

Direct Dial + 202-626-3599

White & Case LLP
701 Thirteenth Street, NW
Washington, DC 20005-3807
T +1 202 626 3600

whitecase.com

September 19, 2025

VIA EMAIL
HIGHLY CONFIDENTIAL

Sarah Bartelmann, MPH
Cost Programs Manager
Oregon Health Authority
421 SW Oak Street, Suite 850
Portland, OR 97204
hcmo.info@oha.oregon.gov

Re: One-Year Follow-Up Review – 024 Elevance & CD&R

Dear Sarah:

I write in response to the Oregon Health Authority's ("OHA") August 6, 2025 Information Request for One-Year Follow-Up Review in the above-referenced matter. Below you will find the OHA requests and Elevance Health, Inc.'s ("Elevance Health") corresponding responses.¹

- 1. Please provide copies of any and all amendments or modifications to the executed definitive agreement(s) underlying the terms of this transaction, including those made pursuant to Section 14.8 of the Master Transaction Agreement and Plan of Merger dated April 12, 2024. In doing so:**
 - a. Provide copies of all Exhibits and Schedules to such amended or modified definitive agreement(s);**

¹ The responses and materials attached hereto include non-privileged responsive information. Elevance Health is not waiving attorney-client, attorney work product, or any other legally applicable privilege, and to the extent this response includes any information or documents subject to any such privilege, the production is inadvertent, and the parties reserve all rights to request sequestration and or return of the materials.

- b. Provide a detailed narrative outlining all changes reflected on such amendment(s) or modification(s);**
- c. Confirm whether the phases outlined in response to Question 6 of Appendix A, attached to the entities Notice of Material Change Transaction submitted to OHA on June 7, 2024, remain accurate. If such information is no longer accurate, please provide a detailed description of all changes to such noted phases of this multi-step transaction.**

In connection with Elevance Health's contribution of 100% of Carelon Management Services, Inc. ("Carelon Health") to Augusta Parent, LLC in exchange for additional interests of Augusta Topco Holdings, L.P. ("Holdings") under the Master Transaction Agreement and Plan of Merger that took place on December 31, 2024, Elevance Health and Holdings (the "Parties") entered into the side letter to the Master Transaction Agreement and Plan of Merger provided in Appendix A (the "Side Letter"). The Side Letter reflected [REDACTED]

The Side Letter did not materially change subsequent phases of the multi-step transaction. The information provided in response to Question 6 of Appendix A, attached to the entities' Notice of Material Change Transaction submitted to OHA on June 7, 2024, remains accurate. As noted above, the second phase took place on December 31, 2024. Elevance Health provided notice to OHA of its increased shareholding in Holdings, to approximately [REDACTED], on January 3, 2025. The later phases have not occurred yet.

Because the later phases have not occurred yet, Elevance Health maintains a minority stake in the joint venture and does not have control over the joint venture.

- 2. Please confirm that the entities involved in the joint venture are Carelon Management Services, Inc. ("Carelon Health"), Millennium Physician Group ("MPG"), and apree health. If additional entities have been added to the joint venture, please list them.**

As noted in response to Question 1, Carelon Management Services, Inc. is now Carelon Management Services, LLC. No other entities have been added to the joint venture.

- 3. Please provide a detailed description of (including the rationale for) all changes in operations, structure, policies, business, board members, officers, employees, or any other area of corporate activity pertaining to Oregon operations since August 6, 2024 for the following entities:**

a. Carelon Management Services, Inc. (“Carelon Health”);

Carelon Health does not operate in Oregon.

b. Millennium Physician Group (“MPG”); and

MPG does not operate in Oregon.

c. apree health.

apree health no longer operates in Oregon. The two facilities operating in Oregon as of August 6, 2024 have now closed.

1. Amy’s Family Health Center Medford (the “Medford Clinic”) closed on February 28, 2025 [REDACTED]. The Medford Clinic was an employer-sponsored facility located within the greater Medford area on-site at Amy’s Kitchen’s plant, which exclusively served eligible Amy’s Kitchen employees and their dependents.

2. Vera Whole Health Clinic Portland (the “Portland Clinic”) closed on September 1, 2025 [REDACTED]. The Portland Clinic was a multi-employer, off-site sponsored facility located within the Portland area, which exclusively served eligible customer employees and their dependents. apree health provided patients with prior notice before closing the Portland Clinic and directed them to contact their insurance for other primary care providers in their network.

