

CERTIFIED MAIL, RETURN RECEIPT REQUESTED

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**STATE OF OREGON
OREGON HEALTH AUTHORITY
HEALTH POLICY AND ANALYTICS DIVISION**

In the Matter of the Proposed) Proposed Order Suspending Transaction
Material Change Transaction of UnitedHealth) Review
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.

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.

The complaint filed in the federal action further alleges that the proposed plan to divest home health and hospice agencies to VitalCaring, an “unproven company with only three years of operational experience,

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

poor financial performance, and potentially catastrophic legal exposure”² is inadequate and would fail to eliminate the proposed acquisition’s threat to competition.

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:

- (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 **SUSPENDED** under ORS 415.501(10) until one or more of the following occur:

² See federal action complaint at 26.

- a. 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);
 - b. Entities withdraw their Notice; or
 - c. Thirty (30) days following complete resolution of the pending federal action.
2. UHG or Amedisys must notify OHA within two (2) business days if there are any changes to any information or documentation supplied to OHA during OHA's review of this proposed Transaction.

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.

NOTICE OF RIGHT TO REQUEST A HEARING

You are entitled to a hearing as provided by the Administrative Procedures Act (chapter 183, Oregon Revised Statutes), ORS 415.019, and OAR 409-070-0075. You are entitled to be represented by an attorney at the hearing. Legal aid organizations may be able to assist a party with limited resources. The Oregon Health Authority will be represented by an Assistant Attorney General from the Oregon Department of Justice.

To request a contested case hearing, your request must be in writing and must be received within fifteen (15) days from the date this Order was personally served, mailed, or electronically transmitted to you, based on the date at the top of this document.

A request sent by U.S. mail is "received" on the date it is postmarked. Your request may also be emailed. Your request should be sent to:

hcmo.info@oha.oregon.gov

or

Health Care Market Oversight Program
421 SW Oak St
Suite 850
Portland, OR 97204

If you submit a request for a contested case hearing, you will be notified of the time place of the hearing. Information on the hearing process will be provided to you in accordance with ORS 183.413(2). Any hearing will be conducted by an administrative law judge from the Office of Administrative Hearings, assigned as required by ORS 183.635.

If you fail to request a hearing within the time allowed, if you request a hearing and subsequently withdraw your request for a hearing, if you request a hearing and fail to appear for the hearing, or if a hearing is scheduled and you later notify OHA that you will not appear at the specified time and place, you will have waived your right to a hearing, and this proposed order will become a final order by default. If OHA issues a final order by default, it designates its file on this matter, including all materials that you have submitted relating to this matter, as the record in this case for purposes of proving a prima facie case.

Dated this 13th day of December, 2024



Sarah Bartelmann, MPH
Cost Programs Manager
Oregon Health Authority

NOTICE TO ACTIVE DUTY SERVICEMEMBERS. Active-duty service members have a right to stay these proceedings under the federal service members Civil Relief Act. For more information contact the Oregon State Bar at 800-452-8260, the Oregon Military Department at 503-584-3571, or the nearest United States Armed Forces Legal Assistance Office through <http://legalassistance.law.af.mil>. The Oregon Military Department does not have a toll-free telephone number.