

STATE OF OREGON
OREGON HEALTH AUTHORITY
HEALTH POLICY AND ANALYTICS DIVISION

In the Matter of the Proposed) Final Order Suspending Transaction Review
Material Change Transaction of UnitedHealth)
Group Incorporated and Amedisys, Inc.) Transaction ID: 014
)

Oregon Health Authority (“OHA”) is the state agency charged with operating the Health Care Market Oversight (“HCMO”) program under Oregon Revised Statutes (ORS) 415.500 through 415.900 and Oregon Administrative Rules (OAR) 409-070-0000 through 409-070-0085.

On December 4, 2023, OHA confirmed receipt of a complete Notice of Material Change Transaction form (“Notice”) in compliance with OAR 409-070-0030 and 0045 pertaining to the proposed acquisition by UnitedHealth Group Incorporated (“UHG”) of Amedisys, Inc. (“Amedisys”) (“Transaction”). OHA is currently conducting a comprehensive review of the Transaction pursuant to OAR 409-070-0060. UHG and Amedisys are collectively referred to herein as “the Entities.”

On March 14, 2024, OHA completed a preliminary review of the Transaction under ORS 415.501(5) and OAR 409-070-0055. OHA determined that a comprehensive review pursuant to ORS 415.501(7) and (9) and OAR 409-070-0060 was required. To inform the comprehensive review, OHA issued requests for additional information from the Entities on March 15, 2024, and July 11, 2024. Entities submitted responses to these requests between April 30, 2024, and September 16, 2024.

On November 12, 2024, the U.S. Department of Justice (“USDOJ”) together with the Attorneys General of Maryland, Illinois, New Jersey, and New York (“Plaintiffs”) filed a complaint in the United States District Court for the District of Maryland, Case No. 1:24-cv-03267-JKB, requesting the Court, among other items, (a) adjudge and decree that United Health’s acquisition of Amedisys violates Section 7 of the Clayton Act, 15 U.S.C. §18; (b) permanently enjoin the parties from consummating the proposed acquisition or from entering into or carrying out any other contract, agreement, or understanding, the effect of which would be to combine UnitedHealth and Amedisys; and (c) adjudge and decree that Amedisys violated the HSR Act for erroneously and inaccurately certifying compliance with HSR requirements (collectively, the “federal action”).¹

In this federal action, Plaintiffs' claims include that the proposed Transaction is presumptively anticompetitive and illegal in hundreds of local markets across the country, including several home health markets in Oregon. Further, as of the date of this Order, the Entities have not executed final definitive agreements outlining the list of home health and hospice locations and facilities in the United States that UHG will offer to potential purchasers under its divestiture plan.

Pursuant to ORS 415.501(9) an entity may only engage in a material change transaction if OHA determines that such transaction meets certain criteria, as adopted by rule in OAR 409-070-0060(6). Specifically, a material change transaction must satisfy both (a) **and** (b) **or** (c) below:

¹ A copy of the complaint filed in the federal action is publicly available at <https://www.justice.gov/opa/media/1376671/dl>.

- (a) There is no substantial likelihood that the transaction would:
 - (A) Have material anticompetitive effects in the region (such as significantly increased market concentration among providers when contracting with payers, carriers, or coordinated care organizations, or among carriers when establishing health benefit premiums that is likely to increase costs for consumers) not outweighed by benefits in increasing or maintaining services to underserved populations;
 - (B) Be contrary to law;
 - (C) Jeopardize the financial stability of a health care entity involved in the transaction; or
 - (D) Otherwise be hazardous or prejudicial to consumers or the public.
- (b) The transaction will benefit the public good and communities by:
 - (A) Reducing the growth in patient costs in accordance with the health care cost growth targets established under ORS 442.386 or maintain a rate of cost growth that exceeds the target that the entity demonstrates is in the best interest of the public;
 - (B) Increasing access to services in medically underserved areas; or
 - (C) Rectifying historical and contemporary factors contributing to a lack of health equity or access to services.
- (c) The transaction will improve health outcomes for residents of this state.

Pursuant to ORS 415.501(10), OHA may suspend a proposed material change transaction if necessary to conduct an examination and complete an analysis of whether the transaction is consistent with ORS 415.501(9) and the criteria adopted by rule, as outlined above.

In light of the above, OHA must suspend the proposed Transaction to further examine and analyze whether this Transaction is consistent with ORS 415.501(9) and the criteria adopted by OHA in OAR 409-070-0060(6).

ORDER

It is hereby ORDERED that:

1. The proposed Transaction is hereby **SUSPENDED** under ORS 415.501(10) until OHA completes its examination and analysis of whether the Transaction is consistent with ORS 415.501(9) and the criteria adopted by OHA in OAR 409-070-0060(6) in accordance with the terms below, and the mutually agreed upon terms in Exhibit A and Exhibit B attached hereto and incorporated herein by reference.
2. In the event of any changes to the divestiture plan affecting Oregon locations or facilities, Entities must notify OHA within one (1) business day of such changes and submit a copy of the new divestiture plan, including a list of all Oregon locations and facilities included in the new plan. The Entities shall also provide a brief narrative explaining all changes applicable to Oregon.

