



March 10, 2025

SENT VIA EMAIL & CERTIFIED MAIL - [hcmo.info@oha.oregon.gov](mailto:hcmo.info@oha.oregon.gov) & [SARAH.E.BARTELMANN@oha.oregon.gov](mailto:SARAH.E.BARTELMANN@oha.oregon.gov)

Oregon Health Authority  
500 Summer St. NE, E-20  
Salem, OR 97301

RE: Negative Impacts Related to Optum and The Corvallis Clinic Transaction

Dear Oregon Health Authority:

Samaritan Health Services, Inc. ("Samaritan") is writing to express its concern regarding Optum's takeover of The Corvallis Clinic which has had incredibly detrimental consequences to patients and other providers in our market. What we are experiencing is completely antithetical to what they asserted to HCMO in their responses to the intended impacts of the transaction in the HCMO Program Notice of Material Change Transaction (the "Notice") and we will address specific points outlined in the Notice below:

**Number 7 of the Notice asks Optum to:**

*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.*

Optum Answered:

"Corvallis Clinic's current financial forecasts project material losses over the next 12 months, despite the physician-owners' 15% reduction in compensation which was put in place more than a year ago. Along with ongoing losses, further instability is expected as clinicians will seek employment opportunities where they can earn more competitive compensation. The loss of physicians in the geographic service area would have a significant negative impact and result in decreased patient access and limit opportunities for health equity initiatives if the proposed transaction is not completed. The proposed transaction will significantly stabilize health care

services in the area and improve economic conditions faced by the business by providing material financial support and appropriate subject matter expert resources.

Upon close of the proposed transaction, Optum Oregon plans to conduct a thorough review of Corvallis Clinic's operational challenges and workflows to identify opportunities for alignment with Optum Oregon's operational standards and efficiencies. Expected post transaction opportunities include making material investments in and increasing and supporting the number of licensed health care providers, replacement of aged equipment, purchase of additional new equipment and software to support efficient clinician patient care services, quality improvement programs, and workflow standardization. The timeline for this comprehensive review is anticipated to be implemented within the first 90-120 days of acquisition, with full implementation of operational changes targeting improvement expected to be completed over the subsequent 12-24 months. Improvements in the operations will be implemented in a manner to ensure limited disruption to patient care."

Samaritan's Response:

Since the Optum acquisition of The Corvallis Clinic, access to acute care gastroenterology services have been significantly impacted. Specifically, the Optum gastroenterologists have voluntarily withdrawn their privileges from all of the hospitals in the Willamette valley in the communities in or adjacent to where they practice. This means that the Optum gastroenterologists are only managing patients with ambulatory, stable conditions, and not available to manage those with acute or life threatening conditions. This has left many patients at risk of not receiving much needed acute care, and has produced an untenable burden on the remaining gastroenterologists, where only three permanent gastroenterologists remain to take care of the acute care needs of a population approaching 300,000 lives.

**Number 8 of the Notice asks Optum to:**

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

Optum Answered:

"The proposed transaction is expected to increase access to affordable health care in Oregon. The goal of the proposed transaction is to stabilize and grow patient access to high-quality primary and specialty care in the Corvallis, Benton County, and associated geographic service area [redacted]. Within the post-transaction innovative care delivery model, these services would be available to the affected geographic service area and deployed as they are appropriate for patients.

The proposed transaction is not expected to impact referrals to providers or entities unaffiliated with Optum Oregon, Optum, or UHG.

The proposed transaction will not result in any financial incentives, either positive or negative, associated with (i) the number of patients seen in a specified time frame; or (ii) the duration of a patient visit.

The proposed transaction will not subject existing Corvallis Clinic stockholders to any restrictions on future employment opportunities as a condition for employment with the Corvallis Clinic after closing apart from those restrictions to which they were already subject absent the proposed transaction.”

