STATE OF OREGON
OREGON HEALTH AUTHORITY
FISCAL AND OPERATIONS DIVISION

In the Matter of the Proposed Plan for Acquisition of Control of InterCommunity Health Plans Inc. by MultiCare Health System	))))	Findings of Fact, Conclusions of Law, and Final Order Transaction ID: **FA-03**

This Order resolves the Form A Statement regarding Acquisition of Control of or Merger with a Coordinated Care Organization (CCO) (the "Application") filed by MultiCare Health System ("MultiCare") on or about January 9, 2026, with respect to its proposed affiliation with InterCommunity Health Plans, Inc. d/b/a InterCommunity Health Network – Coordinated Care Organization ("IHN-CCO"), a subsidiary of Samaritan Health Services, Inc ("Samaritan"). (MultiCare and IHN-CCO are sometimes referred to collectively as the "Entities."). As a result of the proposed affiliation, MultiCare will become the ultimate corporate parent of IHN-CCO.

The Entities filed the Application with the Oregon Health Authority's ("OHA") CCO Form A ("CCO Form A") program pursuant to Oregon Revised Statutes (ORS) 415.011, 415.013, and Oregon Administrative Rules (OAR) 410-141-5255 through 410-141-5283.

Pursuant to ORS 415.011 and OAR 410-141-5255 through 410-141-5283, OHA has completed a review of the Application. Pursuant to OAR 410-141-5280(7), OHA engaged Examination Resources as a financial advisor and the Oregon Department of Justice contracted with Katten Muchin Rosenman LLP to act as legal advisors to assist OHA in reviewing the transaction. Pursuant to OAR 410-141-5280(1)(b), OHA held public listening sessions in each service area of the CCO on May 12 and May 14, 2026. Pursuant to OAR 410-141-5280(1)(c), OHA accepted public comment from January 23, 2026, through October 9, 2026. OHA received 8 comments and posted public comments to its website at https://www.oregon.gov/oha/HPA/HP/pages/CCO-Form-A.aspx. Pursuant to OAR 410-141-5280(1)(e), OHA sought feedback from the Medicaid Advisory Committee ("MAC") on February 25, 2026, and received its recommendation on June 10, 2026. The MAC recommended that OHA approve the transaction with conditions, OHA posted its recommendation to the CCO Form A website. Pursuant to OAR 410-141-5280(1)(a) OHA notified the Community Advisory Council ("CAC") of IHN-CCO on April 27, 2026.

Pursuant to OAR 410-141-5280(1)(d), OHA issued its proposed findings of fact and conclusions of law ("proposed order") on October 9, 2026, and provided the Entities and the public with seven calendar days to provide feedback to the proposed order. OHA received no feedback.

On October 19, 2026, OHA issued a Proposed Final Order with Conditions to the Entities providing a fifteen (15) day period to request a contested case hearing under Oregon law. On October 21, 2026, the Entities waived their right to request a contested case hearing. This Final Order fully resolves this matter.

Now, therefore, upon due consideration of the circumstances, including the Application, documentation filed in support of the Application, public hearing testimony and public comments, recommendation by the MAC, and the reports and advice provided by advisors, OHA enters the following Findings of Fact, Conclusions of Law, and Final Order.

FINDINGS OF FACT

OHA FINDS that:

1. On or about January 9, 2026, MultiCare submitted the Application to OHA.

2. OHA held two public listening sessions on May 12, 2026, and May 14, 2026, during which 13 members of the public provided public testimony about the proposed transaction. OHA also received 8 public written comments during the review period. The majority of public comments were highly supportive of the transaction.

3. All three Local Advisory Committees of the CAC submitted letters of support.

4. MultiCare is a nonprofit health system incorporated in Washington, based in Tacoma, that operates 13 hospitals throughout Washington State and more than 300 primary care, urgent care, pediatric, and specialty care clinics in Washington, Oregon, and Idaho.

5. MultiCare's presence in Oregon is limited to two satellite locations of an outpatient cardiology clinic, Pulse Heart Institute. These two clinics, located in Bend and Enterprise, are operated by Washington-based employees, and provide about 300 services per year in Oregon.

