Healthcare’s 2023 Annual Meeting of Shareholders by Beyond Investing LLC.

Please see the attached written statements, per your request, to address the following proposal deficiencies outlined in your letter:

1. Proof of Continuous Ownership
2. Intent to Hold Shares
3. Engagement Availability

We would be pleased to discuss the issues presented by this proposal with you. If you require any additional information, please contact me.

Sincerely,

Debra Bouton

Beyond Investing LLC

11600 New Haven Drive

Spring Hill, Florida 34609

Sent by
[msg:11752-k52cd4]



October 10, 2022

HCA Healthcare, Inc.
John M. Franck II
VP, Legal & Corporate Secretary
John.Franck@hcahealthcare.com
Re: Shareholder proposal for 2023 annual meeting

Dear Mr. Franck,

In response to your letter regarding the Rule 14a-8 shareholder proposal entitled **"Stockholder Proposal Regarding Serving Plant-Based Meals in Hospitals"** (the "Proposal") that was submitted for consideration at HCA Healthcare's 2023 Annual Meeting of Shareholders by Beyond Investing LLC., this letter is to confirm that we intend to continue holding the same required amount of HCA shares through the date of HCA Healthcare's 2023 Annual Meeting of Shareholders as documented in our proof of ownership letter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Debra Bouton", is positioned above the typed name.

Debra Bouton
Beyond Investing LLC
11600 New Haven Drive
Spring Hill, Florida 34609



October 10, 2022

HCA Healthcare, Inc.
John M. Franck II
VP, Legal & Corporate Secretary
John.Franck@hcahealthcare.com
Re: Shareholder proposal for 2023 annual meeting

Dear Mr. Franck,

In response to your letter regarding the Rule 14a-8 shareholder proposal entitled **"Stockholder Proposal**

Regarding Serving Plant-Based Meals in Hospitals" (the "Proposal") that was submitted for consideration at HCA Healthcare's 2023 Annual Meeting of Shareholders by Beyond Investing LLC., this letter is to state that we can meet with the company in person or via teleconference no less than 10 calendar days, nor more than 30 calendar days, after submission of the Proposal.

Contact information:
Debra Bouton

Claire Smith

We are available Monday – Friday between the hours of 9am -5pm EST.

Sincerely,

A handwritten signature in blue ink, appearing to read "Debra Bouton", is written over a light blue horizontal line.

Debra Bouton
Beyond Investing LLC
11600 New Haven Drive
Spring Hill, Florida 34609



All of **us** serving you®

US Vegan Climate ETF
Beyond Investing, LLC
11600 New Haven Drive
Spring Hill, FL 34609

October 6, 2022

RE: US Vegan Climate ETF

To Whom It May Concern:

In response to your proof of ownership inquiry, based on US Bank NA's records, as of September 2, 2022, US Vegan Climate ETF held 1,449 shares of **HCA Healthcare Com** (\$289,843), and has continuously held a position in this security for at least one year.

Quantity:	1,449
CUSIP:	40412C101
Description:	HCA HEALTHCARE INC

This information is effective as of 09/02/2022 or Effective Date, and US Bank assumes no obligation to update or otherwise revise this information should anything change.

Sincerely,

US Bank National Association

Name: Kelli Roth
Title: Assistant Vice President



October 17, 2022

VIA OVERNIGHT COURIER AND EMAIL

Ms. Debra Bouton
Beyond Investing LLC
11600 New Haven Drive
Spring Hill, Florida 34609

Dear Ms. Bouton:

RE: Rule 14a-8 Stockholder Proposal – “Stockholder Proposal Regarding Serving Plant-Based Meals in Hospitals”

On behalf of HCA Healthcare, Inc. (the “Company”), I am writing to confirm that on October 10, 2022, the Company received from you, on behalf of Beyond Investing LLC (“Beyond Investing”), supplemental supporting documentation (the “Supplemental Documentation”) relating to the above-referenced stockholder proposal of Beyond Investing (the “Proposal”), which the Company first received from you on September 15, 2022. Following receipt of the Proposal, and in accordance with Rule 14a-8(f) of the Securities Exchange Act of 1934, as amended (“Rule 14a-8”), the Company notified you in writing on September 26, 2022 of certain procedural deficiencies related to the Proposal and your opportunity to cure such deficiencies (the “Deficiency Notice”). The purpose of this letter is to notify Beyond Investing that we have reviewed the Supplemental Documentation and determined that the Proposal remains procedurally deficient with respect to the requirements of Rule 14a-8(b) described below.

The Company indicated in the Deficiency Notice that Beyond Investing could (i) provide proof of its eligibility under Rule 14a-8(b)(1)(i) to submit the Proposal by submitting to the Company a written statement in accordance with Rule 14a-8(b)(2)(ii)(A) from the “record” holder of its stock in the Company verifying that, at the time it submitted the Proposal, it continuously held at least \$2,000, \$15,000, or \$25,000 in market value of the Company’s common stock for at least three years, two years or one year, respectively, and (ii) satisfy Rule 14a-8(b)(1)(ii) by submitting a written statement that Beyond Investing intends to continuously hold the requisite number of shares of the Company’s common stock through the date of the Company’s 2023 annual meeting of stockholders (the “Annual Meeting”).