4. Please provide a detailed description of all businesses and services Elevance Health, Inc. (“Elevance Health”) and its subsidiaries have offered to Oregon residents since August 6, 2024. Include the following for each business or service line, as applicable:

- a. Description of business**
- b. Geographic areas served**
- c. Number of patients, customers, or clients served**
- d. Count of visits, services, or products provided**
- e. Number of employed staff**

Elevance Health Overview

Elevance Health is a publicly traded corporation and the holding company for the Elevance Health family of companies, with subsidiaries licensed to conduct insurance operations in all 50 states, the District of Columbia, and Puerto Rico.² Elevance Health’s affiliated health plans are

² Elevance Health, Inc. 2024 10-K at page 43, https://s202.q4cdn.com/665319960/files/doc_financials/2025/ar/Elevance-Health-2024-10K-color.pdf.

independent licensees of the Blue Cross and Blue Shield Association (“BCBSA”), an association of independent health benefit plans, serving members as the Blue Cross licensee for California and as the Blue Cross and Blue Shield (“BCBS”) licensee for Colorado, Connecticut, Georgia, Indiana, Kentucky, Maine, Missouri (excluding 30 counties in the Kansas City area), Nevada, New Hampshire, New York (in the New York City metropolitan area and upstate New York), Ohio, Virginia (excluding the Northern Virginia suburbs of Washington, D.C.), and Wisconsin.³ Elevance Health’s total 2024 revenues were approximately \$177.0 billion.⁴

Through its subsidiaries, Elevance Health offers health insurance plans to Individual, Employer Group, Medicaid, and Medicare segments, and provides a broad array of managed care services to fee-based customers, including claims processing, stop loss insurance, provider network access, medical management, care management, wellness programs, actuarial services, and other administrative services, as well as offering services to the federal government.⁵

Elevance Health is owned by its shareholders and governed by a board of directors. Additional information about Elevance Health’s governance and management structure is available in its public filings with the U.S. Securities and Exchange Commission and on its website, <https://www.elevancehealth.com/>. Elevance Health’s tax ID is 35-2145715. Its mailing address is 220 Virginia Avenue, Indianapolis, IN 46204.

Elevance Health’s Limited Presence in Oregon

In Oregon, Elevance Health does not provide health plan services to companies as the BCBS licensee, nor does it sell commercial health insurance services in Oregon.⁶ Elevance Health also does not offer Medicaid or Medicare services in Oregon.

Elevance Health does not currently have any physical operations within the state of Oregon. Elevance Health currently has three regulated insurance subsidiaries licensed to conduct business within Oregon, but none offer services in Oregon. These companies are Anthem Insurance Companies, Inc., WellPoint Life & Health Insurance Company, and WellPoint Insurance Company f/k/a Amerigroup Insurance Company.

Because Elevance Health is not the BCBS licensee in Oregon and otherwise does not offer any regulated insurance products in Oregon, its presence in Oregon is limited. Some Elevance Health employer customers based in one of the 14 states or areas where an Elevance Health subsidiary is the BCBS licensee include covered employees who reside in Oregon and are covered by Elevance Health’s subsidiaries’ self-insured or fully-insured insurance plans or services based and sold outside of Oregon. At the end of 2024, Elevance Health through its subsidiaries covered approximately [REDACTED] individuals in Oregon for medical benefits and approximately

³ Elevance Health, Inc. 2024 10-K at page 43, https://s202.q4cdn.com/665319960/files/doc_financials/2025/ar/Elevance-Health-2024-10K-color.pdf.

⁴ Elevance Health, Inc. 2023 10-K at page 52, https://s202.q4cdn.com/665319960/files/doc_financials/2025/ar/Elevance-Health-2024-10K-color.pdf.

⁵ Elevance Health, Inc. 2024 10-K at page 75, https://s202.q4cdn.com/665319960/files/doc_financials/2025/ar/Elevance-Health-2024-10K-color.pdf.

⁶ Regence BlueCross BlueShield of Oregon—not affiliated with Elevance Health and not an Elevance Health entity—is an independent BCBS licensee and the only BCBSA member licensed to sell products and services under the Blue Cross Blue Shield name in Oregon. See BCBS Companies and Licensees, <https://www.bcbs.com/about-us/blue-cross-blue-shield-system/state-health-plan-companies>.

