

**I. Providence Home Health & Hospice Services and Programs**

**Services and Programs**

- 1. [CONFIDENTIAL] A Providence presentation from August 2023 (at Compassus\_Notice\_01921) notes “specialty” hospice/palliative care programs offered in Oregon, including “grief support services” and services for “medically complex patients.” Please provide a detailed response to each of the following requests.**
  - a. Describe each of these programs or services as they existed between January 1, 2023, and May 31, 2025, including, but not limited to, the services offered, individuals served, geographic areas where services are offered, patient eligibility requirements, and all sources of funding.**
  - b. Identify and describe all other specialty programs or wraparound services offered by Providence in Oregon for home hospice/palliative care or home health at any time between January 1, 2023, and May 31, 2025.**
  - c. For each program or service identified in response to subsections a or b:**
    - i. Indicate whether the program or service was still being offered to Oregon residents as of May 31, 2025. If not, please provide the date on which the program or service ceased to be offered to Oregon residents.**
    - ii. Provide the total number of Oregon residents served annually in 2023, 2024, and 2025 (January 1 – May 31).**
    - iii. List the types of clinical staff positions (e.g. RN, social worker, bereavement counselor, etc.) engaged in providing services to Oregon residents as of December 31, 2023, December 31, 2024, and May 31, 2025**
    - iv. For each position type identified in iii., provide the total full-time equivalent (FTE) dedicated to providing services to Oregon residents as of December 31, 2023, December 31, 2024, and May 31, 2025.**

Please see Exhibit 1 for the information requested in Inquiries 1.a through 1.c. All specialty programs and wraparound services offered by Providence in Oregon for home hospice/palliative care or home health between January 1, 2023 and May 31, 2025 are identified and described in the responses to Inquiries 1 and 2.

Post-closing, the Providence-Compassus JV intends to maintain substantially the same type, level, and availability of home/palliative care programs as currently offered by Providence, including grief support services and services for medically complex patients. The Providence-Compassus JV fully intends to continue offering these services indefinitely, and has maintained and is operating each of these programs in Alaska, Washington, and Texas where this transaction closed on March 1, 2025. The Providence Compassus JV is focused on providing compassionate, high quality home-centered care to a population of homebound patients in need of

skilled care, terminally ill patients and patients who will benefit from community-based palliative care services.

**2. [CONFIDENTIAL] Schedule V of the Amended and Restated Limited Liability Company Agreement of Compassus Providence Holdings, LLC (at Compassus\_Notice\_00237) lists “community benefit programs” provided by Providence related to home health and hospice. This list is reproduced below. For each program listed below, provide a detailed description of the program, including the services offered, individuals served, geographic areas where services are offered, any patient eligibility requirements, and sources of funding.**

The Providence-Compassus JV is critical to sustaining Providence’s community benefit programs into the future. Without the Providence-Compassus JV, Providence cannot support these programs at current service levels, and will likely close or pair back such programs in all markets, including Oregon.

Compassus understands that Providence’s community benefit programs are critical for the communities they serve, so preserving those benefits is important for the Providence-Compassus JV. This is why the parties agreed to make the continuation of community benefit programs a contractual obligation under the Providence-Compassus JV’s operating agreement (please see Compassus\_Notice\_00179; 00237).

In transferring and replicating the community benefit programs, Providence and Compassus are collaborating to ensure that such programs continue to provide the same or similar services to the same or similar communities, in each case in compliance with applicable licensing and fraud and abuse laws. The Providence-Compassus JV will fund these community benefit programs in much the same way as Providence funds them today. Specifically, Providence has supported home health and hospice through the Providence Foundation and will continue to do so post-closing. Funding will also come from ongoing home health and hospice operations, consistent with past practice. Finally, the parties expect additional funding from the Compassus Living Foundation as well as private grants and donations.

Each community benefit program is described in more detail below.

**a. Pediatric hospice and community based palliative care.**

The Providence-Compassus JV will provide (and is providing in certain markets) compassionate pediatric hospice and palliative care services designed to manage symptoms, provide comfort, and enhance the quality of life for children with life-limiting illnesses and their families. Care is delivered in both home and community-

based settings by interdisciplinary teams within the scope of the program's state operating license.

Pediatric hospice care is essential for pediatric patients and their families desire end-of-life care provided at home, including pain and symptom management, medical equipment provision, and 24/7 on-call support. Pediatric palliative care involves interdisciplinary teams (physicians, nurses, social workers, chaplains, therapists) addressing medical, psychological, and spiritual needs, beginning at diagnosis and continuing throughout illness, not limited to end-of-life. These community benefit programs also include:

- Emotional and spiritual support for patients and families.
- Support with complex care coordination and advanced care planning.
- Respite care for family caregivers.
- Coordination with other healthcare providers (hospital, primary care, specialists and counselors).

Individuals Served:

- Infants, children, and adolescents (<21 years) living with life-limiting or complex chronic illnesses.
- Family members and caregivers of pediatric patients.

Geographic Areas Served:

Providence does not provide pediatric hospice services in Oregon, but these services are available in the following areas in WA, CA, AK and TX, and will continue to be available under the Providence-Compassus JV:

Seattle, WA — Providence Hospice of Seattle

- Pediatric Palliative Care and Hospice Program. This program offers medical, emotional, and spiritual support to children with life-limiting illnesses, as well as their families, delivered by a designated pediatric specialty team including pediatric specialty physician and nurse practitioner as part of the interdisciplinary team.
- Service Area: The program serves King County and portions of neighboring counties.

Vancouver, WA — Providence Southwest Washington Hospice

- While this branch primarily focuses on adult patients, it can sometimes serve pediatric patients in special circumstances.

Everett, WA — Providence Hospice and Home Care of Snohomish County

- Pediatric hospice and palliative care services are delivered by a designated pediatric specialty team including pediatric specialty physician and nurse practitioner as part of the interdisciplinary team. This team serves Snohomish County.

Los Angeles County, CA — Providence TrinityCare Hospice (Torrance, CA)

- Large Pediatric Palliative and Hospice Program is well-known for its pediatric hospice and palliative care program. This was previously known as the “Sandpipers Pediatric Program.”
- TrinityKids Care launched in 2001 as a designated pediatric specialty team and has cared for thousands of children and their families since inception.
- Care is provided in close collaboration with Children’s Hospital Los Angeles, Mattel Children’s at UCLA, Miller Children’s Hospital, Kaiser, and Cedars-Sinai.
- Services Offered: Home-based palliative and hospice care for children, Pain and symptom management, Emotional and psychosocial support for the child and family, Support with decision-making, care planning, and bereavement, Specialized interdisciplinary pediatric team, including pediatric palliative care specialty physicians and nurse practitioners.

Orange County, CA — Providence TrinityCare Hospice (OC)

- Providence TrinityCare also serves parts of Orange County for pediatric hospice and palliative care, often in collaboration with local children’s hospitals such as CHOC Children’s and pediatric specialists.

Northern California, CA — Providence Hospice

- Adult hospice and palliative care services are widely available through Providence’s Northern California offices (e.g., Sonoma and Napa counties), but dedicated pediatric hospice and palliative care programs are limited. Providence has not served children in these counties during this timeframe.
- For children, Providence may help coordinate with local children’s hospitals and organizations specializing in pediatric palliative care (e.g., UCSF Benioff Children’s, Stanford Children’s).

Anchorage, Alaska: Providence Hospice extends care to children and families in the greater Anchorage service area.



Patient Clinical Eligibility Requirements:

- Diagnosis of a serious, life-limiting illness (cancer, neuromuscular, congenital, metabolic and genetic disorders, etc.).
- Hospice: physician's prognosis of ≤6 months if illness runs its course.
- Palliative care: any stage of serious illness; does not require terminal diagnosis.

