

**1. With respect to the Capital Commitment, provide: (a) a breakdown of expected funding responsibility between MultiCare and Samaritan for each year of the commitment; and (b) clarification on how “improved financial performance” is sufficient to shift funding responsibility.**

The parties have not established precise funding responsibilities for each year of the capital commitment period, as there are many variables and unknowns that would need to be taken into account over that time period. Rather, the intention is to largely divide the capital commitment into three periods: (i) years 1-4, (ii) years 5-7, and (iii) years 8 and beyond.

In the first four years of the capital commitment, we anticipate that most of the capital will be utilized for strategic investments in Samaritan’s communities (such as physician services and ambulatory care), as well as to catch-up on deferred replacement capital. A material portion of the capital needed for these investments is projected to be made by MultiCare Health System (MHS). These investments should enhance access, improve population-based care performance, drive improved patient experience, and create a financial return on investment for the Samaritan health system.

In the middle period of the capital commitment, it is anticipated that much of the capital spend will be related to the building of a new tower at Good Samaritan Regional Medical Center. Given the size of the capital project, a material portion of the capital is projected to be provided by MHS. Similarly, the parties believe that this investment will provide additional access, enhance the experience of patients, and improve Samaritan’s financial sustainability.

In the later period of the capital commitment, the earlier investments in areas such as physician services, ambulatory settings of care, catching up on deferred capital needs, and building a new patient tower for Good Samaritan Regional Medical Center, are projected to drive positive financial results for Samaritan, which will largely support the capital needs for Samaritan during these years. However, if those projections do not come to fruition, then MHS has still committed to fund the capital needed for Samaritan up to its \$700 million capital commitment.

- 2. The response to RFI 18 states that MultiCare “has not identified any expected changes” to InterCommunity CCO’s workforce. Provide the following: (a) confirmation whether the parties commit to maintaining current InterCommunity CCO staffing levels for a defined period post-closing, and if so, specify the duration of such commitment; (b) if no such commitment exists, a description of the circumstances under which workforce reductions affecting InterCommunity CCO could occur, including any triggering events or performance thresholds.**

As noted previously, MHS does not foresee any reductions in the current staffing levels of InterCommunity CCO in the foreseeable future. However, MHS and InterCommunity CCO have not entered into an agreement that would commit to maintaining current staffing levels for a defined period of time, as environmental and operating conditions can evolve, which could lead to necessary changes.

When seeking to articulate a description of the circumstances under which workforce reductions affecting InterCommunity CCO could occur, MHS and InterCommunity CCO would evaluate the environmental and operating conditions by incorporating the MHS’s Board Pillars into the discernment process.

MHS Board Pillars include:

- We have a moral obligation to deliver the very best health system to our communities in the most cost effective, least burdensome fashion possible
- Being governed locally is an essential ingredient to success. We must act in ways that allow this to stay true going forward.

We have substantial assets, but by far the most meaningful one is the trust our communities place in us. We must preserve that trust.

To succeed in transforming the organization from its storied but traditional past to an incredible future state, we need cultural transformation that allows us to become customer and community-centric. We are in the midst of that exciting journey.

MHS is both a provider and employer in the communities we operate within, as such we have a fiduciary responsibility to a wide range of stakeholders within the community including but not limited to patients, employees, and those providing funding for care. As a steward of community resources, MHS seeks to provide cost effective high quality services to the community.