6. MultiCare's service area includes five distinct regions of Washington State. One of these regions, Yakima Valley, borders Oregon and five of its counties (Gilliam, Hood River, Morrow, Sherman and Wasco Counties).

7. MultiCare employs more than 28,000 individuals, none of whom are located in Oregon.

8. Founded in 2012, IHN-CCO is a nonprofit CCO that provides health insurance for Oregon Health Plan members in Benton, Lincoln, and Linn Counties. OHA first awarded a CCO contract to IHN-CCO in 2012 and awarded a second CCO contract in 2019 which remains in effect today.

9. As of August 1, 2025, IHN-CCO covered 87,304 members.

10. IHN-CCO is a wholly owned subsidiary of Samaritan, an Oregon nonprofit health system that operates five hospitals and 80 primary care and specialty care clinics in the mid-Willamette Valley and Central Oregon coast region. IHN-CCO is operated by Samaritan Health Plans ("SHP").

11. IHN-CCO is governed by a Board of Directors that includes the following individuals;

a. President and CEO of Samaritan
b. 2 independent doctors
c. 1 independent dentist
d. 3 county commissioners
e. 1 health system administrator
f. 2 community members
g. Chair of IHN-CCO CAC

12. IHN-CCO convenes a CAC to ensure the health needs of members in Benton, Lincoln, and Linn County are addressed. This IHN-CCO CAC advises and makes recommendations to IHN-CCO to improve the health of those represented by IHN-CCO and consists of 18 council representatives and a council chair. CAC Membership includes IHN-CCO members, local citizens, and county government representatives. Linn, Benton and Lincoln Counties each also have a Local Advisory Committee that provides input to the CAC on health needs in the local community; all CAC council representatives are also members of a Local Advisory Committee.

13. On November 18, 2025, Samaritan, Samaritan's affiliates and subsidiaries, and MultiCare executed an Affiliation Agreement ("Affiliation Agreement") pursuant to which MultiCare will become the sole corporate member of Samaritan, while Samaritan will continue to be the member or shareholder, as applicable, of all Samaritan affiliates, including IHN-CCO. Consequently, post-closing, MultiCare will be the ultimate corporate parent of IHN-CCO.

14. As part of the proposed transaction, MultiCare will make a $700 million capital commitment to Samaritan over 10 years. The Entities intend to develop a joint capital commitment plan. The Entities state that these investments will include renovation and expansion of Good Samaritan Hospital Corvallis dba Good Samaritan Regional Medical Center (GSRMC); recruitment of physicians and advanced practice providers to expand services; development of new ambulatory and outpatient care locations; and other identified community health needs. MultiCare intends for this investment to increase access to and quality of care provided at Samaritan.

15. As part of the proposed transaction, MultiCare has committed to the following for at least the next three years:
    a. Continue offering all of Samaritan's existing services as described in the Notice;
    b. Continue operating IHN-CCO as a CCO serving Benton, Lincoln, and Linn counties, subject to the OHA's procurement process and contractual discretion, and
    c. Continue offering a dual eligible special needs plan, or equivalent product, in Benton, Lincoln, and Linn Counties, subject to the Centers for Medicare and Medicaid Services' procurement process and contractual discretion.

16. MultiCare intends to preserve the current IHN-CCO board and management. Following the close of the transaction, MultiCare has committed to continue operating IHN-CCO and retaining local governance. IHN-CCO will report to MultiCare's Care Financing division and will no longer report directly to Samaritan leaders.

17. MultiCare has committed to participating in the next round of CCO procurement with the goal of remaining the CCO provider in Benton, Lincoln, and Linn Counties.

18. MultiCare has committed to providing any capital that IHN-CCO may need to sustain its operations.

19. OHA and its outside advisors analyzed IHN-CCO's financial condition as part of the Form A review. IHN-CCO has had large losses in the past two years, reporting a loss of $19.5 million for 2024 and $24.4 million for 2025. In its financial statement filings, IHN-CCO has cited increased utilization as the primary driver of those losses. IHN-CCO is required as part of their CCO contract to have a fixed minimum Capital and Surplus (Total Adjusted Capital) of $2.5 million. While IHN-CCO still has a sufficient surplus, it has decreased by $30.5 million over the last two years to $72.5 million at the end of 2025.

