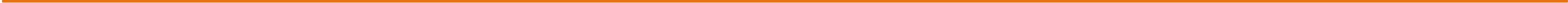

Health Care Market Oversight (HCMO) Program



Background

Bill & Statute

- State Legislature passed HB 2362 in 2021 regular session.
- Codified into statute: [ORS 415.500 - 415.900](#)
- Program launched March 1, 2022

Final Rules

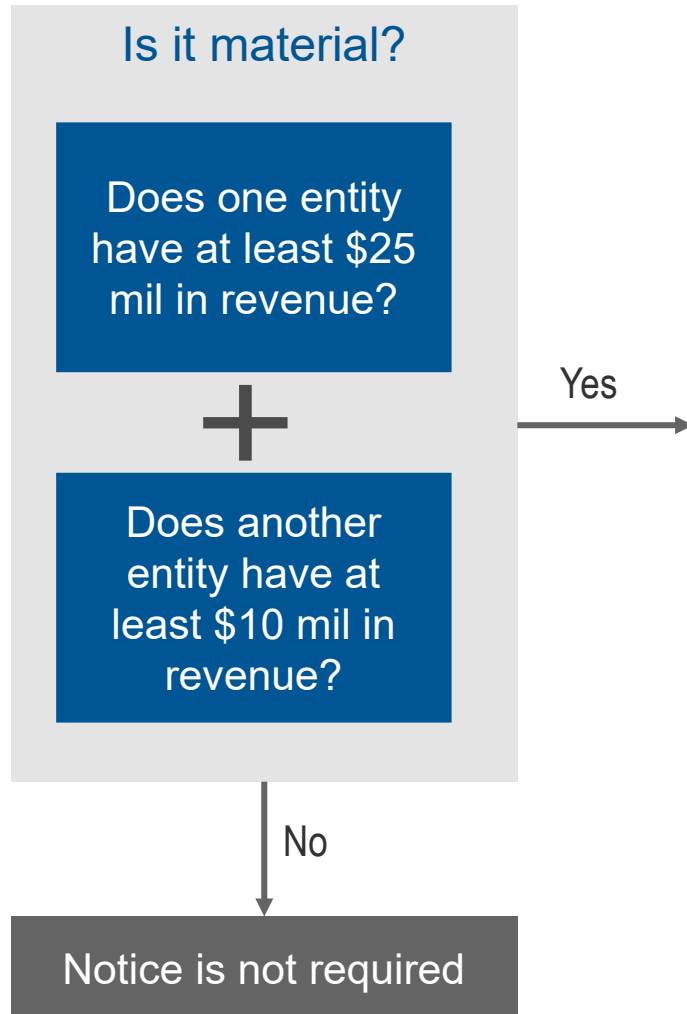
- Permanent rules: [OAR 409-070-0000 through -0085](#)
- Statutory language, final rules, and all materials from the Rules Advisory Committee process available on the [HCMO website](#)