In accordance with the proposed operating agreement and governance model, MHS anticipates the InterCommunity CCO would continuously monitor the

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appropriateness of staffing resources based on environmental, regulatory, and financial conditions. Feedback and guidance would also be received by Samaritan leadership and the communities served by Samaritan. More specifically, circumstances that may impact staffing levels could include:

- Legislative or regulatory changes impacting eligibility
- Legislative or regulatory changes impacting the organization's obligations to perform services, functions or monitoring and reporting
- Changes in InterCommunity CCO enrollment
- Introduction of new technologies resulting in improved administrative or operating efficiencies

**3. Explain why the decision was made to move InterCommunity CCO from the Physicians of Southwest Washington structure to the "Care Financing" division after the Form A was filed. Identify whether any analysis was conducted regarding its impact on InterCommunity CCO's operations, governance, or service delivery and whether this change affects any other commitments or representations made in the Form A filing.**

During the Fall of 2025, MHS's senior executive team worked extensively to build a new organizational structure that anticipated the potential for the health system to operate across multiple states and to provide health plan services. This new organizational structure was finalized in the beginning of 2026.

Until the end of 2025, Physicians of Southwest Washington (PSW) was the entity that held all of MHS's population health-based services, including its interests in clinically integrated networks and accountable care organizations, as well as its specialized services such as care management and actuarial services. With the creation of the new organizational structure, a new, more all-encompassing division was created that was named "Care Financing", which holds all of MHS's payor and population-based care activities, including PSW. The Care Financing division will also include MHS's health plan activities, including InterCommunity CCO, Samaritan Health Plans, and potential future health plans held in Washington state.

This update to MHS's corporate structure is not intended to change MHS's proposed approach to working with InterCommunity CCO from the initial Form A filing. Rather, the parties wanted to make sure that the appropriate terminology is being utilized in our filings subsequent to the update to MHS's organizational structure. PSW leadership will continue to work closely with InterCommunity CCO to work towards enhanced performance, and the InterCommunity CCO CEO will continue to report to the EVP, Population-Based Care & CFO, James Lee.

- 4. The response to RFI 25 references that Section 7.6(a) of the Affiliation Agreement cross-references commitments made in the Notice of Material Change, including with respect to post-closing operations of InterCommunity CCO. Restate in response to this RFI the specific commitment that is being made for post-closing operations of InterCommunity CCO and identify the specific duration of such commitment and whether there are any conditions or exceptions that would permit MultiCare to cease operating InterCommunity CCO.**

Pursuant to Section 7.6(a) of the Affiliation Agreement, MHS has agreed to (i) continue operating InterCommunity Health Network CCO as a CCO serving Benton, Lincoln, and Linn counties, and (ii) provide any capital that InterCommunity Health Network CCO may need to sustain its operations. When the OHA re-procurement process occurs, InterCommunity CCO will actively and fully participate with the intent to continue contracting with OHA to act as a CCO for its existing service area. InterCommunity CCO ability to continue in that role is, of course, ultimately subject to OHA's procurement decision.

Neither the Affiliation Agreement nor any other agreement contains conditions or exceptions that would permit MHS cease operating InterCommunity Health Network CCO for a period of three years unless approved by both the MultiCare and Samaritan Boards of Directors. Even after this three-year period, any such operational changes would require approval of both such boards. The parties have made no plans, entered into no agreements, and are aware of no circumstances contemplating such an outcome.

- 5. Describe how MultiCare intends to ensure that any profits from IHN remain with IHN or are invested into IHN's local service area (Benton, Lincoln, and Linn counties). Identify the oversight processes or guardrails that will be in place around inclusion of IHN profits in MultiCare's consolidated operating cash.**

As previously stated, MHS intends to use any profits from InterCommunity CCO to invest in InterCommunity CCO's service area. The risk-based capital (RBC) for InterCommunity CCO has declined substantially over the past few years. MHS is committed to use any profits at InterCommunity CCO to increase RBC to substantially higher levels. As a result, there would need to be substantial profits at InterCommunity CCO to obviate the need to continue to place such profits back into the business. Given the current and projected managed Medicaid market, which could drive losses in certain years, the parties believe it is unlikely that excess profits would be available at InterCommunity CCO. However, in unlikely event that InterCommunity CCO's profits exceed its capital needs, MHS will ensure that such profits remain with InterCommunity CCO and are not distributed outside of InterCommunity CCO's service area.