Financial Eligibility Requirements:

- Financial eligibility requirements are set forth in the Providence-Compassus JV's Financial Assistance policy, which is attached as Exhibit 21.2.

Sources of Funding for Unreimbursed Pediatric Palliative Services:

- Providence-Compassus JV operating income
- The Providence Foundation
- The Compassus Living Foundation
- Charitable donations, grants, and community fundraising

**b. Adult community based palliative care ("CBPC"), including interdisciplinary palliative care/whole person care, and targeted care for specific ethnic/underserved communities.**

The Providence-Compassus JV's adult community-based palliative care programs deliver interdisciplinary, whole-person care to adults with serious illnesses within the scope of the program's state operating license. The focus is on improving quality of life, addressing physical, emotional, and spiritual needs, and supporting culturally sensitive care for underserved and ethnically diverse communities.

Programs and Services Offered:

- Interdisciplinary palliative care provided by physicians, nurses, social workers, case managers, and chaplains.
- Symptom management, advanced care planning, disease education, and navigation of complex health and social needs.
- Home-based and outpatient consultation services (specialty palliative care).
- Targeted services for specific communities in addition to general population include but are not limited to:
  - Latino Palliative Care Program (Oregon): bilingual, culturally tailored outreach and care.
  - Partnership with tribal health (WA/OR): support for Native American and Alaska Native communities.

- Asian-Pacific Islander and Black/African American outreach programs (CA)
- Iyashi Care (CA): outreach and bilingual/bicultural care for Japanese and Japanese-American community.
- Care transitions and support for at-risk/vulnerable populations (including the uninsured patients).

Individuals Served:

- Adults (18 years and older) with chronic, serious, or life-limiting illnesses (such as cancer, heart failure, COPD, advanced dementia, and others).
- Often includes underserved patients, those with barriers to care or special cultural needs.
- Family caregivers.

Geographic Areas Served:

The service areas of the Providence-Compassus JV include multiple counties in Washington, Oregon, Alaska, and California:

Seattle, WA — Providence Hospice of Seattle

- This program delivers coordinated palliative services and care management for adults facing complex illness in King County and surrounding Puget Sound communities.

Snohomish County — Community-based palliative care offered to adults facing complex illness in Snohomish County.

Portland, OR — Providence Home and Community Care (Connections)

- Portland Metro - Provides adult palliative care in homes and outpatient clinics for the Portland metro region, focusing on quality of life, pain, symptom management, and advance care planning.
- West Portland – The palliative care team supports adults and their families in the community throughout western Portland and surrounding neighborhoods.
- South Portland; Oregon City - Serves the community in the east and south of Portland with in-home, clinic, and consultation palliative care for seriously ill adults.
- Statewide – virtual palliative care.

North Coast, OR — Providence Home and Community Care (Connections)

- Offers CBPC to residents of Seaside and the north Oregon coastal communities, focusing on those with chronic or advanced illnesses.

Sonoma and Napa Counties, CA – Providence offers CBPC in these counties to adults with chronic or advanced illnesses, partnering with multiple payors and care providers.

Los Angeles and Orange Counties, CA — Providence Palliative Care

- Encompasses multiple sites delivering home-based palliative care throughout Los Angeles, Orange County, and San Fernando Valley, with teams supporting Hundreds of seriously ill adults outside the hospital setting.

This large program supports adults in their homes across greater Los Angeles and Orange County with palliative care, helping with symptom management, coordination of care, and psychosocial support.

Patient Clinical Eligibility Requirements:

- Adults with a serious or life-limiting illness, regardless of prognosis; does not require a six-month terminal prognosis (unlike hospice).
- Generally, patients who need enhanced symptom management, complex care coordination, or support for serious illness coping.
- May require medical provider referral or evidence of ongoing advanced illness.

Sources of Funding for Adult Community Based Palliative Care:

- Medicare (Part B, for qualifying physician/NP social work visits), Medicaid, and private insurance (varies).
- Grant funding for cultural/underserved initiatives.
- Providence Foundations, fundraising, and local/state contracts for safety-net coverage.

**c. Enhanced grief support services for community members and families of pediatric patients, including Camp Erin.**

In addition to the below, please see Exhibit 1 for more information regarding grief support services offered.

The Providence-Compassus JV delivers comprehensive grief support in Oregon, Washington, and California for families and children coping with loss, including counseling, peer support, and unique programs like Camp Erin and Safe Crossings (described below), addressing the broad needs of grieving communities.

Programs & Services Offered:

- Individual and group grief counseling and support groups.
- Family and sibling support, counseling, and education.

- Memorial events, specialized workshops, and ongoing support groups.
- Educational resources and training for schools and community organizations.
- Camp Erin: Camp Erin was founded in 2002 by Eluna (formerly The Moyer Foundation), co-founded by Major League Baseball pitcher Jamie Moyer and his wife, Karen. The camp was named in memory of Erin Metcalf, a young woman who developed liver cancer at age 15. Erin had a wish to help other children. With her input, the Moyers started Camp Erin shortly before Erin's death at age 17. Since its inception, Camp Erin has grown into a nationwide network with locations across the United States and Canada, providing grief support to thousands of young people each year. Providence Health System's longstanding partnership with Camp Erin remain a key relationship under the Providence-Compassus JV. The Providence-Compassus JV will continue supporting Camp Erin in Washington and Oregon. Camp Erin is the largest national bereavement program for youth grieving the death of a significant person in their lives. The camps are free, weekend-long experiences designed for children and teens (typically ages 6-17). Camp Erin blends traditional camp fun—like arts & crafts, sports, and campfires—with age-appropriate grief education and emotional support activities led by professional staff and trained volunteers. The Providence-Compassus JV and Providence will continue to support the Camp Erin programs as funding, staffing, and/or organizational partners. It is truly one of the highlights of the year for caregivers, staff, and leadership. Camp Erin is offered in Snohomish county, WA, King county WA and Portland, OR annually.
- Safe Crossings Youth Grief Program: This program, designed by Providence and carried forward by the Providence-Compassus JV, supports children, teens, and their families as they navigate the complex emotions and life changes that follow the death of a loved one. The program offers age-appropriate, compassionate, and evidence-based grief support in a safe and nurturing space. Safe Crossings is based in Seattle, WA and offers services at multiple sites to improve accessibility for youth and families throughout the region. Main locations generally include hospice regional offices, participating hospice centers with dedicated Safe Crossings staff, community centers, schools, churches or youth centers. Some locations offer virtual groups as online support for families unable to attend in person. Program elements include:
  - Age-Specific Grief Support Groups: Separate group sessions for children (ages 5–12), teens (ages 13–18), and caregivers. Groups typically meet weekly or biweekly for 6–10 sessions, led by specially trained grief counselors and/or licensed social workers. Activities include:
    - Sharing circles and guided discussions.

- Art therapy and creative expression activities (drawing, journaling, crafts).
- Play therapy for younger children.
- Memory-building and storytelling exercises.
- Coping skills workshops.
- Family Grief Nights: Family events that foster intergenerational healing and communication. These events include communal dinners, remembrance ceremonies, and joint activities.
- Crisis and Short-Term Counseling: Individual or family counseling is available for those in acute need.
- Community Education and Resources: Workshops for schools, community partners, and caregivers on childhood grief and trauma. Resource library (books, handouts, referrals) for grieving families.
- Remembrance and Healing Ceremonies: Opportunities to honor and memorialize loved ones in a supportive environment.
- School-Based Programming: Some Providence Safe Crossings locations offer partnerships with local schools to deliver onsite grief support groups or classroom workshops.
- Specialized grief support services for children and families is also offered in Snohomish county, WA and in Los Angeles and Orange counties, CA though not operating under the Safe Crossings name.