20. IHN-CCO's Risk-Based Capital ("RBC") ratio has also been declining. CCOs are required to maintain an RBC ratio of 200% or higher. OHA monitors CCO RBC ratios and if they drop below 200%, OHA may take certain actions such as requiring corrective action plans or placing the CCO under regulatory control. While IHN-CCO's RBC ratio is above the 300% level at the end of 2025, it has consistently declined over the past few years and was almost double the current value in 2022.

21. OHA projected IHN-CCO's potential financial condition for 2026 based on statements from IHN-CCO that it expected consistent premiums and claims for 2026. Under these assumptions, IHN-CCO would face a $19 million net loss, reducing its surplus and resulting in an RBC ratio of less than 300% but greater than 200% by the end of 2026. While IHN-CCO's RBC ratio would still, however, be above the level to avoid OHA regulatory action, it would fall under the 300% level that OHA recommends CCOs endeavor to maintain in both the CCO contract and OAR 410-141-5200(3).

22. OHA analyzed MultiCare's financial position and finds that MultiCare's cash from operating expenses has been positive for six of the last seven years, except for a loss in 2022. Although MultiCare's long-term debt and interest expenses have increased over time, OHA finds that MultiCare has sufficient cash flow resources to support IHN-CCO. OHA did not identify any specific concerns that MultiCare may default on its debt.

23. Oregon CCOs have the potential to earn annual financial bonuses based on their improvement on a set of health care quality metrics. Between 2021 and 2024, IHN-CCO's overall performance on quality metrics was below average, with IHN-CCO receiving 70-80% of the quality incentive program bonus in each of the 4 years compared to a statewide average of 86-96%. Among the metrics that IHN-CCO often was unable to demonstrate progress across those four years were certain child and adolescent immunizations, a health equity measure focused on language access, and substance use screenings/referrals. In 2025, IHN-CCO met improvement targets on 9 metrics and therefore received 90% of their maximum bonus, missing the improvement target on metrics related to adult diabetes control, childhood immunizations, language access, and early childhood social/emotional intervention

24. MultiCare intends to improve access and quality of care through capital investment projects from the $700 million capital commitment to Samaritan. Some of the planned capital commitment projects include development of one off-campus emergency department, at least one ambulatory surgery center in Corvallis and/or Albany, at least four outpatient rehabilitation centers, and at least one outpatient imaging retail center. The entities also expect to recruit an additional 15 to 30 primary care, behavioral health, and pediatric physicians, and 5 to 15 specialists in areas including otolaryngology, allergy, gastroenterology, dermatology, and neurology.

25. MultiCare has stated that any IHN-CCO profits would remain with IHN-CCO and not be distributed outside of IHN-CCO's service area.

26. MultiCare does not intend to make any changes to business operations of IHN-CCO and does not have any plans to declare an extraordinary dividend, liquidate IHN-CCO, or sell IHN-CCO's assets to or merge it with another organization.

CONCLUSIONS OF LAW

1. The Application is supported by the required documentation and meets the requirements of the CCO Form A rules for approval with respect to transactions involving health care entities pursuant to ORS 415.011 and OAR 410-141-5255 through 410-141-5283.

2. OHA finds no evidence that:

    a. The proposed transaction is contrary to law or would result in a prohibited combination of risks or classes of insurance.

        i. The acquisition of control of SHP by the Applicants is permitted by ORS 415.011 and OAR 410-141-5255 to 410-141-5283. The Applicant is not currently conducting business as an insurer. The Applicant recently formed a new health insurer subsidiary in the state of Washington, but this entity has not yet begun to conduct business. The addition of this subsidiary health insurer has been considered in the review of Form A. In addition, the Applicants do not plan to make any changes to SHP's business plans. Accordingly, there is no evidence the activity would result in a prohibited combination of risks or classes of insurance.

    b. The proposed transaction is inequitable or unfair to the Members[1] or shareholders of IHN-CCO involved in, or to any other person affected by, the proposed transaction.