■■■■■ individuals in Oregon for pharmacy benefits, although these figures are not exclusive. Because revenues related to these members are based on each specific employer's contract or other self-insured or fully-insured health insurance contract issued outside of the state of Oregon, Elevance Health is unable to reasonably estimate revenues generated from these individuals on a per member basis. Rates, administrative costs, and other fees can vary greatly based on the services covered in any given plan.

Through its subsidiaries, Elevance Health derives revenue from other services, none of which is part of the transaction scope, that are used by individuals residing in Oregon including (1) Medicare Advantage cost of care revenue, (2) employee assistance program and health plan behavioral revenue, (3) specialty pharmacy revenue through Elevance Health's subsidiaries, BioPlus, Kroger Specialty Pharmacy ("KSP"), and Paragon, and (4) palliative care services revenue through an Elevance Health subsidiary (described further below). For Elevance Health's 2024 fiscal year, the total combined revenues from categories (1) and (2) were only approximately ■■■■■, category (3) was only approximately ■■■■■, and category (4) was only approximately ■■■■■.

- Medicare Advantage Cost of Care: In 2024, Elevance Health derived approximately ■■■■■ in Medicare Advantage cost of care revenues from Oregon. Elevance Health does not have a contract with the Centers for Medicare & Medicaid Services to offer Medicare Advantage in Oregon. Elevance Health suspects this revenue is incidental to its Medicare Advantage revenue offered in other states and cannot reasonably estimate member information or related counts.
- Employee Assistance Programs and Health Plan Behavioral Health: In 2024, Elevance Health derived approximately ■■■■■ from employee assistance programs and health plan behavioral health products through Elevance Health's Caelon Behavioral Health business covering approximately ■■■■■ individuals living in Oregon. These services are offered directly to employer customers or as part of Elevance Health's health insurance coverage as an optional benefit for covered employees who had access to such services, but may not have utilized the services.
- Specialty Pharmacy/Infusion: Elevance Health offers specialty pharmacy services in Oregon via its BioPlus, KSP, and Paragon subsidiaries. BioPlus, KSP, and Paragon do not have any physical locations in Oregon. In the state of Oregon specifically, in 2024, BioPlus had total sales of approximately ■■■■■ from a total of ■■■■■ scripts and served ■■■■■ patients. Elevance Health also has a non-resident pharmacy license in the state of Oregon via its Paragon subsidiary; Paragon had 2024 revenue of only approximately ■■■■■, ■■■■■ scripts, and ■■■■■ patients. As noted in response to Question 10, Elevance Health also acquired Kroger's specialty pharmacy business in 2024,⁷ which had approximately ■■■■■ in revenue, ■■■■■ scripts, and ■■■■■ patients from October 4 through

⁷ Oregon Health Authority, 020 Elevance-Kroger, <https://www.oregon.gov/oha/HPA/HP/Pages/020-Elevance-Kroger-Specialty-Pharmacy.aspx>.

December 31.⁸ Elevance Health has [REDACTED] employees in Oregon for specialty pharmacy/infusion.

- Palliative Care Services: Elevance Health's subsidiary, Carelon Medical Partners, PC, f/k/a Aspire Health Medical Partners, PC ("Carelon Medical Partners"), has an NPI number (1124443403) that covers 40 states, including Oregon, for palliative care services. Palliative care services provide support and attention between doctor's appointments to address physical, emotional, nutritional, spiritual, and social needs, which can be initiated soon after a person is diagnosed or at any stage of illness.⁹ Carelon Medical Partners offers specialized in-person or virtual care services in nearly all 50 states either in a patient's home or through telehealth with a phone or video call.¹⁰ Currently, Carelon Medical Partners provides virtual, i.e., telehealth, palliative care services in Oregon. Carelon Medical Partners' [REDACTED] nurse practitioner in the Portland, Oregon area, who provided in-home palliative care visits, [REDACTED]. 2024 revenues attributed to palliative care services provided in Oregon are estimated to be approximately [REDACTED], with approximately [REDACTED] scripts for [REDACTED] patients.