Samaritan’s Response:

Due to comorbid conditions, many patients that are managed in the ambulatory environment require procedures to diagnose or manage their gastroenterological conditions that can only safely be performed in a hospital environment. Those patients who this applies to that are managed in the Optum practice are now unable to be cared for by their primary gastroenterologist for these needs. Consequently, they are being referred to others for management. Due to the limited number of gastroenterologists in the service area, we believe that some of these patients will experience a delay in diagnosis and management that may lead to patient harm, or less than optimal outcomes.

**Number 9(a) of the Notice asks Optum to:**

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

Optum Answered:

“By leveraging nationwide programs and applying them based on local health care needs, Optum Oregon actively participates in patient-centric quality programs aimed at preventive care, patient experience, affordability, and improved outcomes. With a desire to promote health equity across the region, the quality programs are designed to meet patients where they are in their health care journey. Such programs include Social Determinants of Health (SDOH) programs, breast and colorectal cancer screening, controlling high blood pressure and HbA1c, eye exam and kidney health evaluation in diabetic patients, medication adherence for cholesterol, diabetic and hypertensive patients, and statin therapy. Active management of these chronic conditions will be implemented as a mandated focus post transaction which has been shown to improve health outcomes of these affected patient populations.”

Samaritan's Response:

Gastroenterologists perform many endoscopic procedures in the outpatient environment. Although the vast majority of such cases go smoothly and without complication, it is understood that complications do occur at an expected rate for all endoscopic procedures. Some of these complications, including many of those that involve bleeding, require a gastroenterologist to perform an emergent procedure to stop the bleeding. This typically must occur in a hospital where resources are available to manage the overall condition of the patient. In the event that such an unfortunate complication occurs with an Optum Gastroenterology patient, the Optum physicians will be unable to manage or rescue these patients while hospitalized in an adjacent Samaritan hospital. We are concerned that this is professionally irresponsible, particularly when the physicians performing such procedures possess the training and skill to be able to manage the majority of these complications.

**Number 9(d) of the Notice asks Optum to:**

*Explain how, if at all, the proposed transaction will: d.) benefit the public good by rectifying historical and contemporary factors contributing to health inequities or access to services.*

Optum Answered:

“The proposed transaction will address the Benton County Community Health Assessment goals by maintaining access to health services and will provide a stable starting point to expand necessary services in the geographic service area which includes Linn, Benton, and Lincoln Counties. In other areas where Optum Oregon has implemented its care delivery model this has included behavioral health services and treatment of substance use disorders. [Redacted]. All of these efforts are intended to improve patient access and outcomes without any change in payor rates [redacted].”

Samaritan's Response:

In order to prevent patient harm due to a lack of access to gastroenterologists in the hospital setting, Samaritan has had to bring on a number of itinerant physicians (locums tenens) at an exorbitant cost to the health system. The cost to bring on such specialists is expected to exceed \$1,000,000 this year alone, thus putting an increased financial burden on our health system at a time when finances are severely strained.

The risk of gastroenterologists, or other physicians withdrawing privileges from hospitals is a matter of public health concern. The withdrawal of such privileges puts patients at risk of not receiving life-saving care. Clearly, Optum has not shown any regard for this risk to people in our communities. This pertains to patients who need a gastroenterologist, as well as to many other specialties. We also fear that the withdrawal of hospital privileges may impact other specialty areas in the future, further putting access to life saving care at significant risk.

If you have any questions or concerns regarding this letter, please contact Tyler Jacobsen, Chief Legal Officer of Samaritan, at [tjacobsen@samhealth.org](mailto:tjacobsen@samhealth.org).

Sincerely,

DocuSigned by:

*Marty Cahill*

C4ACC8DEAEC241F...  
Marty Cahill

Chief Operating Officer  
Samaritan Health Services, Inc.

DocuSigned by:

*Robert Turngren*

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Robert Turngren, M.D.

Senior Vice President | Chief Physician Executive  
Samaritan Health Services, Inc.