[1] "Member" means an individual covered by, and entitled to, managed health care services under a CCO's contract with OHA.

i. MultiCare will become the sole corporate owner of IHN-CCO, therefore indirectly controlling IHN-CCO. MultiCare intends to continue operating IHN-CCO as a CCO for at least three years, providing any necessary capital to continue operating IHN-CCO. Additionally, MultiCare does not have any plans to make material changes to the business operations, corporate structure, or management of IHN-CCO.

c. The proposed transaction would substantially reduce the security of and service to be rendered to Members of IHN-CCO or would otherwise prejudice the interests of such Members or other Oregonians.

    i. While IHN-CCO is facing declining risk-based capital (RBC) ratios and operating losses, MultiCare has demonstrated the financial capacity to provide necessary capital infusions. Furthermore, the Entities have committed to maintaining services and network adequacy.

d. The proposed transaction would substantially reduce access to and quality of health care for Oregonians or would substantially increase the cost of health care for Oregonians, including health care outside of the Medicaid program.

    i. MultiCare does not intend to make any changes to the service area or services provided by IHN-CCO and will continue operating IHN-CCO as a CCO following the proposed transaction. MultiCare will utilize population health expertise to improve quality metrics of IHN-CCO in order to improve IHN-CCO's performance. The proposed transaction is unlikely to substantially reduce access to and quality of health care for Oregon

e. The proposed transaction would substantially reduce the ability of IHN-CCO to:

    i. perform its obligations to OHA under the CCO Contract;

        1. Members covered by IHN-CCO will retain their statutory and contractual protections under IHN-CCO's contract with OHA. MultiCare has stated that it is committed to supporting the obligations of Samaritan's health plan operations, including infusing capital to support IHN-CCO's continued operations for at least three years.

    ii. innovate, coordinate care, provide value, and deliver high-quality services;

        1. IHN-CCO's performance on quality metrics has consistently ranked in the bottom quartile statewide, due in part to resource constraints, and Entities state this would only worsen in the absence of this proposed transaction.

2. MultiCare has a robust existing population health infrastructure and has demonstrated quality outcome improvements. It is committed to investing in the renovation and expansion of Good Samaritan Hospital Corvallis dba GSRMC; recruitment of physicians and advanced practice providers to expand services; development of new ambulatory and outpatient care locations; and supporting other identified community health needs.

iii. demonstrate commitment to addressing health disparities and inequities;

1. MultiCare has a robust existing population health infrastructure and has demonstrated quality outcome improvements. It is committed to investing in efforts to support identified community health needs.

2. OHA has imposed a condition requiring regular reporting of MultiCare investments made as part of their capital commitment, including those focused on health equity for IHN-CCO members.

iv. be strongly connected to the community served by IHN-CCO, including IHN-CCO's community advisory council, community health improvement plan, and OHA's requirements to engage with the community;

1. IHN-CCO's operating budget will continue to be developed locally, subject to MultiCare board approval.

2. IHN-CCO's board will remain the same post-closing and will continue to have authority and oversight of IHN-CCO's management, subject to MultiCare's reserve powers.

3. MultiCare has stated that any IHN-CCO's profits would remain with IHN-CCO and not be distributed outside of IHN-CCO's service area. OHA has added conditions to ensure this commitment is met.

4. All three Local Advisory Committees submitted letters of support of the proposed affiliation.

v. provide services cost effectively and within cost growth limits imposed by OHA or the state;

1. Samaritan is subject to the statewide 3.4% annual cost growth target. In the most recent cost growth target review, Samaritan exceeded the cost growth target. MultiCare expects cost savings through the proposed affiliation by utilizing MultiCare's existing population health organization, expanding access to lower cost care settings, hiring specialist providers, and expanding primary care. MultiCare also expects to see a reduction in

costs by utilizing shared services like supply ordering and revenue cycle management.

vi. support social determinants of health in the community served by IHN-CCO, as required by its CCO Contract; or

1. Members covered by IHN-CCO will retain their statutory and contractual protections under IHN-CCO's contract with OHA, which includes requirements to support social determinants of health. MultiCare has stated that it is committed to supporting the obligations of Samaritan's health plan operations, including infusing capital to support IHN-CCO's continued operations for at least three years.

vii. satisfy OHA's policy priorities as required by its CCO Contract or as adopted by the Oregon Health Policy Board.