#### Individuals Served:

- Children, teens, and families experiencing loss, including those served by Providence at Home with Compassus pediatric hospice/palliative care.
- Several grief support groups and Camp Erin are open to community members who were not served by Providence Hospice.
- Youth from communities disproportionately affected by trauma or loss (Safe Crossings' focus).

#### Geographic Areas Served:

- **Oregon**: Portland Metro (including Multnomah, Clackamas, and Washington Counties), and regional Camp Erin site.
- **Washington**: Providence Hospice of Seattle, Spokane, Clark County; Camp Erin in Seattle and Spokane.
- **California**: Los Angeles County (Providence TrinityCare), Orange County.

#### Eligibility Requirements:

- Open to all community members regardless of prior Providence patient status.
- **Camp Erin**: children and teens ages 6-17 who have experienced the death of someone close.

- Safe Crossings: Youth aged 5–18 who are grieving the loss of a significant person (parent, sibling, family member, close friend), accompanied by their legal guardians if under 18.
- Safe Crossings: school-based eligibility, referral through counselors and social workers.
- Residency: Generally prioritized for those living within the Providence service area or who have had a family member served by Providence Hospice.

Sources of Funding:

- Commercial payor or government health care program
- Eluna Foundation and community grants (for Camp Erin).
- Providence Health & Services Foundations.
- Local philanthropic and community-based donations.
- School district contracts and public health grants (Safe Passages).
- Joint Venture Financial Assistance policy to provide eligible patients with reductions to patient financial responsibility attached as Compassus Notice\_00231 to 00233.
- Compassus Living Foundation

**d. Provision of necessities of life to support patients and allow for the safe provision of care (e.g., providing low-income patients with fans during the summer).**

In addition to the below, please see Exhibit 1 for more information.

The Providence-Compassus JV unites the philanthropic strengths of Providence Home and Community Services and the Compassus Living Foundation to deliver a continuum of compassionate care. Supported by the generosity of foundations and community donors from both organizations, the Compassus Living Foundation will provide grants to eligible applicants to address such applicants' non-clinical, necessities of life.

Through the support of foundation and donation-supported initiatives, patients, families, and patient caregivers gain access to financial assistance enabling individuals to maintain independence, dignity, and a sense of community, even in the most vulnerable moments of their lives.

In partnership with the Providence St. Joseph Foundation, the Compassus Living Foundation provides a national platform that furthers the shared mission to provide comfort, connection, and peace for those navigating serious illness and end-of-life journeys. Through targeted philanthropic programs, these foundations serve as a compassionate bridge for patients and their families, meeting diverse emotional, physical, and spiritual needs. From robust patient assistance and wish fulfillment to

bereavement support and innovative community engagement, each person receives individualized and holistic support during their most critical days.

By merging these complementary legacies of service and philanthropy, the Providence-Compassus JV stands uniquely positioned to make a life-changing impact: providing every patient and family touched by the Providence-Compassus JV with the dignity, comfort, and comprehensive care they deserve—no matter their circumstance or stage of need.

Joint Programs:

The following programs and services are offered by the Providence-Compassus JV, and supported by the Compassus Living Foundation and the Providence Foundation:

- *Comprehensive Non-Clinical Support:* Together, the Providence-Compassus JV can offer a seamless continuum of practical assistance—covering food, housing, utilities, transportation, charity care, and specialized equipment for those in need, regardless of payer status.
- *Wish Fulfillment and Life Enrichment:* With both organizations' experience and resources, patients can benefit from meaningful "last wishes," memory-making initiatives, and enrichment activities that comfort both patient and family at vulnerable moments.
- *Robust Volunteerism:* The joint volunteer base brings expanded manpower and new skillsets—from companion visits and caregiver respite to legacy projects and vigil programs—enriching the personal touch and community connection of care.
- *Holistic and Integrative Therapies:* By blending Providence's foundation-funded therapies with Compassus's hospice enhancements, the Providence-Compassus JV can offer a rich suite of music, art, massage, meditation, pet and spiritual care, ensuring whole-person well-being.
- *Community and Caregiver Education:* The combined outreach of both organizations results in a strong public education platform on end-of-life care, advance planning, disease management, and caregiver skills—extending the impact of care beyond immediate patients.
- *Outreach to Underserved Populations:* Combining Providence's and Compassus's targeted support for veterans, rural, and underserved populations with Providence's tradition of charity care ensures greater access and equity for all vulnerable groups.

Individuals Served:

The Providence-Compassus JV provides necessities of life services to individuals and families who are navigating serious illness, hospice, or end-of-life care, and who are experiencing hardship or barriers to accessing vital resources. These services

address critical needs such as food, housing, utilities, transportation, specialized equipment, and other essentials not covered by insurance. Those served include:

- Patients receiving hospice care through the Providence-Compassus JV.
- Family members and caregivers supporting those patients during illness or end-of-life transitions.
- Individuals facing financial hardship, social isolation, or other significant barriers to care.
- Members of underserved communities, including rural residents, veterans, and those with limited access to healthcare resources.

Patient Eligibility Requirements:

- Active enrollment in a Providence-Compassus JV program (e.g., home health, hospice, or palliative care).
- Demonstrated financial need or lack of coverage for essential non-clinical needs (determined through an application, social work assessment, or referral process).
- Additional consideration for:
  - Social vulnerabilities (e.g., isolation, lack of caretaker support).
  - At-risk populations (e.g., veterans, medically underserved, rural residents).
  - Priority may be given during times of acute need (e.g., sudden loss of income, illness progression, or emergency situations).

Geographies Covered:

Alaska, Washington, and Texas and (when approved by state regulators)  
California and Oregon.

Sources of Funding: Necessities of life services are generously funded through a blend of:

- Philanthropic foundations associated with Providence and Compassus.
- Community donations from individuals, charitable giving campaigns, and local organizations.
- Corporate sponsorships and grants targeted to support essentials for vulnerable patient populations.
- Special fundraising events and annual appeals led by both organizations' foundation arms.
- Designated donor funds and endowments established specifically for patient assistance and community support.



- 3. For each program identified in RFI Item #2, use the “Providence Workbook,” attached hereto as Appendix A, to provide data on patient volume and staffing for the year ended December 31, 2024. Further instructions are provided in Appendix A.**

Please see Appendix A, which is enclosed as Exhibit 3

- 4. The Oregon Nurses Association (“ONA”) reported that Providence closed its Home Health Palliative Care program in February 2024, eliminating 11 nursing positions. Please provide a detailed response to each of the following requests.**

This prior closure of the home health and palliative care program demonstrates why Providence’s home health and hospice service lines are at risk if this Providence-Compassus JV does not proceed in Oregon.

- a. Confirm the date of closure and the total number of nursing positions eliminated due to the closure.**

Providence Home Health Portland closed its Palliative Care Clinical Unit on February 23, 2024. The eleven nurses working in that unit were given offers of employment and encouraged to stay with Providence Home Health. Nine nurses remained in home health RN roles; and two nurses took a severance package.

- b. Describe the program that was closed, including the services offered, individuals served, geographic areas where services were offered, patient eligibility requirements, and all sources of funding.**

Providence Home Health Portland’s Palliative Care Program provided skilled nursing medical care for patients experiencing progressive, serious illness who medically qualified for home health services (home bound with skilled needs).