Health Care Market Oversight Program

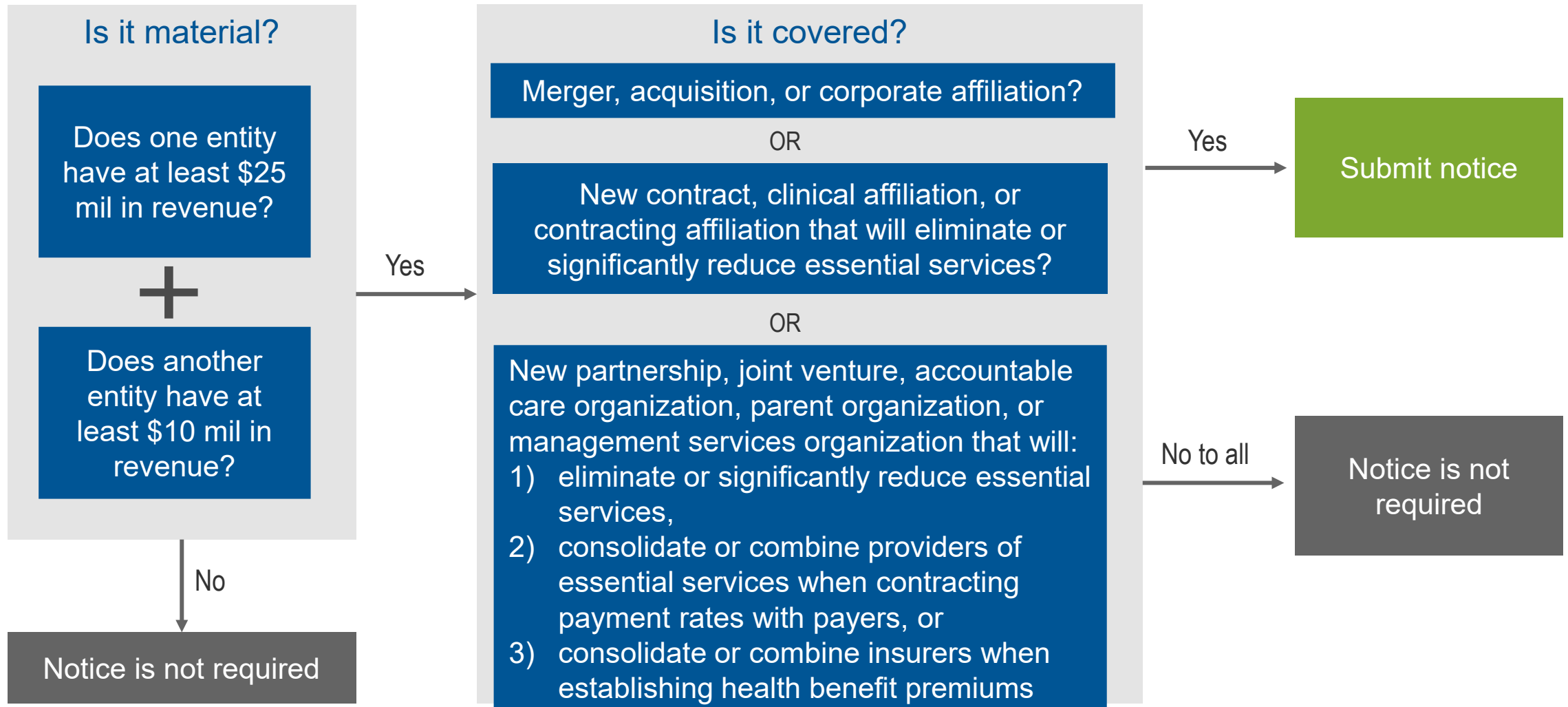
How It Works

Through the Health Care Market Oversight program, OHA reviews proposed material change transactions to make sure they support statewide goals related to **health equity, cost, access, and quality**

What transactions are subject to review?



What transactions are subject to review?



What transactions are not subject to review?

- Clinical affiliations for collaborating on clinical trials or graduate medical education
- Medical service contracts
- Affiliations that do not impact corporate leadership and are necessary to adopt advanced value-based payments
- Transactions involving Federally Qualified Health Centers
- Corporate restructures that do not change ultimate control
- And more

See [Safe Harbor and Transactions Not Subject to Review](#) which includes examples

Before Filing a Notice of Material Change Transaction



Determine whether you must file a notice.

- Refer to guidance posted on the HCMO website
- You may request that OHA make a written determination

