

Date: February 7, 2022

To: Jeremy Vandehey, Health Policy & Analytics Division Director, Oregon Health Authority  
Zachary Goldman, Economic Policy Advisor, Oregon Health Authority

From: Kristen Downey, Director Government Affairs, Providence - Oregon

RE: Oregon's Health Care Market Oversight Program Draft Sub-Regulatory Guidance

Providence appreciates the opportunity to provide comments on the second set of sub-regulatory documents including "Furnishing Final Definitive Agreement" and "Determining Changes in Control Guidance."

As outlined in our previous comments, Providence remains concerned about the complexity for health care entities to navigate the Health Care Market Oversight Program. We respectfully request consideration for on-going engagement with health care entity applicants throughout the review process to ensure the Oregon Health Authority has adequate clarity about the goals and structure of these transactions.

Specific to the proposed materials, Providence requests the OHA's consideration of the following:

#### **Furnishing Final Definitive Agreement**

The proposed timeline for transactions going through comprehensive review is unreasonable. The reality is, due to the complexity of these negotiations, it can take months to develop final definitive agreements. Entities will need significantly more than 15 days to produce definitive agreements if the OHA determines the transaction needs comprehensive review.

#### **Determining Changes in Control**

While we appreciate OHA's intent to provide additional guidance, we respectfully request that the OHA revisit the following to limit confusion:

- Providence would recommend aligning the definition of control, as used in this document, with the definition in OAR 409-070-0050. Control is defined in the rule in connection with what constitutes an acquisition, but is used elsewhere in connection with the definition of a corporate affiliation. Whether the transaction is for "all or substantially all of a health care entity's assets" should not be a factor in determining whether there has been a change in control.
- Provide new, or additional examples, that specify what factors OHA will weigh to take a position that control has, or has not, been ceded.