1. MultiCare has stated that it is committed to supporting the obligations of Samaritan's health plan operations, including infusing capital to support IHN-CCO's continued operations for at least three years.

f. The proposed transaction provides for a foreign or alien CCO to be an acquiring party, and IHN-CCO cannot satisfy the requirements of this state for transacting IHN-CCO business that would be affected by the proposed transaction.

i. The transaction does not raise concerns that IHN-CCO would not be able to continue to satisfy its contractual and legal obligations as a CCO post-closing. The entities have stated intent to comply with the CCO contract and not having any relationships prohibited by CCO regulations or their CCO contract. To comply with other CCO contract requirements, IHN-CCO's governing body and CAC will remain in place post-closing.

g. The proposed transaction would substantially diminish competition in this state or tend to create a monopoly.

i. This transaction does not raise concerns about diminished competition or increased risk for monopoly. MultiCare does not operate any hospitals, clinics, or health plans in Oregon. There is no overlap between Samaritan's primary service area and MultiCare's operations in Washington.

ii. The transaction would not reduce the number of CCO options available to Oregon CCO members as it is structured as a membership substitution, not an asset purchase, and IHN-CCO will continue to operate as a separate legal entity under its existing contract with OHA.

h. After the change of control or ownership, IHN-CCO would not be able to satisfy the requirements for receiving a CCO contract to transact the line or lines of business for which IHN-CCO is currently authorized.

    i. MultiCare has no plans to change the business or capital structure of IHN-CCO other than as described in the Form A. IHN-CCO's ability to satisfy the requirements for receiving a CCO contract will not be impacted by the transaction.

i. The financial condition of MultiCare might jeopardize the financial stability of IHN-CCO**.**

    i. MultiCare has demonstrated sufficient financial capacity through consolidated net assets and days of cash-on-hand to provide necessary capital infusions to IHN-CCO for it to sustain operations and maintain solvency. Furthermore, the Entities have committed to maintaining services and network adequacy, and statutory protections under the CCO contract remain in place.

j. The plans or proposals that MultiCare has to liquidate IHN-CCO, sell IHN-CCO's assets or consolidate or merge IHN-CCO with any person, or to make any other material change in IHN-CCO's business or corporate structure or management, are unfair and unreasonable to IHN-CCO's Members and not in the public interest.

    i. MultiCare has committed to continuing to operate IHN-CCO in Benton, Lincoln, and Linn counties for at least three years and provide any capital that IHN-CCO may need to sustain its operations. MultiCare has no plans to liquidate IHN-CCO, sell any IHN-CCO assets, or merge IHN-CCO with another organization. MultiCare has also committed to actively and fully participating in the next round of CCO procurement with OHA with the intent to continue contracting with OHA to act as a CCO for its existing service area. To ensure MultiCare keeps to its commitment, OHA has conditioned approval of this transaction on MultiCare continuing to operate IHN-CCO through the current contract cycle and to participate in the next round of CCO procurement.

k. The competence, experience and integrity of the persons that would control the operation of IHN-CCO post-closing are such that approving the proposed transaction would not be in the interest of the CCO's Members and the public.

    i. IHN-CCO's board will remain the same post-closing and will continue to have authority and oversight of IHN-CCO's management, subject to MultiCare's reserve powers.

    ii. MultiCare has stated that any IHN-CCO's profits would remain with IHN-CCO and not be distributed outside of IHN-CCO's service area.

l. **I**HN-CCO or MultiCare does not comply with, or the activity presents a substantial risk that IHN-CCO or MultiCare will not comply with: ORS 414.625(2), with respect to IHN-CCO's governing body; 42 C.F.R. Part 438, Subpart H or 42 C.F.R. 438.808, with respect to IHN-CCO's ownership, control and affiliations; minimum medical loss ratio requirements; any other applicable law; or IHN-CCO's obligations under the CCO contract.

    i. OHA has found no evidence that the transaction would be contrary to law or render IHN-CCO unable to satisfy its contractual or legal obligations as a CCO. The entities have stated intent to comply with their CCO contract including maintaining their required medical loss ratio, and not having any relationships prohibited by CCO regulations or their CCO contract. To comply with other CCO contract requirements IHN-CCO's governing body and CAC will remain in place post-closing. The entities state that Samaritan will continue to exercise Samaritan's reserve powers with respect to its first-tier subsidiaries, including IHN-CCO, subject to MultiCare's reserved powers, post-closing. Consequently, IHN-CCO's ability to remain fully compliant with all applicable rules regarding IHN-CCO's governing body will not be impacted by the transaction.