Providence operated two palliative programs for the community in Oregon – a community-based palliative program under Connections that offered an interdisciplinary approach to palliative intervention (provider, nurse, social worker, chaplain with specific palliative training) to those living with serious illness, with and without skilled needs, and a smaller home health palliative care program within Providence’s home health team that offered palliative nursing to home health patients.

In an effort to best meet community need and to ensure continued support of the services, Providence consolidated palliative services into its Connections program whose sole focus is interdisciplinary palliative intervention and eliminated the home health palliative program. Home health patients with palliative care needs

could access BOTH home health and Connection palliative care concurrently. This actually afforded a broader complement of palliative care services with more disciplines to Oregonians, including those receiving home health. Providence offered positions to all home health palliative care RN's as general home health nurses with the intention of expanding access to home health in the greater Portland area.

Providence Home Health Portland continued to (and continues to) identify home health patients with palliative needs in addition to their skilled home health needs. The Connections palliative care team adds a layer of palliative care service in addition to home health care.. Providence also continued to (and continues to) provide palliative care to patients who did not qualify for skilled nursing care under the Medicare home health benefit through Providence's Connections Palliative Care program.

Providence Home Health Portland's Palliative Care Clinical Unit served adults diagnosed with progressive, serious illnesses, in the Portland metro area. Any adult diagnosed with a progressive, serious illness was eligible. The services were funded by commercial payors or fee for service.

- c. Use the "Providence Workbook," attached hereto as Appendix A, to provide the number of:**
- i. patients residing in Oregon who were served by this program in the 12 months prior to closing.**
  - ii. direct patient care FTE positions in Oregon as of the closing date, and**
  - iii. total direct care FTE positions in Oregon that have been eliminated due to this closure as of May 31, 2025.**

Appendix A is enclosed and contains the requested information for ii. and iii. Providence does not have data regarding i. because in its EMR, Providence tracked patients by home health episodes, and Providence cannot separate out who received palliative care as part of their home health episode.

- d. Provide the reason(s) why Providence decided to close this program. If this decision was based on certain metrics or analyses, provide copies of all such metrics or analyses.**

Exhibit 4.1 contains a copy of Providence's FAQs for and notice of closure to caregivers.

Providence Home Health Portland's Palliative Care Clinical Program was a specific team-based model of care designed to provide patient and family-centered care, for an undetermined amount of time, that optimizes quality of life for those with

complex medical needs. Providence Home Health Portland is a Home Health agency providing skilled medical care. In accordance with CMS guidelines for Home Health Skilled Nursing Care, palliative care patients can only be seen if they have skilled nursing needs. The Palliative Care Clinical Unit was outside of the skilled nursing focus of Providence Home Health Portland, so Providence could not prioritize the program in light of the health system's other spending priorities. Consolidating palliative services under the Connections palliative care program ensured patient palliative care needs are met both while they have skilled needs which qualify them for home health and when there are palliative, but not skilled, clinical interventions needed.

- e. Explain whether Providence is continuing to provide home-based palliative care in Oregon despite the closure of this program. If yes, provide a detailed response to the following:**

Yes, Providence provides home-based palliative care in Oregon.

- i. Describe the current organization of home-based palliative care services and programs within Providence Oregon. In doing so, address whether these services are integrated with the home hospice or home health service lines.**

Providence provides specialized palliative medical care for patients who are experiencing a progressive, serious illness, and their families. Palliative care is a standalone service that operates under the hospice license but is outside the Medicare and Medicaid hospice benefit. Patients can concurrently receive home health care and home-based palliative care. Home hospice and palliative care services do not overlap. However, a patient receiving palliative care may transition to home hospice as part of the continuum of care.

The Providence-Compassus JV will continue provide home-based palliative care in Oregon. Compassus has experience operating successful palliative care programs across the country. Providence-Compassus JV will leverage Compassus' expertise to sustain and hopefully grow hospice and palliative care services in Oregon. Additionally, the transaction will provide much needed capital to support the hospice/palliative care service lines.

- ii. **Describe the staffing of home-based palliative care services and programs in Oregon. In doing so, address whether clinical or administrative staff are shared with home hospice or home health programs.**

Connections home based palliative care staffing is its own team, independent of hospice and home health, These teams collaborate regularly to ensure integrated care, but direct patient care is distinct.

- iii. **Explain how patients access home-based palliative care services and programs, including a description of the eligibility criteria and referral, intake and enrollment processes for each service and program.**

Eligibility Criteria: Adults diagnosed with a progressive, serious illness.

Enrollment Process: Once eligibility is met, Palliative care visits are scheduled (there is no enrollment process like home health or hospice). Exhibit 4.2 contains a brochure that describes Providence's Palliative Care Consultation Service, which helps patients obtain palliative care services.

Palliative care receives referrals from the following sources:

- Providence in-patient providers (hospital, cardiology, palliative care, etc.).
- Out-patient providers (Providence PMG & Specialty, non-Providence providers).
- Providence Home Health.
- Self-referral (requires review of insurance and if a referral from primary care is required, palliative care will follow up directly).

At closing, the Providence-Compassus JV will maintain all existing eligibility criteria and all existing referral, intake and enrollment processes for palliative care patients. A referral will come in through intake, and the intake team will work with local teams to provide care to the patients. The patient's provider will be the one who determines eligibility of the patient while working with the patient's care team. The teams collaborate with each other to ensure the patient is eligible for care, desires the care, and is safe in the home.

As part of the integration process, the Providence-Compassus JV will undertake an initiative to drastically reduce the time it takes to complete a referral (see response to Inquiry 76.b) and increase referrals from both Providence facilities and the broader community (see responses to inquiry

28 and 75. The purpose of these initiatives is to increase access to care and ensure that palliative care services are available to all those in the community who need them.

**iv. Describe how home-based palliative care services and programs operating within Providence Oregon are funded.**

Funding for home-based palliative care services and programs are funded by third party payors. Additionally, patients receiving palliative care services qualify for financial support through Providence's charity care and financial assistance policy, which is attached as Exhibit 21.1

**v. List all home health or home hospice agency locations in Oregon that offered home-based palliative care services as of May 31, 2025.**

These services are currently being provided at 6410 NE Halsey Street, Suite 3000, Portland, OR 97213

**vi. Use the "Providence Workbook," attached hereto as Appendix A, to provide historical information on home/community-based palliative care services in Oregon. Further instructions are provided in Appendix A.**

The requested data is included in Appendix A. For Appendix A, please note:

- NP, LCSW, chaplain (when we've been staffed w a chaplain) participate in scheduled visits.
- RNs triage for scheduling and provide phone support but, don't participate in scheduled visits.
- Visits are scheduled either as a dyad with an NP/LCSW or solo visits with NP or LCSW or chaplain. With current staffing levels, in the past couple of months approximately 25% are dyad visits. When fully staffed approximately 50% of visits are dyad visits.

**For subpart e.vi, please provide additional information and data within the attached Appendix A, worksheets "4.e.vi. Palliative Care" and "4.e.vi. Palliative Care Staffing."**

- Total Employed FTE in Appendix A, 4.e.vi: Palliative Care Staffing has been updated to reflect all Oregon Palliative Care staffing.
- Patient counts in Appendix A, 4.e.vi: Due of lack of available data, this patient count excludes patients who initially come to Providence and

are admitted for home health services and are later serviced by the home health palliative care program.

**5. ONA reported that Providence closed its Remote Monitoring program in July 2024, eliminating two positions. Please provide a detailed response to the following requests.**

**a. Please confirm the date of closure and the number of positions eliminated due to the closure.**

Providence ended its Remote Patient Monitoring program on August 24, 2024. Two LPN positions were eliminated. Neither of the LPNs were interested in open positions at Providence that involved field-based work.