Outside of Oregon, Elevance Health also derived revenue in 2024 from individuals covered by Regence BlueCross BlueShield of Oregon who utilize the BlueCard network in a state or area where an Elevance Health subsidiary is the BCBS licensee (or Blue Cross licensee in California). In 2024, these revenues were less than [REDACTED]. BlueCard allows subscribers of one BCBS licensee to receive medical care across the country (e.g., if that member is traveling) through another BCBS licensee's provider network.¹¹

Other Elevance Health Offerings and Services

Through its subsidiaries, Elevance Health provides specialty services both to customers of Elevance Health's subsidiary health plans and also to unaffiliated health plans, including pharmacy services, dental, vision, and supplemental health insurance benefits, as well as integrated health services.¹² Some of these services are or could be available to customers in Oregon.

Elevance Health's CarelonRx, Inc. ("CarelonRx") subsidiary markets and offers pharmacy services, including pharmacy benefit management ("PBM") services, to Elevance Health affiliated health plan customers, as well as to external customers outside of the health plans that Elevance Health owns.¹³

⁸ Please note that, while these figures for KSP are provided separately from those of BioPlus for purposes of this response, KSP is now part of BioPlus within the Elevance Health organizational structure.

⁹ See Carelon Health Palliative Care, <https://www.carelon.com/capabilities/palliative-care>.

¹⁰ See *id*; see also Carelon Health Palliative Care Patients, <https://www.carelonhealth.com/patients/palliative-care>.

¹¹ Elevance Health, Inc. 2024 10-K at page 7, https://s202.q4cdn.com/665319960/files/doc_financials/2025/ar/Elevance-Health-2024-10K-color.pdf.

¹² Elevance Health, Inc. 2024 10-K at page 75, https://s202.q4cdn.com/665319960/files/doc_financials/2025/ar/Elevance-Health-2024-10K-color.pdf.

¹³ Elevance Health, Inc. 2024 10-K at page 45, https://s202.q4cdn.com/665319960/files/doc_financials/2025/ar/Elevance-Health-2024-10K-color.pdf.

CarelonRx offers PBM services, which include formulary management, pharmacy networks, a prescription drug database, member services, and mail order capabilities. Within the PBM segment, CarelonRx is a relatively small player compared to large players like CVS Health (Caremark), Express Scripts (Cigna), and Optum Rx (United Health) who processed nearly 80% of all equivalent prescription claims in 2024.¹⁴

Various subsidiaries of Elevance Health, such as Carelon Insights and Carelon Health, also offer other health care related services. Some of these services potentially are or could be available to individuals living in Oregon through their employer's insurance plan. But as discussed above, Elevance Health is not the BCBS licensee in Oregon and otherwise does not offer any regulated insurance products or Medicaid or Medicare services in Oregon, so any specialty services would be under an insurance plan issued outside of Oregon.

- 5. Provide a copy of all organizational charts in effect since August 6, 2024, for Elevance Health and the joint venture, including but not limited to Carelon Health, MPG, and apree health.**

Elevance Health provides as Appendix B an updated organizational chart for Elevance Health as of July 31, 2025. Elevance Health further provides as Appendix C an organizational chart for the joint venture.

- 6. Please describe any changes to services and products offered by joint venture entities, including Carelon Health, MPG, and apree health since August 6, 2024.**

There have been no changes to the general services of Carelon Health and MPG. apree health continued to offer the same general services, but apree health has closed its two clinics in Oregon: the Medford Clinic and the Portland Clinic (see response to Question 3 above).

- 7. Describe any and all plans for changes, modifications, or alterations to products or services in Oregon, including introducing new products or services or ending any existing products or services.**

[REDACTED]

As noted above, Carelon Health, MPG, and apree health do not operate in Oregon. apree health closed its operations in Oregon as of September 1, 2025. [REDACTED]

- 8. Provide the name and address for all practices and locations in Oregon that have been affiliated with Carelon Health or apree health since August 6, 2024.**

apree health has closed its two facilities in Oregon. The Medford Clinic closed on February 28, 2025, and the Portland Clinic closed on September 1, 2025.

- a. In doing so, explain in detail whether:**

¹⁴ "The Top Pharmacy Benefit Managers of 2024: Market Share and Key Industry Developments," DRUG CHANNELS (Mar. 31, 2025), <https://www.drugchannels.net/2025/03/the-top-pharmacy-benefit-managers-of.html#:~:text=DCI%20estimates%20that%20for%202024,PBMs%27%20aggregate%20share%20in%202023.>

i. Any listed practices and locations are no longer affiliated with SDB.