m. The proposed transaction is likely to be hazardous or prejudicial to Members of IHN-CCO, other Medicaid members, or the insurance-buying public.

    i. OHA has found no evidence to suggest that the transaction will be hazardous or prejudicial to Members of IHN-CCO, other Medicaid members, or the insurance-buying public.

n. The proposed transaction is likely to reduce IHN-CCO's demonstrated commitment to addressing health disparities and inequities, create or increase disparities or inequities, or make it more difficult to achieve health equity in the state.

    i. MultiCare has a robust existing population health infrastructure and has demonstrated quality outcome improvements. It is committed to investing in efforts to support identified community health needs.

    ii. OHA has imposed a condition requiring regular reporting of MultiCare investments made as part of their capital commitment, including those focused on health equity for IHN-CCO members.

o. The proposed transaction is subject to other material and reasonable objections.

    i. After considering all relevant information provided to OHA, OHA finds that there are no material or reasonable objections to the Proposed Acquisition.

ORDER AND CONDITIONS

Based on the foregoing Findings of Fact and Conclusions of Law it is hereby ORDERED that:

1. The transaction is hereby APPROVED WITH CONDITIONS upon the basis of the information contained in the Application to date.

2. Pursuant to OAR 410-141-5280(7), Entities shall cause to be paid the fees of any actuaries, accountants and other experts not otherwise a part of OHA's staff that OHA contracted with in connection with the proposed transaction.

3. Not later than one (1) year after closing of the proposed transaction, IHN-CCO shall submit a retrospective review of the proposed transaction to OHA as required under OAR 410-141-5280(10).

4. Entities must close the proposed transaction no later than 90 days following the date of this Order.

5. MultiCare and IHN-CCO must submit all disclosures required by 42 CFR §455.104 no later than thirty-five (35) days following the date of closing of the proposed transaction.

6. For a period of five (5) years following the close of the transaction, this Order shall be conditioned upon and subject to the following:

    a. General

        i. Each condition set forth in this order shall be in effect for five years from the closing date of the transaction, unless specified otherwise herein.
        ii. The Entities shall notify the Authority within one (1) business day following completion of the transaction by email to cco.forma@oha.oregon.gov.
        iii. MultiCare shall take all actions necessary to ensure that Entities satisfy every commitment and representation made in the CCO Form A, the CCO Form A RFI #1 and RFI #2 responses, and subsequent filings with the Authority. For the avoidance of doubt, Paragraph 6.a.i of this order does not establish the duration of any such commitment or representation.
        iv. Entities shall notify the Authority of any material modifications or amendments to the Affiliation Agreement or governing documents (bylaws, charters, etc) of IHN-CCO, including changes to the authority of the governing board, or reserved powers, no less than fifteen (15) calendar days prior to the effective date of the modification. Such modifications do not include scrivener's errors such as typos, incorrect numbers, omitted words, or other modifications that do not materially change the terms of the Affiliation Agreement or governing documents as described in the CCO Form A, the CCO Form A RFI #1 and RFI #2 responses, and subsequent filings with the Authority.
        v. MultiCare must continue operating IHN-CCO as a Coordinated Care

Organization (CCO) serving Benton, Lincoln, and Linn counties ("service areas") until, at least, the next scheduled CCO procurement, subject to the Authority's contractual discretion. IHN-CCO will use commercially reasonable efforts to participate in the next CCO procurement process, subject to IHN-CCO's ability to meet applicable selection criteria, legal standards, and contractual requirements.

vi. IHN-CCO shall continue to meet its 42 CFR 438.8 medical loss ratio obligations and responsibilities under the CCO Contract and applicable law.

