

# Health Care Market Oversight (HCMO) Program Notice of Material Change Transaction

The applicant must complete and submit this notice of proposed material change transaction to [hcmo.info@oha.oregon.gov](mailto:hcmo.info@oha.oregon.gov).

One important role of the Health Care Market Oversight Program is to notify the community and people living in Oregon when entities propose a material change transaction. This document will be published and serve as the public notice. If requested under public records laws, OHA will disclose all versions of this document received. Contact program staff with any questions or to request technical assistance at [hcmo.info@oha.oregon.gov](mailto:hcmo.info@oha.oregon.gov).

Note: if any entity involved in the proposed transaction has associated National Provider Identifiers (NPIs), complete and submit the NPI form.

## I. General Information about the Transaction and Entities

1. Provide the name, title, organization, and email address of the individual completing this form on behalf of the applicant.

Name	Anthony Swisher
Title	Attorney
Organization	Baker Botts LLP
Email Address	anthony.swisher@bakerbotts.com

Provide a mailing address for OHA to send a physical copy of the final order.

Name	Anthony Swisher
Address	700 K St. NW
Unit/ number	
City	Washington
State	District of Columbia
Zip	20001

2. What type of material change transaction is the applicant proposing<sup>1</sup>?
 

<input type="radio"/> Merger	<input type="radio"/> Contract	<input type="radio"/> Other (specify) _____
<input checked="" type="radio"/> Acquisition	<input type="radio"/> Affiliation	

3. What is the proposed effective date of the material change transaction?

The transaction will close following receipt of regulatory approvals. This is expected before the end of 2024.

<sup>1</sup> Please see OAR 409-070-0010 for definitions of transactions subject to review.

4. Briefly describe the applicant completing this notice.

*Describe the notifying applicant's business (including business lines or segments), ownership type (corporation, partnership, limited liability corporation, etc.), governance and operational structure (including ownership of or by a health care entity), annual revenues, and geographic areas of operation. For health care entities, also include provider type (hospital, physician group, etc.), facilities owned or operated, service lines, number of staff, geographic service area(s), and capacity or patients served in Oregon (e.g., number of licensed beds, number of patients, quantity of services provided annually). Include the mailing address, website(s), and Federal Tax ID(s) of the applicant.*

See Appendix A for a complete answer to item 4.

5. Describe all other entities involved in the proposed transaction.

*For each entity, describe the entity's business (including business lines or segments), ownership type (corporation, partnership, limited liability corporation, etc.), governance and operational structure (including ownership of or by a health care entity), annual revenues, and geographic areas of operation. For health care entities, also include provider type (hospital, physician group, etc.), facilities owned or operated, service lines, number of staff, geographic service area(s), and capacity or patients served in Oregon (e.g., number of licensed beds, number of patients, quantity of services provided annually). Include the mailing address, website(s), and Federal Tax ID(s) of entities involved in the proposed transaction. Limit the response to 500 words per entity described.*

See Appendix A for a complete answer to item 5.

6. Briefly describe the nature and objectives of the proposed material change transaction, including any changes in ownership, governance, or operational structure, any exchange of funds between the parties (such as any arrangement in which one party agrees to furnish the other party with a discount, rebate, or any other type of refund or remuneration in exchange for, or in any way related to, the provision of health care services).

Upon the terms and subject to the conditions of the Agreement and Plan of Merger, signed on June 26, 2023 and attached hereto as Appendix D, by and among Amedisys, UHG, and Aurora Holdings Merger Sub Inc. (Merger Sub) (the "Merger Agreement"), at the Effective Time (as defined in the Merger Agreement), Merger Sub will be merged with and into Amedisys, with Amedisys surviving as a wholly-owned subsidiary of UHG. Each issued and outstanding share of Amedisys Common Stock (other than any shares of Amedisys Common Stock to be canceled pursuant to Section 3.1(a)(ii) of the Merger Agreement shall be converted into the right to receive \$101 in cash, without interest. UHG also paid, on behalf of Amedisys, \$106 million to Option Care Health, Inc. ("OPCH"), satisfying Amedisys's obligations pursuant to the termination of the merger agreement between Amedisys and OPCH dated May 3, 2023, which was terminated pursuant to a termination agreement dated June 26, 2023.

The addition of Amedisys to UHG's Optum Home & Community Care division, including its home health subsidiary LHC, unites two organizations dedicated to providing compassionate and comprehensive care to patients and their families. Adding Amedisys's high-quality home health and hospice care to Optum's existing suite of health care services, and Optum's extensive value-based care experience and resources, will accelerate the combined companies' ability to deliver integrated care, improving outcomes and patient experiences. The Amedisys leadership team will continue forward as part of Optum Home & Community Care.