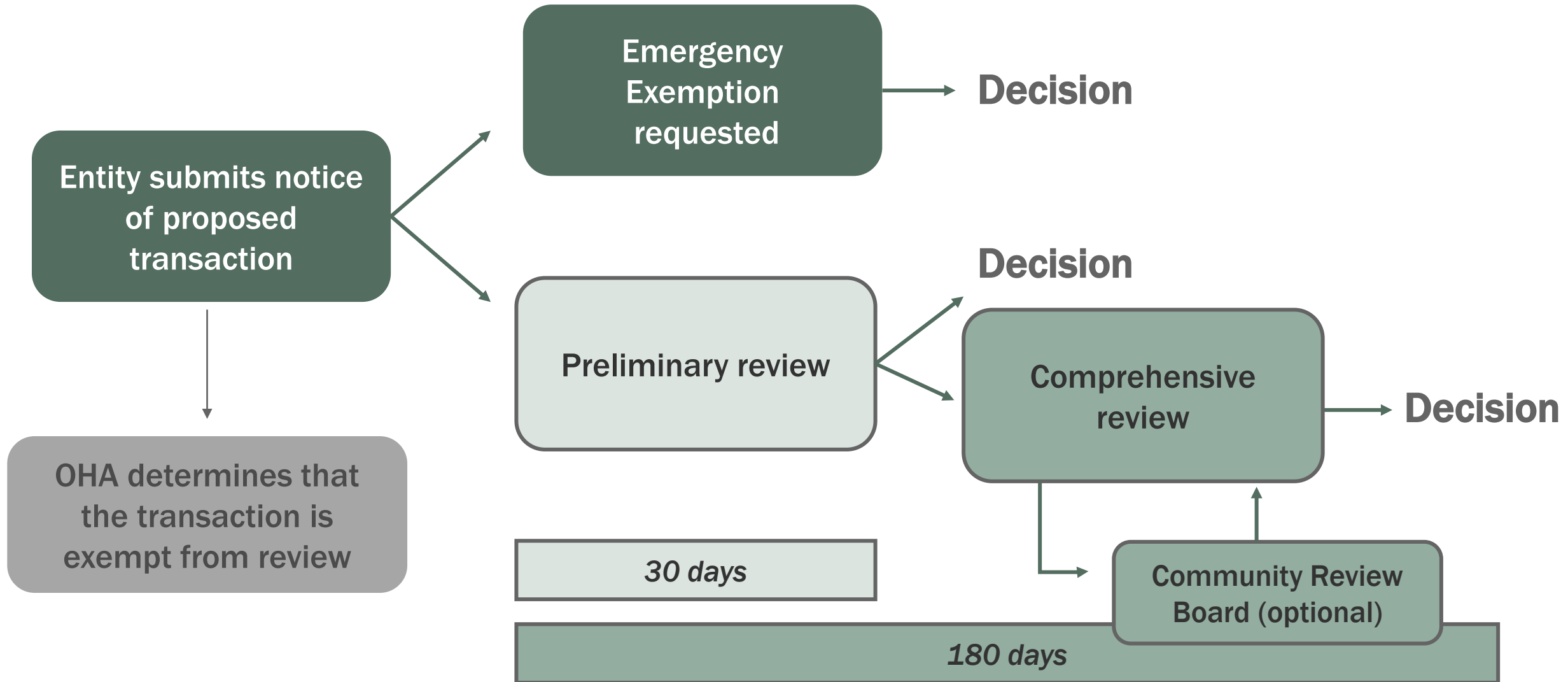


Request an optional pre-filing conference.

The conference will cover:

- Whether a notice is required
- How to complete forms
- Processes & timelines
- Additional required information

The Review Process



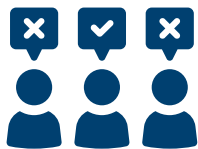
Types of Forms



Notice of Material Change
Transaction form



Emergency Exemption form



Rebutting Presumption of
Control form



National Provider Identifier
form

Types of Forms

Form	Who submits
Notice of Material Change Transaction	All entities planning a transaction that meets materiality and coverage criteria, except for entities seeking an emergency exemption
Emergency Exemption	Entities requesting an exemption to filing a notice of material change transaction due to an emergency situation
Rebutting Presumption of Control	An entity that technically acquires control of another entity but does not have direct or indirect power to manage or set policies
National Provider Identifier (NPI)	Transactions involving any entities that have associated National Provider Identifiers (NPI), such as hospitals, provider organizations, or health systems

Potential Fees and Costs for Entities

	Filing Fees	Cost of Outside Advisors
Description	Statute requires fees collected from entities that file a transaction notice to cover program costs	Statute allows OHA to retain outside advisors and bill entities for those costs
Timing	Fees apply to transactions filed as of January 1, 2023	Only applies to comprehensive reviews. OHA will notify entities prior to incurring any costs for outside advisors
Where to find more info...	OAR 409-070-0030	See the Use of Outside Advisors for Material Change Transaction Review document

Review Process and Timelines

OHA review: Impact of the Transaction on Four Domains

Health Equity

Costs to Consumers

Access to Services

Health Care Quality

Reviews will be guided by the [framework adopted by the Oregon Health Policy Board](#) and the [HCMO Analytic Framework](#).