N/A.

ii. Any listed practices have closed or are no longer providing services.

Amy's Family Health Center Medford (393 W. Antelope Road, White City, OR 97503) closed on February 28, 2025. Vera Whole Health Clinic Portland (400 SW 6th Avenue, Suite 501, Portland, OR 97204) closed on September 1, 2025.

iii. Any listed practices have been expanded, converted, or modified.

See above response to Question 8(a)(ii).

b. Provide the name and address for each practice and location responsive to a.i. through a. iii.

See above response to Question 8(a)(ii).

9. Describe any and all plans for the construction or opening of new facilities, the closing of any existing facilities, or the expansion, conversion, or modification of existing facilities in Oregon, that have been developed since August 6, 2024.

[REDACTED]

The joint venture entities do not operate in Oregon and [REDACTED]

10. Provide descriptions relating to Elevance Health's plans of, interest in, or efforts undertaken pertaining to any acquisition, divestiture, joint venture, alliance, or merger of any kind involving Oregon since August 6, 2024.

On July 18, 2024, OHA accepted a complete Notice of Material Change Transaction form from Elevance and Kroger Specialty Pharmacy.¹⁵ OHA completed a preliminary review and approved this transaction on September 9, 2024.¹⁶ This transaction was completed on October 4, 2024.¹⁷

11. Provide detailed descriptions relating to CD&R's plans of, interest in, or efforts undertaken pertaining to any health care acquisition, divestiture, joint venture, alliance, or merger of any kind involving Oregon since August 6, 2024.

¹⁵ Oregon Health Authority, 020 Elevance-Kroger, <https://www.oregon.gov/oha/HPA/HP/Pages/020-Elevance-Kroger-Specialty-Pharmacy.aspx>.

¹⁶ Oregon Health Authority, 020 Elevance-Kroger, <https://www.oregon.gov/oha/HPA/HP/Pages/020-Elevance-Kroger-Specialty-Pharmacy.aspx>.

¹⁷ "Elevance Health Acquires Kroger Specialty Pharmacy," CARELON RX (Oct. 4, 2024), <https://www.carelonrx.com/perspectives/kroger-acquisition>.

12. Please provide a copy of the financial statements, budget, profit and loss statement, cost center report, profitability report, and any other financial report regularly prepared on any periodic basis since August 6, 2024, for Carelon Health, apree health, and any other joint venture entities operating in Oregon.

Carelon Health and MPG have no operations in Oregon. apree health has closed its two facilities in Oregon. The Medford Clinic closed on February 28, 2025, and the Portland Clinic closed on September 1, 2025.

Please see the attached Income Statements for the Medford Clinic and the Portland Clinic, provided as Appendix D and Appendix E, respectively. The Income Statement for the Medford Clinic covers the time period from 8/1/2024 – 12/31/2024 and 1/1/2025 – 7/31/2025. The Income Statement for the Portland Clinic covers the time period from 8/1/2024 – 12/31/2024 and 1/1/2025 – 7/31/2025.

13. Describe any changes to the operations, structure, policies, business, or employees of primary care clinic locations in Oregon since August 6, 2024. This includes changes to:

- a. Locations**
- b. Hours of operations**
- c. Billing and payment practices**
- d. Types of insurance accepted**
- e. Number and composition of clinical staff**
- f. Number and composition of administrative staff**

apree health has closed its two facilities in Oregon. The Medford Clinic closed on February 28, 2025, and the Portland Clinic closed on September 1, 2025.

14. Provide the data requested in the Attachment B: Data Template.

- a. For Vera Whole Health and Amy's Family Health Center:**
 - i. Number of patients served (2023, 2024, YTD 2025?)**
 - ii. Number of visits, by location (2023, 2024, YTD 2025?)**

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**iii. Number of staff employed, broken out by clinical
and admin**

Please see the attached Attachment B: Data Template.

* * *

This letter and its attachments and appendices contain confidential business and financial information that qualifies as trade secrets as identified in the enclosed confidentiality log that is provided pursuant to ORS 415.501 and ORS 192.345(2). Sincerely,

Sincerely,

George Paul
for **WHITE & CASE** LLP

Enclosures