**b. Describe the program that was closed, including the services offered, individuals served, geographic areas where services were offered, patient eligibility requirements, and all sources of funding.**

Services Offered: Provide home-based patients with medical devices to read blood pressure, weight and other important health information and relay to their care team to allow team members to act before symptoms worsen

Geographical Areas Served: Portland, OR and Medford, OR

Patient Eligibility Requirements: Current home health episode with skilled nursing required and ordered by the overseeing provider. Homebound patient.

Sources of Funding: Cost absorbed by Providence, as there is very limited ability to bill Medicare fee-for-service, Medicare Advantage, or commercial insurance for remote patient monitoring.

**c. Use the "Providence Workbook," attached hereto as Appendix A, to provide the number of:**

- i. patients residing in Oregon who were served by this program in the 12 months prior to closing.**
- ii. direct patient care FTE positions in Oregon as of the closing date.**
- iii. total direct care FTE positions in Oregon eliminated due to this closure as of May 31, 2025.**

Please see Appendix A for information requested by ii. and iii. Information requested by i. is not available because Providence cannot access patient census data for the Remote Patient Monitoring program. Providence has determined that 16 Medtronic devices were active in Oregon at any given time in the 12 months prior to closing.

**d. Provide the reason(s) why Providence decided to close this program. If this decision was based on certain metrics or analyses, provide copies of all such metrics or analyses.**

Remote patient monitoring in home health improves clinical outcomes by enabling early detection of physiological deterioration, facilitating timely interventions and promoting patient engagement. To be successful and scalable, remote monitoring tools must be (a) low-cost, (b) interoperable with other clinical systems, and (c) user friendly for patients and their caregivers.

Despite the clinical promise of remote monitoring, there is no specific reimbursement for such technologies. Unfortunately, Medtronic stopped supporting the devices used in the Remote Patient Monitoring program and stopped making replacement parts. Providence could not reasonably afford to replace the Medtronic systems, so discontinued the remote-monitoring program entirely.

The sunseting of the Remote Patient Monitoring program is an example of the risks associated with the status quo, and the benefits of the proposed joint venture. The status quo means less accessible home health services that cannot implement the most advanced and effective care pathways.

It is impossible for Providence to maintain existing levels of investment in its home health/hospice line of business without access to outside capital. The Providence-Compassus JV unlocks additional capital investment, a state-of-the art technology platform designed specifically for home-health, and the operational expertise necessary to maintain and improve home health for decades to come.

The Providence-Compassus JV will once again give patients in Oregon access to remote monitoring services for in-home care. As further described in Response to Inquiry 66.b. Compassus provides remote patient monitoring support for Home Health patients with specific disease conditions that benefit from additional monitoring support. Patients on remote patient monitoring service will take vitals daily, which is monitored by a team of nurses who identify trends and provide outreach/triage support for patients who have vitals that require intervention. This will be a near-term benefit of this transaction for Oregonians.

Exhibit 5 attached hereto contains communication materials regarding Medtronic sunseting.

**6. In late 2024, ONA and OregonLive reported that Providence had announced plans to eliminate nursing and communication specialist positions within its Augmentative and Alternative Communication (AAC) program and pause new admissions to the program. Please provide a detailed response to the following requests.**

- a. Describe the AAC program as it existed between January 1, 2023, and December 31, 2024, including the services offered, individuals served, geographic areas where services were offered, patient eligibility requirements, and all sources of funding.**

Augmentative and Alternative Communications (AAC) was not a separate program at Providence. Rather it is a type of care within speech and language pathology services. AAC is not a specialty or distinctly credentialed service with speech and language pathology services. AAC services involve use of speech generating devices or low-tech communication tools to provide speech therapy services. AAC services were available in Oregon throughout Providence' home health service areas, including Multnomah county. AAC services were as described below,

- b. List the types of direct patient care staff positions (e.g., RN, speech therapist, etc.) that Providence planned to eliminate (in Oregon or elsewhere) at the time of the announcement.**

Speech language pathologists provide the service.

- c. For each staff position listed in b., provide the number FTE that Providence planned to eliminate (in Oregon or elsewhere) at the time of the announcement.**

Providence eliminated 3 FTE speech language pathologists positions.

- d. Provide the reason(s) why Providence planned to eliminate positions within the AAC program and pause new admissions to the program. If this decision was based on certain metrics or analyses, provide copies of all such metrics or analyses.**

AAC services are historically provided in inpatient or office-based clinical settings, not in home health where the payment model does not support this. SLP services are continuing in home health and will continue as part of a patients skilled needs in their plan of care, in collaboration with other providers, including specialty clinics and device vendors.



- e. Clarify whether Providence has implemented any layoffs, reductions in FTE, or reductions in staff hours within the program (in Oregon or elsewhere) between October 1, 2024, and the date of this letter. If yes, please provide the following:**
- i. A list of the states where such layoffs or reductions have been implemented.**
  - ii. A list of the types of direct patient care staff positions (e.g. RN, speech therapist, etc.) in Oregon affected by such layoffs or reductions.**
  - iii. For each position type identified in ii., provide the total reduction in FTE or hours in Oregon.**

AAC program services are only offered in Oregon. Less than 3 FTE speech language pathologists served in this AAC service. Care for existing AAC patients continues though no new patients have been admitted with this singular need. These 3 SLP's are also providing care to general home health population patients.

**Please clarify whether the three speech language pathologists providing Augmentative and Alternative Communication ("AAC") services, whose positions were eliminated, have been reassigned to a different position or laid off. If reassigned to a different position, please specify the new position.**

The 3 AAC-SLPs have not been laid off nor have their positions been eliminated. They have remained actively employed and are treating patients with AAC needs as well as home health speech language therapy needs.

Their job title remains unchanged (i.e., "Speech Language Pathologist"), and they are under the same job description as the home health SLPs.

- f. Clarify whether Providence has paused admissions to the AAC program (in Oregon or elsewhere) at any time between October 1, 2024, and the date of this letter. If so, please provide:**
- i. A list of the states where admissions have been paused.**
  - ii. If applicable, the effective start date(s) and end date(s) of the pause(s) in Oregon**

AAC services have not been historically offered in other states. The pause in AAC program admissions in Oregon commenced in October 2024 and is ongoing. As Providence implements its financial turnaround plan, it must devote its limited resources to those high-demand programs that have the greatest impact on overall health and wellbeing of the communities Providence serves.

AAC Program (Augmentative and Alternative Communications): This is not a separate program, but rather a line of service offered to patients. This is a self-defined specialty within speech and language pathology. This type of care is not a different specialty or credential from other SLPs. These caregivers provide focused care, but the volume was very low. Speech and language therapy continues to be offered in home health; however, Providence is no longer offering AAC services in isolation. Providence continues to employ speech and language pathologists and provide SLP services to home health patients.

40 patients who were exclusively receiving speech and language pathology continued to receive services under home health, but no additional admissions were accepted to the AAC program.

Since pausing the service in October 2024, only 3 patients have requested AAC service. Providence has serviced all patients through home health speech therapists.

Negative margins in the home health line of business make it impossible to invest in ancillary programs that, while clinically effective, are not financially sustainable. The Providence-Compassus JV brings a pathway to further capital investment, increased volumes, and financial sustainability. The combination of these three will enable a level of innovation and specialization that is not possible based on current volumes and financial performance.

For more information, please see the ONA notification, script for caregiver notification, and communication with the licensing board confirming that speech and language pathologists can provide AAC services attached hereto as Exhibit 6.

