

VIA EMAIL ONLY

Bevin Newman
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April 18, 2025

Re: Preliminary Review Determination — **043 Providence-Compassus**

The 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) 407-070-0000 through 407-070-0085.

On March 20, 2025, OHA confirmed receipt of a complete Notice of Material Change Transaction form (“Notice”) from FC Compassus, LLC (“Compassus”) and Providence Health & Services – Oregon (“Providence Oregon”) (collectively, the “Entities”) for the above-referenced Transaction, in compliance with OAR 409-070-0030 and 0045. Pursuant to ORS 415.501(5) and OAR 409-070-0055, OHA timely completed a preliminary review of the Transaction. OHA has determined that the Transaction is a covered transaction pursuant to OAR 409-070-0010(1)(b) and that a comprehensive review of the Transaction is required.

Pursuant to OAR 409-070-0030(3)(c)(D), OHA has assessed a fee of \$100,000 associated with the comprehensive review. This fee includes the \$2,000 previously paid and associated with preliminary review. OHA will issue an invoice for \$98,000 to the billing contact provided in the Notice.

Pursuant to ORS 415.501(14) and ORS 409-070-0050, OHA expects to retain outside advisors to support this comprehensive review and designates Compassus as the

entity that shall bear the cost of OHA's outside advisors. OHA will invoice Compassus to reimburse costs and expenses associated with outside advisors.

Pursuant to OAR 409-070-0060, OHA will issue a proposed order within 180 days of receipt of a complete Notice, unless otherwise tolled or extended as permitted under OAR 409-070-0085 and 409-070-0060(6).

Please contact HCMO staff if you would like to request a comprehensive review conference pursuant to OAR 409-070-0045(2). The comprehensive review conference provides an opportunity to discuss OHA's comprehensive review criteria, timing and process questions, and the use of outside advisors.

This letter and OHA's Preliminary Review Report will be posted to the HCMO program website at <https://www.oregon.gov/oha/HPA/HP/Pages/043-Providence-Compassus.aspx>.

If you have questions or need further information, please contact hcmo.info@oha.oregon.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Sarah E. Bartelmann", with a long horizontal flourish extending to the right.

Sarah Bartelmann, MPH
Cost Programs Manager
Oregon Health Authority

Cc: Kristin Smith, Sheppard, Mullin, Richter and Hampton, LLP
Matthew Hans, Polsinelli PC
Jim Watson, Providence St. Joseph Health
Karine Giaella, Oregon Department of Justice