b. Capital Support for IHN-CCO

i. MultiCare shall provide IHN-CCO with the capital necessary to maintain IHN-CCO's RBC ratio above 300% throughout the remainder of IHN-CCO's current CCO contract. If IHN-CCO's RBC ratio is below 300% at the end of any quarter, MultiCare shall contribute the capital necessary to restore the ratio above 300% within 30 days of the end of such quarter or, if the contribution of capital requires approval from OHA, as soon as the Authority grants such approval. Such contribution may be in the form of cash, surplus notes, or other investments in accordance with statutory accounting principles. This obligation is separate from, and in addition to, MultiCare's $700 million Capital Commitment (as outlined in Section 7.4 of the Affiliation Agreement). IHN-CCO shall notify OHA if its RBC ratio drops below 300% upon the submission of its quarterly financial statements to OHA.

ii. Any operating profits generated by IHN-CCO shall remain with IHN-CCO or be reinvested in the service areas and shall not be distributed outside such service areas. IHN-CCO shall not issue any dividends except to effectuate investments in the service areas as contemplated by this paragraph.

iii. IHN-CCO shall not fund any part of the $700 million Capital Commitment.

iv. IHN-CCO shall provide a narrative supplement to its quarterly financial statements explaining and documenting its ongoing efforts to adjust its operations and return to profitability.

c. Maintenance of IHN-CCO Services and Access

i. The Entities shall maintain IHN-CCO's provider network at levels sufficient to meet network adequacy requirements under OAR 410-141-3515 to ensure members have timely access to high-quality care.

d. Reporting and Monitoring

i. IHN-CCO or the Entities shall provide the Authority with an Annual Compliance Report.

1. The first Annual Compliance Report shall be due twelve months after the first day of the subsequent month following the closing date of the proposed transaction (e.g., if the closing date is November 1, 2026, the first report would be due on December 1, 2027), and subsequent Compliance Reports shall be due annually thereafter for the Term.

2. The Annual Compliance Report shall include:
    a. A certification as to compliance with the terms of this order. The certification must separately address each condition and provide a written narrative and/or documentation of compliance.
    b. A description of any capital infusions or contributions made by MultiCare in IHN-CCO.
    c. A status update on IHN-CCO's efforts to participate in the next round of CCO procurement and description of those efforts.
    d. A description of any material changes made to IHN-CCO's business operations, corporate structure, or management.
    e. A description of any changes to the terms of, or services provided under, the Management Services Agreement in place between Samaritan and IHN-CCO, including any changes to who ultimately provides the services under the agreement.
    f. A description of any increase or decrease in staffing dedicated solely to IHN-CCO operations and explanation for such change.
    g. A description of any efforts to transition IHN-CCO to MultiCare's technology platforms to improve population health services.
    h. A description of the efforts made to increase IHN-CCO's performance under the CCO Quality Incentive Program.
    i. A description of any efforts to expand IHN-CCO's provider network.

ii. The Entities shall promptly notify the Authority in writing of any event that materially harms IHN-CCO's operations, solvency, service levels, or ability to serve its members.

iii. Entities shall, within fifteen (15) calendar days, notify the Authority of adoption or amendment to the Capital Commitment Plan (as outlined in Section 7.4 of the Affiliation Agreement), including all extensions to or proposed reductions of such Capital Commitment. Nothing shall limit the Entities' ability to modify the Plan without notice or approval, at any time and for any reason, at their sole discretion.

e. IHN-CCO Governance and Local Control

i. IHN-CCO shall retain its existing local Board of Directors ("Board") and Community Advisory Council post-closing, and the transaction shall not reduce their enumerated powers, subject only to the reserved powers set out in IHN-CCO's governing documents.

ii. IHN-CCO's local leadership shall continue to develop the CCO's annual capital and operating budget post-closing, subject to approval by the IHN-CCO Board

and the MultiCare System Board, as described in the Affiliation Agreement and CCO Form A.

iii. No later than fifteen (15) days after closing, IHN-CCO shall file an amended Form B registration statement with OHA pursuant to OAR 410-141-5290.

f. Governance Integration

i. The Entities shall establish an ongoing reporting and feedback relationship between the IHN-CCO Board and the leadership of MultiCare and Samaritan to integrate organizational leadership while keeping IHN-CCO's governance rooted in the counties served by IHN-CCO as described below.