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**6. Provide MultiCare’s audited financial statements for calendar year 2025 and unaudited financial statements for Q1 of 2026.**

See enclosed CCO RFI #2 Exhibit 6 (Financial Statements) (Bates No. 002737 – 002837).

**7. Provide all copies of meeting minutes for MultiCare’s Finance and Audit Committee for any meetings that have occurred since March 17, 2026.**

See enclosed CCO RFI #2 Exhibit 7 (MultiCare Meeting Minutes) (Bates No. 002838 – 002841).

**8. Describe who currently provides care coordination services for IHN members—including, but not limited to, care coordination services required under IHN’s CCO contract with OHA, referral coordination, care transition planning, durable medical equipment services, pharmacy services, and transportation services. Are these services performed by IHN employees or a contracted entity? Describe any anticipated changes to who provides these services, or to the scope of care coordination functions and performance obligations, as a result of the proposed transaction.**

- a. **Are there any expected changes to who provides the care coordination services as a result of this transaction?**
- b. **For any services where there are no expected changes, describe any commitments or assurances that MultiCare has made regarding this, including any specific duration for such a commitment.**

InterCommunity CCO contracts with SHS to provide care coordination services under an administrative agreement with ultimate responsibility for decision rights and accountability associated with care coordination retained by the InterCommunity CCO CEO and Board of Directors. There are no planned changes as to who provides care coordination service and MHS anticipates that post affiliation InterCommunity CCO, SHS, and MHS would collaboratively share care coordination best practices and operating models as learning opportunities to enhance the overall care coordination capabilities, scope of services, and operations.

As noted above, MHS does not foresee any reductions in the current staffing levels of InterCommunity CCO, nor has either party planned such changes. As stated above, MHS and InterCommunity CCO have not entered into an agreement that would commit to maintaining current staffing levels for a defined period of time, as environmental and operating conditions can evolve.

**9. Describe whether MultiCare intends to designate any portion of the Capital Commitment to specifically target needs, health disparities, or inequities faced by IHN members. Describe whether and how MultiCare will consult with the local communities of the IHN service area in making decision regarding allocation of the Capital Commitment, including, but not limited to, consultation with the Community Advisory Council and its local advisory councils.**

MHS plans to utilize a multi-pronged approach to determine the best use for the capital commitment. First, MHS intends to work closely with Samaritan and the local communities served by Samaritan to determine areas of highest perceived need. For example, behavioral health has consistently been voiced as an area for improvement in discussions with Samaritan and at Community Advisory Council meetings across Benton, Linn, and Lincoln counties. As such, MHS is intending to drive resource allocation to behavioral health services. Second, MHS has three primary strategies it utilizes to meet its vision: improve population-based care, enhance access, and perform with performance excellence. This rubric helps to identify the most impactful investments. Furthermore, MHS uses market data to ascertain where there are the greatest community needs.

MHS has greatly valued the experience it has gained from attending the Community Advisory Councils for Benton, Linn, and Lincoln Counties. We plan to stay engaged with these Councils on a go forward basis and will continue to receive feedback as to potential opportunities for improvement in the provision of healthcare in each of Samaritan's communities.

**10. Page 47 of the CCO Form A Notice states that the “parties see opportunities to improve the network.” Describe whether any of these efforts include expanding IHN’s network to include community providers outside of Samaritan Health Services not currently in network for Samaritan. If so, please describe how the proposed transaction will support this endeavor.**

Consistent with current InterCommunity CCO practices and MHS's Mission of “Partnering for Healing and a Healthy Future”, MHS expects that future network success and growth will include community providers in addition to Samaritan Health Service providers participating in value based contracts. The inclusion of community providers in value based contracts is an essential component of InterCommunity CCO's ability to provide the best possible care to the community. In addition, there may be valuable partnerships with community organizations that can assist with improving the social determinants of health of vulnerable and higher risk patients.

