

Entities Subject to Review

The Health Care Market Oversight (HCMO) program was created to ensure that transactions involving health care entities support the goals of health equity, lower costs, increased access, and better care. This document provides a list of the types of entities that may be subject to review when materiality and transaction criteria are met. This list is not comprehensive, and additional entity types may also be subject to review. For more information, visit the [program website](#).

Entities Subject to Review

According to Oregon Revised Statute (ORS) 415.500(4)(a), a “health care entity” includes:

- A. An individual health care professional licensed or certified in this state;
- B. A hospital, as defined in ORS 442.015, or hospital system, as defined by the authority by rule;
- C. A carrier, as defined in ORS 743B.005, that offers a health benefit plan in this state;
- D. A Medicare Advantage plan;
- E. A coordinated care organization (CCO) or a prepaid managed care health services organization, as both terms are defined in ORS 414.025; and
- F. Any other entity that has as a primary function the provision of health care items or services or that is a parent organization of, or is an entity closely related to, an entity that has as a primary function the provision of health care items or services.

Oregon Administrative Rules (OAR) 409-070-0005(15)(g) further defines “health care entity” to include:

- G. Any other entity that has control over, is controlled by, or is under common control with, an entity that has as a primary function the provision of health care items or services. (The term “control” is defined in OAR 409-070-0005(7).)

Per statute, the following types of entities are **not** subject to review:

- Long term care facilities, as defined in ORS 442.015; and
- Residential Facilities and Homes, as defined in ORS 443.400, and excluding facilities referenced in ORS 443.405, that are licensed and operated under ORS 443.400 to 443.455.

The table below provides examples of entities that may be subject to review under ORS 415.500(4)(a)(F) or OAR 409-070-0005(15)(g). Transactions involving an entity subject to review must also meet the HCMO criteria for materiality under OAR 409-070-0015 and qualify as a covered transaction under OAR 409-070-0010. For more information, see the program’s [Oregon Administrative Rules 409-070-0000 through 0085](#).

Examples of Entities Subject to Review

In addition to the entities explicitly named in statute, the table below provides examples of entity types that may be subject to review because they:

- Have a primary function of providing health care items or services;
- Are closely related to an entity that has a primary function of providing health care items or services; or
- Are a parent organization or other entity that has control over, is controlled by, or is under common control with an entity that has a primary function of providing health care items or services.

Entity Type	Description	Primary function is provision of health care	Closely related to an entity that provides health care	Control over an entity that provides health care
Pharmacy	Pharmacies dispense and sell prescription drugs.	✓		
Oral health provider	Oral health focuses on care for a patient's mouth, teeth, gums and oral-facial system. Oral health providers include dentists, orthodontists, endodontists, and other providers who specialize in dental care.	✓		
Eye care provider	Health care professionals that provide services related to the eye or vision. Eye care providers include optometrists, ophthalmologists, and other vision care providers.	✓		
Medical group	Two or more physician practices organized as a single legal entity (e.g., partnership, professional corporation, or other association), as defined in 42 CFR 417 .	✓		
Independent physician association (IPA)	Association of independent physician practices that contract jointly with payers, share administrative and management resources, and pursue other joint ventures, as defined in ORS 734B.002(9) and 42 CFR 417 .		✓	
Management services organization (MSO) or dental support organization (DSO)	MSOs and DSOs provide administrative and business management services to care providers. MSOs/DSOs may provide financial, contract management, and population health services.		✓	
Pharmacy benefit manager (PBM)	PBMs manage prescription drug benefits on behalf of health insurers. PBMs negotiate prices and rebates with manufacturers, and fees with pharmacists.		✓	
Third Party Administrator (TPA)	TPAs provide administrative services for health insurance plans, as referenced in ORS 744.702 . Services may include billing, claims processing, regulatory compliance, and other operational services.		✓	

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Accountable Care Organization (ACO)	ACOs are groups of hospitals, physicians, and other health care providers who agree to coordinate care and assume responsibility for the total cost of care for patients, as defined in 42 CFR 425 .		✓	
Private equity firm owning 25% or more of a health care entity	Private equity (PE) firms are privately held companies that invest in or acquire other private companies.			✓

The Oregon Health Authority may update and re-post the list of entities subject to review at any time.

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