1. At least quarterly, IHN-CCO leadership shall provide a written report to the IHN-CCO Board, MultiCare, and Samaritan leadership on the status of any efforts undertaken to improve IHN-CCO's operations, financial condition, quality and access performance, and network adequacy.
2. No later than thirty (30) days following receipt of the written report, MultiCare and Samaritan leadership shall respond with guidance, recommendations, and the support they will provide to help IHN-CCO meet its goals. This feedback is advisory and does not override the IHN-CCO Board's authority over the CCO's governance, operations, or budget.
3. Within 90 days following closing, the Entities shall provide OHA with a written description of this reporting and feedback process, including meeting frequency, the leaders who will participate, and how the process preserves the Community Advisory Council's role and local decision-making.

g. Public Accountability

i. The Entities shall develop and maintain a public-facing dashboard specific to IHN-CCO to give the community visibility into the CCO's performance. The dashboard shall, at a minimum, include:

1. IHN-CCO's annual financial statement;
2. A summary of any capital infusions or contributions made by MultiCare in IHN-CCO, including a description of the purpose thereof;
3. IHN-CCO's annual performance under the CCO Quality Incentive Program, which may consist of a link to relevant data and reports published by OHA, but at a minimum shall include IHN-CCO specific data of the "Measures Met Summary (quilt chart)", "Quality Pool Distribution Tables", "Service Rates" as found in Appendix D of the 2025 CCO Metrics Final Report, or closest equivalent as published in the annual CCO Metrics Final Report.
4. A description of and any significant changes to IHN-CCO's provider network;

5. A link to the public facing summary version of the health system Capital Commitment Plan on Samaritan's website, which omits all information that may be considered confidential or trade secret; and
6. A description of any investments made in the Capital Commitment Plan that have or will result in particular benefit to IHN-CCO members, such as increased access for IHN-CCO members to primary care, behavioral health care, complex care coordination services, efforts to reduce unnecessary emergency department visits, or any other health equity investments benefiting the IHN-CCO community.

ii. The data behind the dashboard shall be consistent with the annual compliance reports at the time they are provided to the Authority, and the Entities shall reconcile any material differences at the Authority's request. The dashboard must be launched by MultiCare within one year of closing, be updated at least annually, be freely accessible on a public website, and present information in a manner understandable to IHN-CCO members and the communities served.

h. Petition Process

i. Entities will be permitted to petition the Authority for any needed modifications to or exceptions from any of the conditions contained herein, including for reasons necessitated by future CCO procurement outcomes. To petition for modification, Entities shall apply in writing to the Authority and include any documentation supporting the need for such modifications or exceptions. A petition that fails to properly substantiate the need for such modifications or exceptions will not be accepted as a complete petition.

ii. No later than ten (10) business days following the Authority's receipt of the Entities' compliance petition, the Authority shall notify the Entities if the petition is complete or specify the additional information that the Authority requires to make its decision. No later than fifteen (15) business days following the Authority's confirmed receipt of Entities' complete petition, the Authority shall notify the Entities of its determination of the requested modification or exception. In the event the Authority requires additional information or clarifications to evaluation Entities' petition, the Authority shall notify the Entities of the information required and the running of the fifteen (15) business days shall be tolled upon such notification and shall resume upon the Authority's receipt of the requested information.

7. MultiCare must submit to OHA a statement that proposed transaction has closed no later than 30 days from the date of closing. The statement must be made under the oath of the presiding officer of the board of directors of MultiCare and be sent by email to cco.forma@oha.oregon.gov.

This Order will be posted to the CCO Form A website at https://www.oregon.gov/oha/HPA/HP/pages/CCO-Form-A.aspx.

Pursuant to OAR 410-141-5283, OHA may verify compliance with any conditions that OHA included in its approval of the transaction and issue such additional orders, following notice and opportunity for hearing, as may be necessary to enforce compliance with the terms and conditions of the approval of the transaction. OHA reserves the right to enforce the Conditions set forth herein to the fullest extent provided by the law.

Dated this 21st day of October, 2026

Rochelle Layton
CFO
Oregon Health Authority

APPEAL RIGHTS

You have the right to appeal this order to the Oregon Court of Appeals pursuant to ORS 183.482. To appeal you must file a petition for judicial review with the Court of Appeals within 60 days from the day this order was served on you. If you do not file a petition for judicial review within the 60-day time period, you will lose your right to appeal.