- g. Clarify whether Providence is planning to make future cuts to or close this program (in Oregon or elsewhere) as of the date of this letter. If yes, please provide the following:**
- i. A list of the states where such cuts or closures are planned.**
  - ii. Effective date(s) of any planned cuts or closures.**
  - iii. If applicable, a list of the types of direct patient care staff positions (e.g. RN, speech therapist, etc.) planned to be eliminated in Oregon.**
  - iv. For each position type identified in iii., provide the total full-time equivalent (FTE) planned to be eliminated in Oregon.**





- h. Use the “Providence Workbook,” attached hereto as Appendix A, to provide the number of:**
- i. patients served by the AAC program in Oregon in the year 2024 and between January 1, 2025, and May 31, 2025.**
  - ii. total direct patient care FTE positions in Oregon as of December 31, 2024, and May 31, 2025.**
  - iii. (if applicable) total direct patient care FTE positions in Oregon that have been eliminated between October 1, 2024, and May 31, 2025.**

The requested data is provided in Appendix A.

- 7. Use the “Providence Workbook,” attached hereto as Appendix A, to provide a breakdown of Providence’s home health and hospice admissions in Oregon, by referral source, for the year ended December 31, 2024. Further instructions are provided in Appendix A.**

The requested data is provided in Appendix A.

- i. [CONFIDENTIAL] Please supply referral data for the South Branch home health location or explain why these data cannot be provided as requested.**
- ii. [CONFIDENTIAL] Entities supplied that East Branch hospice has no patients, but patient counts and revenues for this location were provided in other worksheets. Please supply accurate referral data for this location.**
- iii. [CONFIDENTIAL] Entities provided referral data from the Providence Hospice – OR- Main Location, whereas the data Entities supplied on worksheet “9. Home Hospice” indicates there were no patients at this location. If this location does not see patients, please explain this discrepancy or correct the data as needed.**

Appendix A, Tab “7. Referrals” has been updated to provide the requested data and/or applicable notes in the “notes” column in response to i. through iii. above.

- 8. Describe the systems, policies, and processes currently used by Providence in Oregon related to Social Determinants of Health (“SDOH”) screening for home health and hospice patients. In doing so, please respond in detail to the following:**
- a. What patients are screened?**

All patients admitted to hospice and home health are assessed for SDOH during the completion of the Comprehensive Assessment by the hospice social worker.

- b. What types of SDOH are screened for?**

In July of 2022, hospice in Oregon implemented a pilot project to screen for SDOH. Epic Remote Client did not have a built-in assessment specifically for SDOH, so the social workers used a smart phrase to add this information to the body of their psychosocial assessment. In addition, many categories of the Comprehensive Assessment in Epic Remote Client include social determinants of health, such as financial strain/needs, a safety assessment that covers topics such as the environment of care, assessment of basic needs such as food or utility assistance, as well as mental health and substance abuse factors which may impact patient and family coping. More recently, Epic Rover includes the ability to screen for SDOH and have that data flow into Epic Hyperspace. The social work team has focused on screening the following: financial resource strain, food insecurity, housing, and utilities.

Please see Exhibit 8 for more information.

- c. What resources or services are offered to patients who screen positive for SDOH needs?**

- Providence Community Resource Desk
- Providence Financial Assistance Program
- Happiness Fund
- 211 for rent, housing and shelter
- Food banks
- Meals on Wheels
- Utility programs
- Home improvement, safety and accessibility programs
- Hoarding resources
- Aging and disability services (e.g., ADRC -- Aging and Disability Resource Connection of Oregon)
- OR Dept. Human Services
- Legal Aid
- Immigration resources

- Multnomah County/Oregon Emergency Rent Assistance
- Eviction/tenant rights resources
- Better Outcomes Thru Bridges (BOB) Programs | OR | Providence
- Shelter and housing resources (e.g., Casa of Oregon, Good Neighbor Center, YCAP, etc.)
- Senior support (e.g., NorthWest Senior and Disability Services – NWSDS)
- Transportation resources (e.g., Ride Connection)
- Other important resources like Rose City Resource | Street Roots

**d. Provide copies of all current documents outlining Providence systems, policies, and processes for SDOH screening, including any screening tools, that apply to home health and hospice patients in Oregon.**

Please see Exhibit 8.

**9. Use the “Providence Workbook,” attached hereto as Appendix A, to provide staffing, utilization, cost, revenue, and patient demographic data for Providence home health and hospice locations in Oregon. Please provide historical data for the years 2019 through 2024 and January 1 – May 31, 2025, and projections under the Providence JV for the years 2026 through 2029. Further instructions are provided in Appendix A. Requested metrics include:**



**Please address items needing completion or explanation in Appendix A, worksheets “9. Home Health” and “9. Home Hospice,” as instructed in CONF Appendix A – 043 RFI Data Workbook – Providence – Updates Needed.xlsx.”**

Appendix A has been updated as follows:

Appendix A, Tab 9. Home Hospice:

**a. Please enter the forecasted FTE and utilization metrics for 2026-2029 as requested.**

Appendix A has been updated to provide this information and/or applicable notes; provided, however, Providence-Compassus JV does not have any year-over-year FTE forecast for clinical staff covering 2026 – 2029. As discussed in response to Inquiry 52, Providence-Compassus JV does not plan to make any changes to the clinical FTE head count. Any changes to clinical FTEs would be based on a number of factors, including the specific needs of the communities served by the respective location.

The numbers provided in response to RFI 1, Inquiry 9.d. below are not a Providence-Compassus JV forecast, but were provided by Providence as part of the diligence process.

For the avoidance of doubt, the forecasted administrative staff FTE data for 2026-2029 in Appendix A, Tabs “9. Home Hospice” and “9. Home Health” assumes that this transaction will close in Oregon (i.e., these are 2026-2029 projections of the Providence-Compassus JV as requested by Inquiry 9). Providence does not have any FTE projections for 2026-2029 covering the scenario of the Providence-Compassus JV failing to close in Oregon



Please note that the 2019-2025 FTE information is based on Providence’s legacy data, and 2026-2029 projections are based on the Providence-Compassus JV’s current data. Specifically, the 2026-2029 administrative staff projections were performed by Compassus and show FTE counts that are greater than 2019 – 2025 (YTD) FTE counts provided by Providence. The higher administrative staff FTE counts in 2026 through 2029 is attributable to (a) hiring of additional roles, (b) alignment of Providence’s previous organizational structure to Compassus’s go-forward organizational structure, and (c) differences in role classification and FTE mapping methodology utilized by the parties based on limitations in available data.

Providence does not maintain a standard method for benchmarking internal capture rates. Thus, please note the forecasted utilization metrics covering 2026-2029 in Appendix A, Tabs 9. Home Health and Home Hospice are based on data obtained from Trella Health, a third-party source that aggregates Medicare claims based on referral sources and care destinations.

- b. West Branch is listed as having no clinical staff in years where admissions and visits counts have been listed. If there were no staff at this location, please use the Column Z to describe what staff were responsible for the admissions and visits recorded. If staff were employed at another branch but dispatched to serve patients admitted**

**by these branches, please note this. If there were staff at these locations, please correct columns F through S for each of these locations and each year.**

Columns F through S have been updated to provide this information and/or applicable notes.

- c. Please supply the utilization metrics and patient count totals in the Total rows as requested.**

Utilization metrics and patient count totals have been added as requested.

- d. Data in column F Clinical Staff for each given location and year should be equal to the sum of the clinical staff listed in columns H, J,L,N,P,R. If there are clinical staff not represented by columns H through Q, please count them in column R and list their roles in Column T.**

Data has been updated to ensure consistency as requested.