7. Briefly describe any anticipated operational or management changes resulting from the transaction, including changes in health care services offered, staffing changes, new investments or other initiatives, implementation of new policies and procedures, and organizational structure changes. Include a description of the transaction's impact on the financial stability of any entity involved in the transaction.

See Appendix A for a complete answer to item 5.

## II. Impact from the Proposed Transaction

8. Describe the expected impact – increase, decrease, or no change – of the proposed transaction on access to affordable health care in Oregon. Explain your answer.

Adding Amedisys to the Optum integrated care model, which combines Home & Community assets with Optum Care, will drive improved outcomes and an improved patient experience at a reduced cost. Expanding Optum's home health capabilities, including with new Hospital at Home services, allows an Optum Care Primary Care Provider ("PCP") to feel confident their patient has ongoing supportive care to address critical health needs in the home, reducing hospital and skilled nursing facility admissions and re-admissions which carry a high cost. Furthermore, the incremental home health workforce and broader geographic coverage will allow Optum to provide this integrated care to more Oregon patients who will be reachable by a home health or hospice provider that is in close communication with Optum care coordinators. This broader coverage will also allow Optum to appropriately coordinate care for patients in a way that reduces overall healthcare costs, leading to more affordable health care in Oregon.

If, as Optum expects, the demand for home health services increases as a result of the success of this integrated care model, then UHG plans to invest in the expansion of Optum's Home & Community assets, including Amedisys, by hiring more clinical staff and expanding geographically in order to meet the increased demand.

9. Explain how, if at all, the proposed transaction will:  
a. improve health outcomes for residents of this state.

See Appendix A for a complete response to item 9(a).

b. benefit the public good by reducing the growth in patient costs. (If the transaction will not reduce the growth in patient costs, explain why the proposed transaction is in the best interest of the public.)

As discussed above, the transaction will reduce the growth in patient costs by ensuring Optum patients are referred to Amedisys services where appropriate, because Optum's care coordination model allows providers to see a holistic view of both the patient's needs and the care capabilities within Optum that might be appropriate for those needs. By utilizing Amedisys's home-based options when appropriate, rather than higher cost alternatives, the overall cost of care will come down, and patients will have fewer out-of-pocket expenses from cost sharing. Additionally, when patients can avoid re-admissions to hospitals or skilled nursing facilities as explained above, because the Optum care coordinators can more easily diagnose the need for home health support and more easily communicate the specific goals of that care, the overall cost of care will come down even more, which will reduce the patient's financial responsibilities through cost sharing and will tend to reduce health insurance premiums over time.

- c. benefit the public good by increasing access to services for medically underserved populations.

Patients utilizing home health are disproportionately seniors covered by traditional Medicare or a Medicare Advantage plan. As described above, Optum's plan to identify when and how its patients can be best served by home health services will expand the use of home health and will benefit these senior populations by reducing the need for expensive and burdensome acute care, such as hospital or skilled nursing facility admissions or re-admissions. Because Amedisys offers Hospital at Home services that are new to Optum, and also covers more geographic areas than Optum's existing home health and hospice services, the transaction will play an important role in Optum's ability to deliver this sort of integrated care to seniors in Oregon.

If, as Optum expects, the demand for home health services increases as a result of the success of this integrated care model, then UHG plans to invest in the expansion of Optum's Home & Community assets, including Amedisys, by hiring more clinical staff and expanding geographically in order to meet the increased demand.

- d. benefit the public good by rectifying historical and contemporary factors contributing to health inequities or access to services.

Although the improved use of Amedisys's home health services through Optum's integrated care model can benefit all patient populations, the largest impact will be on seniors, who represent a larger portion of the patients served by home health. Accordingly, the total cost of care for seniors will come down, increasing affordable access to care for more seniors, and reducing the difference in access to care for seniors as compared to younger people in Oregon.

10. Will the proposed transaction result in a decrease in competition? If no, please explain. If yes, describe any anticompetitive effects that may result from the proposed transaction.

See Appendix A for a complete answer to item 10.

11. Indicate the date and nature of any applications, forms, notices, or other materials you have submitted regarding the proposed material change to any other state or federal agency. *Indicate the date and nature of any other applications, forms, notices, or other materials provided to other state for federal agencies relative to the proposed material change, including but not limited to the Oregon Department of Consumer and Business Services, Oregon Public Health Division, Oregon Department of Justice, U.S. Department of Health and Human Services (e.g., Pioneer ACO or Medicare Shared Savings Program application), Federal Trade Commission, and U.S. Department of Justice.*

See Appendix A for a complete answer to item 11.

12. Will the proposed material change transaction change control of a public benefit corporation or religious corporation?

No. The Proposed material change will not change control of a public benefit corporation or religious corporation.

### III. Signature

Certification and attestation are not required. The electronic signature below should be the name entered in Question #1 and an individual who can sign on behalf of the applicant.

Electronic Signature     /s/ Anthony Swisher     Date     11/22/2023