3. Entities must notify OHA within two (2) business days if there are any changes to any other information or documentation supplied to OHA to date for purposes of OHA's review of this proposed Transaction.
4. Should the presiding judge in the federal action issue a decision or order permitting the Transaction to close prior to the issuance of OHA's Final Order and Review Report, OHA agrees to permit the Transaction to close subject to the terms of the preservation and hold-separate arrangement outlined in Exhibit B attached hereto.

This Order will be posted to the HCMO website at <https://www.oregon.gov/oha/HPA/HP/Pages/014-United-Amedisys.aspx>. If you have questions or need further information, please contact the HCMO team at hcmo.info@oha.oregon.gov.

Dated this 1st day of April, 2025



Sarah Bartelmann, MPH
Cost Programs Manager
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.

Exhibit A
Timeline for Completion of OHA's Comprehensive Review

OHA and the Entities have mutually agreed to adhere to the provisions outlined below regarding the timeline for completion of OHA's comprehensive review of the Transaction and potential conditions on any approval of the Transaction.

1. OHA will provide Entities with proposed conditions for approval of the Transaction once completed, but no later than 5pm Pacific time on the fifth business day following the close of evidence in the *U.S. District Court for the District of Maryland, Case No., 1:24-cv-03267-JKB* (the "federal antitrust action"). This "close of evidence" date will depend on how the presiding judge resolves Amedisys' Motion to Temporarily Stay Count II of Plaintiff's Complaint, filed on February 18, 2025, in the federal antitrust action (the "Motion"). Should OHA complete its draft of proposed conditions earlier than the fifth business day following the close of evidence, OHA will provide its proposed conditions to the Entities in advance of this deadline.
2. OHA will publish its Proposed Order and Review Report once completed, but no later than 5pm Pacific time on the 14th calendar day following close of evidence in the federal antitrust action, unless extended upon mutual agreement by the Entities and OHA to discuss OHA's proposed conditions. This "close of evidence" date will depend on how the presiding judge resolves the Motion. Should OHA complete its Proposed Order and review report earlier than the 14th calendar day following the close of evidence, OHA will issue its Proposed Order and Review Report in advance of this deadline.
3. Consistent with ORS 415.501(18) and OAR 409-070-0060(3), OHA will provide members of the public twenty-five (25) calendar days to provide written exceptions to OHA's Proposed Order.
4. Should OHA receive exceptions from the public or the Entities on its Proposed Order, OHA will issue its Final Order and Review Report once it completes its review and analysis of the exceptions received from the public or the Entities, but no later than seven (7) calendar days following the close of the public comment period which may be extended to 10 calendar days upon mutual agreement between OHA and the Entities. Should OHA complete its review of the exceptions received from the public or the Entities earlier than the seventh (7th) calendar day following close of evidence, OHA will issue its Final Order and Review Report in advance of this deadline.
5. Should OHA receive no exceptions from the public or the Entities on its Proposed Order, OHA will issue its Final Order and Review Report no later than one (1) business day following expiration of the public comment period.
6. Entities acknowledge that OHA may choose to impose, among other conditions, the following (or similarly worded) condition on any approval of this Transaction:

The transacting parties acknowledge that the U.S. Department of Justice and the Attorneys General of Maryland, Illinois, New Jersey and New York have filed a complaint in the U.S. District Court for the District of Maryland, Case No., 1:24-cv-03267-JKB, alleging

that the Transaction violates Section 7 of the Clayton Act, 15 U.S.C. § 18 and seeking a permanent injunction prohibiting the consummation of the Transaction. The approval granted by this Order shall not be effective and shall not be acted upon until the issuance of an order by the federal district court in the above-noted matter permitting UHG and Amedisys to consummate the Transaction.

7. Should a settlement be reached resolving the federal antitrust action prior to the start of trial, the timeline outlined in 1. through 5. above will apply from the date on which the settlement is executed rather than from the close of evidence date. Should the parties to the federal antitrust action provide a “late-stage draft” of a settlement agreement between the parties and provide assurances acceptable to OHA that such settlement is in a close to final form, OHA will agree to proceed with the timeline outlined in 1. through 5. above. This timeline will apply from the date on which OHA confirms receipt of the “late-stage draft.”
8. Entities acknowledge that should OHA issue its Final Order and Review Report based on a draft version of a Settlement Agreement between the parties to the pending federal antitrust action, OHA may choose to impose, among other conditions, the following (or similarly worded) conditions on any approval of this Transaction:

Entities must submit a copy of the final executed Settlement Agreement between the parties to the pending federal antitrust action, entitled U.S. District Court for the District of Maryland, Case No., 1:24-cv-03267-JKB, within one (1) business day of execution. If the parties to the Settlement Agreement modify or otherwise alter the terms of the draft Settlement Agreement provided to OHA on or around _____, Entities must provide OHA with a detailed narrative of all such modifications to the draft Settlement Agreement. Entities acknowledge that any such modifications or alterations to the final executed Settlement Agreement may result in OHA issuing a modified Final Order reflecting any such modifications or alterations.