- e. Data provided for Language Service Needs in Exhibit 9.2 are not sufficient to answer this question. Please fill out Columns AX:BB or use Column BC to explain why these data cannot be provided as requested.**

Added N/A to denote that this data is not available because Providence does not have such granular location-specific data or does not track the metric.

- f. Please supply capture rate and average length of stay for each location and all hospice locations total for 2021 through 2025 YTD.**

Appendix A has been updated to provide this information and/or applicable notes.

Appendix A, Tab 9. Home Health:

- a. Please enter the forecasted FTE and utilization metrics for 2026-2029 as requested. If only state-level forecasts are available, please fill out only the Total rows for 2026-2029.**

Appendix A, Tab 9. has been updated to provide this information and/or applicable notes.

- b. West Branch, North Coast Branch, Gorge Branch, and South Branch are listed as having no clinical staff in years where admissions and visits counts have been listed. If there were no staff at these locations,**

**please use the Column Z to describe what staff were responsible for the admissions and visits recorded. If staff were employed at another branch but dispatched to serve patients admitted by these branches, please note this. If there were staff at these locations, please correct columns F through S for each of these locations and each year.**

Columns F through S have been updated to provide this information and/or applicable notes.

- c. Data in column F Clinical Staff for each given location and year should be equal to the sum of the clinical staff listed in columns H, J,L,N,P,R. If there are clinical staff not represented by columns H through Q, please count them in column R and list their roles in Column T.**

Data has been updated to ensure consistency as requested.

- d. Admission, visit, and patient demographic counts are missing for South Branch in 2019 and for Yamhill and South Branch in 2025 YTD but cost and revenue data are listed for these locations and years. Please supply these data or use Column Z to describe why they were not provided. If there were no patients in these years, please enter 0 in the yellow fields and use Column AD to describe how revenues and costs were generated without patient admissions or visits.**

Explanatory notes have been added to Column Z.

- e. Capture rate data have not been provided for Yamhill Branch and South Branch in 2019 through 2025 YTD. Please provide these data or use Column AD to describe why they cannot be provided.**

Explanatory notes have been added to Column Z.



- f. **Data provided for Language Service Needs in Exhibit 9.2 are not sufficient to answer this question. Please fill out Columns BA:BE or use Column BF to explain why these data cannot be provided as requested.**

Added N/A to denote that this data is not available because Providence does not maintain such granular location-specific data or does not track the metric. Please see Exhibit 9.2 for available language services needs data for home health services which provides patient counts based on selected preferred language.

[REDACTED]

[REDACTED]

- a. **Average annual FTE for administrative and clinical staff, employed vs. Contracted.**

[REDACTED]

**b. Utilization metrics:**

- i. **Home health: annual number of episodic admissions, non-episodic admissions, episodic visits, non-episodic visits, and average annual capture rate (based on unique patients discharged from Providence Health System hospitals within 30 days prior to receiving home health services).**

Please see forecast for 2026 – 2029 attached as Exhibit 9.1, which has been updated in Row 5 to remove references to “2025 – 2029” and replace it with post-closing “Year 1 through Year 5” to reflect that these are projections covering annual periods commencing from the date this transaction closes in Oregon, which may not correlate with calendar years 2026-2029.

- ii. **Home hospice: annual number of admissions, annual patient days, average daily census, average length of stay, and average annual capture rate (based on unique patients discharged from Providence Health System hospitals within 30 days prior to receiving home hospice services).**

Please see forecast for 2026 – 2029 attached as Exhibit 9.1

**[CONFIDENTIAL] Please enter the forecasted Full-Time Equivalent (“FTE”) and utilization metrics for 2026-2029 in the data workbook as requested. If only state-level forecasts are available, please state as much and fill out the “Total” rows for 2026-2029.**

2026 – 2029 forecast from Exhibit 9.1 has been incorporated in Appendix A, Tab “9 Home Health”. Please note that only aggregate Oregon-wide projections are available, because parties do not maintain granular location-specific projections.

**c. Total annual revenues, patient care costs, and general & administrative expenses.**

Please see forecast for 2026 – 2029 attached as Exhibit 9.1.

**d. Number of admitted patients by age group, sex, ethnicity, race, and language service needs.**

Please see Appendix A, Tabs. 9. Home Health and Home Hospice. Also, please see Exhibit 9.2 for information regarding home health patient language needs. Appendix A, Tabs. 9. Home Health and Home Hospice columns U through Z contains 2026 – 2029 projections for admissions. Providence and Compassus do not have 2026 – 2029 projections for its patients’ age, group, sex, ethnicity, race and language service needs.

**[CONFIDENTIAL] Entities’ data supplied in Appendix A (Exhibit 3) indicates that the Providence Home Services – OR – Main Location and the Providence Hospice – OR- Main Location do not see patients; however, both locations are listed as *having clinical staff*. Please explain how these clinical staff are utilized.**

Clinical staff at these locations provide support to other locations.

**[CONFIDENTIAL] Revenue, Patient Care Cost, and General Administrative Expenses in worksheets “9. Home Health” and “9. Home Hospice” appear to be allocated to each branch based on the share of average patient volumes in 2023/2024 for each reporting period 2019-2025 YTD.**

**a. Please confirm OHA’s understanding of the allocation method or provide a detailed explanation of the method used.**

**b. Please clarify whether Providence tracks or reports Revenue, Patient Care Cost, and General Administrative Expenses at the branch level. If so, please update the worksheets to report the amounts by branch.**

OHA's understanding of the allocation method is correct. Revenue, Patient Care Cost and General Administrative Expenses were initially determined using 2023/2024 patient volumes. However, Appendix A, Tabs "9. Home Health" and "9. Home Hospice" have been updated to reflect Revenue, Patient Cost and G&A expenses in Columns AA – AC based on Exhibit 16 (Compassus\_Notice\_099002 and Compassus\_Notice\_100002) to more accurately allocate values.

Please note that Providence-Compassus JV does not have such granular, location specific revenue and cost projections. Please see Exhibit 9.1 for aggregate projections of Oregon home health and hospice revenue and cost projections assuming the Providence-Compassus JV closes in Oregon.

### **Staffing**

**10. Use the "Providence Workbook," attached hereto as Appendix A, to provide data on clinical FTE for home hospice and home health, respectively, in Oregon as of December 31, 2022, December 31, 2023, December 31, 2024, and May 31, 2025. Further instructions are provided in Appendix A.**

Please see Appendix A. Please note that for tabs "10. Home Health Staffing" and "10. Hospice Staffing" as it relates to staffing numbers: Data is unavailable for contracted vs employed caregivers due to system limitations. Therefore, data provided for staffing is aggregated and reported in the "employed" columns and the contracted columns have been populated with "N/A".

**Please address items needing completion or explanation in Appendix A, worksheets "10. Home Health Staffing" and "10. Hospice Staffing," as instructed in CONF Appendix A – 043 RFI Data Workbook – Providence – Updates Needed.xlsx."**

Appendix A has been updated as follows:

For Tab 10. Hospice Staffing:

- a. Please use the notes column to explain why there were no clinical staff at the West Branch in 2022 or correct the data for that location and year**

Data has been corrected as requested

- b. Please use the notes column to explain why there were no clinical staff at the Yamhill Branch in any year or correct the data for this location.**

Note added clarifying that Yamhill branch combined with West Branch, so West Branch data reflects the combined total.

- c. Please use the Notes column to confirm the staffing data for West Branch in 2025 were entered correctly or correct these cells.**

Staffing data has been updated for all branches.