The Supplemental Documentation you submitted in response to the Deficiency Notice includes (i) a letter from U.S. Bank National Association, dated October 6, 2022 (the “Ownership Letter”), stating that Beyond Investing owned 1,149 shares, or \$289,843 in market value, of the Company’s common stock as of September 2, 2022, and that Beyond Investing has “continuously held *a position* in this security for at least one year” (emphasis added), and (ii) a written statement, signed by you on behalf of Beyond Investing (the “Continuous Ownership Statement”), indicating that Beyond Investing intends to continuously hold “the same required amount of HCA shares through the date of HCA Healthcare’s 2023 Annual Meeting of Shareholders as documented in our proof of ownership letter.”

Pursuant to Rule 14a-8(b)(2)(ii)(A), the Ownership Letter is deficient because it fails to verify that Beyond Investing has continuously held at least \$2,000, \$15,000, or \$25,000 in market value of the Company’s common stock for at least three years, two years, or one year, respectively; instead, it only

Ms. Debra Bouton
Beyond Investing LLC
October 17, 2022
Page 2

verifies that Beyond Investing has held “a position” in the Company’s common stock for at least one year, and fails to verify the amount of such position. Accordingly, because the Continuous Ownership Statement indicates that Beyond Investing intends to continuously hold “the same required amount” as documented in the Ownership Letter, and the Ownership Letter fails to specify such amount, the Continuous Ownership Statement is deficient under Rule 14a-8(b)(1)(ii). If the Ownership Letter is corrected to verify that Beyond Investing has continuously held at least \$2,000, \$15,000, or \$25,000 in market value of the Company’s common stock for at least three years, two years, or one year, respectively, then the statement in the Continuous Ownership Statement that Beyond Investing intends to continuously hold “the same required amount” as documented in the Ownership Letter through the date of the Annual Meeting would be sufficient.

Therefore, please submit a new proof of ownership letter in accordance with Rule 14a-8(b)(2)(ii)(A) that verifies that Beyond Investing has continuously held at least \$2,000, \$15,000, or \$25,000 in market value of the Company’s common stock for at least three years, two years, or one year, respectively. Rule 14a-8(f) provides that your response, including the required proof of eligibility and the revisions described above, must be postmarked or transmitted electronically no later than fourteen (14) calendar days from the date you receive this notice of defects. If you do not adequately cure the defect within the stipulated timeframe, Rule 14a-8(f) allows the Company to exclude the Proposal from the Company’s proxy statement related to the Annual Meeting. Please address any response to me at HCA Healthcare, Inc., One Park Plaza, Nashville, TN 37203, Attention: Corporate Secretary. Alternatively, you may e-mail your response to me at John.Franck@HCAHealthcare.com.

Sincerely,

A handwritten signature in blue ink that reads "John M. Franck II". The signature is written in a cursive style with a long horizontal stroke extending to the left.

John M. Franck II
Vice President, Legal and
Corporate Secretary

Enclosures:

Rule 14a-8 of the Securities Exchange Act of 1934

Division of Corporation Finance Staff Bulletin No. 14F

Division of Corporation Finance Staff Bulletin No. 14G

Procedural Requirements and Resubmission Thresholds under Exchange Act Rule 14a-8:
A Small Entity Compliance Guide

From: Debra Bouton

Sent: Thursday, October 27, 2022 1:27:01 PM

To: Franck John <John.Franck@HCAHealthcare.com>

Cc: claire.smith

Subject: {EXTERNAL} Re: HCA Shareholder proposal regarding serving plant based meals in hospitals

CAUTION! This email originated from outside of our organization. **DO NOT CLICK** links or open attachments unless you recognize the sender and know the content is safe.

October 27, 2022

Re: Shareholder proposal for 2023 annual meeting

Dear Mr. Franck,

I am writing in response to your letter regarding the Rule 14a-8 shareholder proposal entitled “*Stockholder Proposal Regarding Serving Plant-Based Meals in Hospitals*” (the “Proposal”) that was submitted for consideration at HCA Healthcare’s 2023 Annual Meeting of Shareholders by Beyond Investing LLC.

Please see the attached **revised** written statement, per your request, to address the following proposal deficiency outlined in your letter dated October 17, 2022:

1. Proof of Continuous Ownership

We would be pleased to discuss the issues presented by this proposal with you. If you require any additional information, please contact me.

Sincerely,

Debra Bouton

Beyond Investing LLC

11600 New Haven Drive

Spring Hill, Florida 34609



Sent by

[msg:11758-8sjgi8]



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US Vegan Climate ETF
Beyond Investing, LLC
11600 New Haven Drive
Spring Hill, FL 34609

October 27, 2022

RE: US Vegan Climate ETF

To Whom It May Concern:

In response to your proof of ownership inquiry, based on US Bank NA's records, as of September 2, 2022, US Vegan Climate ETF held 1,449 shares of HCA Healthcare Com (\$289,843), and has continuously held HCA stock in excess of \$25,000 in value over the past year.

Quantity:	1,449
CUSIP:	40412C101
Description:	HCA HEALTHCARE INC

This information is effective as of 09/02/2022 or Effective Date, and US Bank assumes no obligation to update or otherwise revise this information should anything change.

Sincerely,

US Bank National Association

Name: Kelli Roth
Title: Assistant Vice President