9. In any event, should the presiding judge issue a decision (or an order in the context of settlement) permitting the Transaction to close before the issuance of OHA’s Final Order and Review Report, the timeline outlined in 1. through 5. above will continue to apply, provided that OHA will agree to permit the Transaction to close subject to the terms of a preservation and hold-separate arrangement. The terms of this preservation and hold-separate arrangement are outlined in Exhibit B of OHA’s Final Order of Suspension, dated April 1, 2025.

Exhibit B
Preservation and Hold-Separate Arrangement

The following are the terms for a preservation and hold-separate arrangement with respect to Amedisys's home health and hospice agencies in Oregon (the "Amedisys Oregon Agencies"). Specifically:

1. The triggering event for the preservation and hold-separate arrangement, as described below, is a decision (or an order in the context of settlement) from the presiding judge in the federal action permitting the parties to close the Transaction before issuance of OHA's Final Order and Review Report, as outlined in Exhibit A of OHA's Final Order of Suspension, dated April 1, 2025.
2. Upon notice by UHG to OHA of the federal district court's decision or order permitting the Transaction to close, including an order pursuant to a settlement of the federal action, OHA agrees to permit the Transaction to close subject to this preservation and hold-separate arrangement without the need for any further action on the part of OHA; and
3. OHA and UHG both agree to abide by the timeline outlined in Exhibit A of OHA's Final Order of Suspension, dated April 1, 2025.

UHG commits to the following terms until the completion of OHA's comprehensive review and issuance of OHA's Final Order approving this Transaction with conditions:

1. UHG will appoint one or more persons currently employed by Amedisys in Oregon with oversight with respect to the Amedisys Oregon Agencies to oversee the Amedisys Oregon Agencies post-closing. Such person or persons will be responsible for compliance with the preservation and hold-separate commitments outlined in this Exhibit B and for the operations of the Amedisys Oregon Agencies until issuance of OHA's Final Order with respect to the proposed Transaction.
2. UHG shall take all actions necessary for the Amedisys Oregon Agencies to preserve and maintain, services for Oregonians at such levels existing immediately prior to closing, including by:
 - a. operating the Amedisys Oregon Agencies in the ordinary course of business, consistent with past practices, and in compliance with all regulatory obligations and requirements;
 - b. continuing to provide all existing services in all existing service areas;
 - c. preserving the operable condition of the Amedisys Oregon Agencies with the same levels of quality, access, and patient support;
 - d. providing sufficient working capital and lines and sources of credit to support existing operations and address any short-term liquidity needs; and
 - e. providing such other support services for the Amedisys Oregon Agencies as may be required to operate the Amedisys Oregon Agencies as economically viable, competitive and ongoing home health and hospice service providers in Oregon.

3. UHG shall make all reasonable efforts to maintain and preserve, in accordance with current practice:
 - a. the relationships of the Amedisys Oregon Agencies existing immediately prior to closing with patients, payers, other customers, suppliers, governmental authorities, vendors, landlords, creditors, agents and others doing business with any of the Amedisys Oregon Agencies;
 - b. staffing at each Amedisys Oregon Agency at such levels existing immediately prior to closing, subject to ordinary course staff turnover;
 - c. the working conditions at the Amedisys Oregon Agencies, including policies and procedures relating to clinical quality, workforce training, and staff qualifications, at such levels existing immediately prior to closing; and
 - d. all promotional, advertising, sales, technical assistance, patient support, and service and marketing support for the Amedisys Oregon Agencies at such levels existing immediately prior to closing.
4. UHG shall use all reasonable efforts to maintain patient census and quality standards at the Amedisys Oregon Agencies at such levels existing immediately prior to closing.
5. As a held-separate operation, until the completion of OHA's comprehensive review and issuance of OHA's Final Order approving this Transaction with conditions, the Amedisys Oregon Agencies will not:
 - a. coordinate operations, marketing, or terms of service of any of the Amedisys Oregon Agencies with any other home health or hospice agency owned or operated by UHG, including any non-Oregon home health and/or hospice agencies acquired from Amedisys; or
 - b. transfer or reassign personnel of the Amedisys Oregon Agencies to any other home health or hospice agency owned or operated by UHG, including any non-Oregon home health and/or hospice agencies acquired from Amedisys, or any corporate-level position at UHG or any of its subsidiaries.
6. UHG will not remove, sell, lease, assign, transfer, pledge or otherwise dispose of any of the Amedisys Oregon Agencies.