Preliminary vs. Comprehensive Review

	Preliminary Review	Comprehensive Review
What is it?	Initial analysis of potential impacts	Deeper analysis of potential impacts
Timeline	Finished within 30 days	Finished within 180 days
Public comment?	Yes	Yes
Outside Advisors?	No	Yes, as warranted
Community Review Board?	No	Yes, as warranted. See Criteria for Community Review Board .
Outcome	Approved, approved with conditions, or requires comprehensive review	Approved, approved with conditions, or not approved

Example Scenario

Example: Hospital seeks to acquire a Medical Group



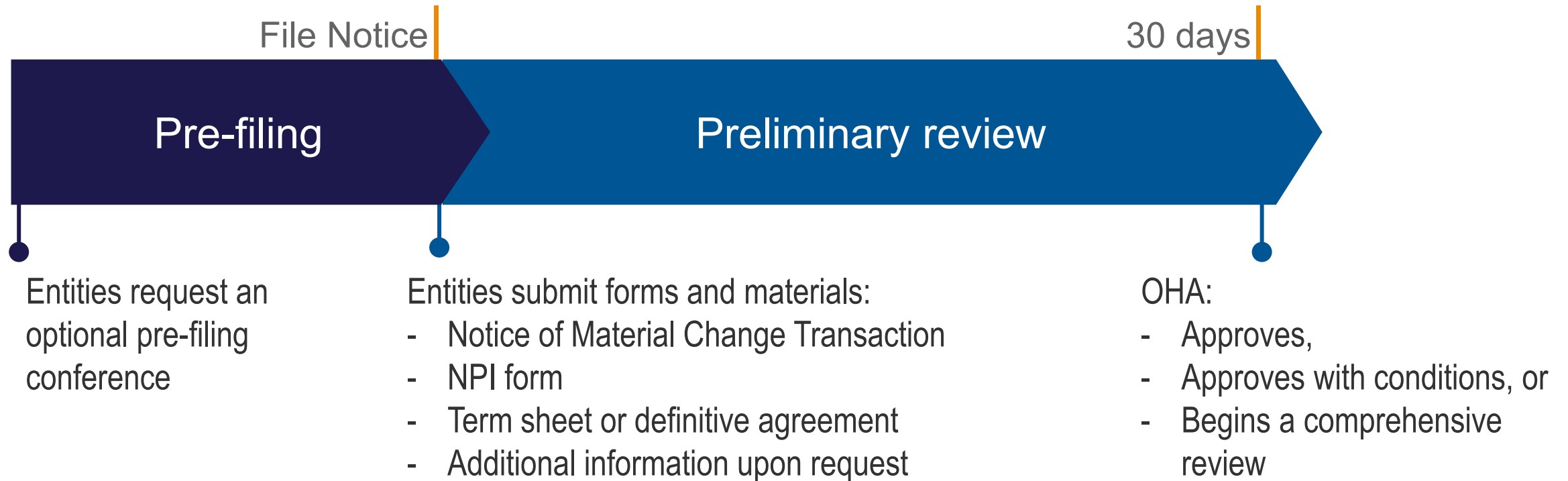
Hospital A
Average revenue of
\$130 million



Medical Group X
Average revenue of
\$20 million

Do entities meet revenue thresholds?	Yes
Is it a covered transaction type?	Yes
Is it subject to review?	Yes

Example: Hospital seeks to acquire a Medical Group



If OHA Conducts Comprehensive Review



Resources on the Program Website

Resources on Program Website

<https://www.oregon.gov/oha/HPA/HP/Pages/health-care-market-oversight.aspx>

Information on the site includes

- Program overview and links to Oregon Revised Statute
- How to Submit a Transaction Notice (incl. forms)
- Administrative Rules, Guidance, and other Resources
- Transactions that are under review and completed reviews

General inquiries? Email HCMO.info@oha.Oregon.gov