For Tab 10. Home Health Staffing:

- a. Formulas for Providence Home Health - Gorge Branch in 2024 have broken. Please update with data. Please also confirm that the staffing data for this location are correct as currently entered. If correct, please explain in the Notes column why there were no staff at this location in these years.**

Broken formula has been fixed and the staffing data has been updated.

- b. Providence Home Health - North Coast Branch (branch of NPI 1790873461 located in Gearhart, OR) was listed as a location in the transaction notice submitted to OHA and other tabs in this workbook report patients and revenues from this location. Please supply the staffing information requested for this location.**

Staff data has been updated for this branch.

- c. Please use the notes column to explain why there were no clinical staff at the West Branch in 2022 or correct the data for that location and year.**

The relevant data has been updated.

- d. If any of the roles listed in the Notes column are clinical staff, please supply data as requested for these roles. Otherwise, do not include notes or data about non-clinical staff.**

Non-clinical roles have been removed.

**11. Use the “Providence Workbook,” attached hereto as Appendix A, to provide data on voluntary departures of home hospice and home health clinical staff in Oregon in 2022, 2023, 2024, and January-May 2025. Further instructions are provided in Appendix A.**

Please see Appendix A.

**12. In late 2024, ONA and OregonLive reported that Providence had eliminated several frontline caregiver positions within its home hospice program in Oregon in 2024 and asked for voluntary layoffs of two social workers and up to five nurses. Please provide a detailed response to the following:**

**a. Confirm the number of positions and FTE positions eliminated, the effective date(s) of elimination, and the position title of each eliminated position.**

One Chaplain position (1.0 FTE) was eliminated. The employee was notified in October, and the severance was effective on November 8, 2024.

**b. Provide the number of positions and FTE positions eliminated through voluntary layoffs, the effective date(s) of such voluntary layoffs, and the position title of each such voluntary layoff.**

On September 23, 2024, Providence offered hospice nurses and social workers on the Portland Hospice East, Portland Hospice West, and Hospice Access teams the option to take a voluntary layoff with a severance package. Providence offered to accept volunteers for up to 2.0 FTE from social work and up to 5.0 FTE from nursing.

Two social workers (1.0 FTE East and 1.0 FTE West) and two nurses (1.0 FTE West and .6 FTE Access) accepted this offer of voluntary layoff with severance, and their positions ended November 8, 2024.

On October 7, 2024, Providence restructured its Hospice Access team. Providence notified the 15 nurses on that team that Providence was eliminating 15 weekday day and evening shifts, which was .6 or .7 FTE. Providence restructured the shifts to five variable day shifts (.8 FTE) and seven variable evening shifts (.8 FTE). Providence offered these new shifts to the 15 nurses on the team. One of the 15 impacted caregivers had already chosen to take a voluntary lay off. The remaining caregivers were given the options of taking one of the 12 restructured shifts, accepting a lay off with severance, or exercising their bumping rights per their union contract.

One RN opted to bump a less senior nurse to take a float position on the Hospice East team. The bumped caregiver took an open float position. One RN remained in

a 0.6 FTE position. Two RNs accepted layoffs with severance. The remaining 10 Access RNs accepted restructured shifts.

- c. Provide the reason(s) why Providence decided to eliminate these positions. If this decision was based on certain metrics or analyses, provide copies of all such metrics or analyses.**

These role eliminations are an example of rightsizing attempts that Providence pursued in attempts to make the business sustainable. These role eliminators were tied to patient volume. Additionally, Providence eliminated non-patient facing roles *first* before impacting caregivers providing direct patient care.

**Entities' response to subpart c. states that role eliminations were "tied to patient volume;" however, Entities supplied no metrics or analyses to support this statement. Please provide the volume metrics or analyses on which the eliminations were based.**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

#### **Financial Information and Risk Factors**

**15. Please provide the financial Annual Report for Providence St. Joseph Health as of December 31, 2019, December 31, 2020, and December 31, 2024.**

Please see attached as Exhibit 15.

**16. Please provide historical and projected financial statements for Providence Health & Services – Oregon for Oregon Assets to be transferred to the Providence JV. Financial statements provided must meet the following requirements:**

- a. The historical financial statements should include at the minimum balance sheet, income statement, cash flow and operational exhibits for the calendar or fiscal years 2019 to 2024.**

- b. The projected statements should cover the calendar or fiscal years 2025 to 2029.**
- c. The income statements and operational exhibits should include breakouts for lines of business (home health, hospice and palliative care) and regional breakouts (e.g., Portland, Medford, Benedictine).**
- d. The income statements should include metrics for revenue, variable and fixed cost categories (e.g., salaries and benefits, supplies, cost of services, taxes and fees, other operating expenses), margins, EBITDA, and metrics for interest, depreciation, and amortization.**

The requested documents are enclosed as Exhibit 16.

**i. [CONFIDENTIAL] Please describe the methodology for how each of the operating expenses by P&L (e.g., Purchased healthcare expenses, Salaries and wages, ...) found in “OHA OR Forecast Project Luke -OR Financials-FY19 YTD25.xlsx” are allocated to Patient Care Costs and General Administrative Expenses in “Compassus\_Notice\_005207 CONFIDENTIAL Appendix A financial info 20250701.xlsx” file.**

General Ledger (“GL”) data pulled directly from the enterprise resource planning system is tagged to each respective profit & loss (“P&L”) based on entity, department, and location level (the “EDL”) codes that fall within the transaction perimeter.

Certain patient care and operational costs shared across Providence hospice and home health services are allocated respectively based on the P&L pro rata share of revenue.

Back-office functions (administration and business development) serving multiple service lines are captured at the EDL code level and allocated pro rata to respective P&Ls based on relative operating expense.

System-level costs including benefits, shared services, and corporate services are allocated using either pro rata net revenue, operating expenses, FTE count, or occupied bed count, depending on the cost being allocated. Shared services and corporate services are adjusted to reflect actual utilization by the EDL codes included in the transaction perimeter

**ii. [CONFIDENTIAL] Please clarify whether the revenue and expense items by agency provided on tabs “PL - HH - OR1 “,..., “PL - HP - OR8 “ in “099002 Oregon Financials by Agency-FY19-FY29 Forecasted 202050815-c.xlsx” can be allocated to each branch listed in Appendix A worksheets “9. Home Health”**

**and “9. Home Hospice.” If so, please provide a crosswalk between the agencies and the branch locations.**

Please see the crosswalk attached hereto as Exhibit 16.ii,  
Compassus\_Notice\_100002.

**iii. [CONFIDENTIAL] Please provide quantitative metrics supporting the change in Net Assets by year as shown in file "Compassus\_Notice\_005208 CONFIDENTIAL Oregon Balance Sheet by Year - Summary.xlsx" and how the change in Net Income in file "OHA OR Forecast Project Luke -OR Financials-FY19 YTD25.xlsx" is reconciling to the Net Assets as of year-end 2020-2024.**

Please find the requested metrics attached as Exhibit 16.iii,  
Compassus\_Notice\_100003.

**iv. [CONFIDENTIAL] Please explain the reason for the positive Change in Accounts Receivable as of Dec 2023 as reported in “005209 CONFIDENTIAL Oregon Statement of Cash Flow.xlsx” file.**

In conjunction with year-end 2023 close activities, a balance sheet reconciliation was performed to review long-standing historical balances at the Providence health system level, including deferred revenue and cash clearing accounts. This resulted in an adjustment to a cash clearing account mapped within accounts receivable, driving the increased Fiscal Year 2023 balance.

**v. [CONFIDENTIAL] In the “Compassus\_Notice\_005208 CONFIDENTIAL Oregon Balance Sheet by Year - Summary.xlsx” file, the Cash and cash equivalents is reported as \$0 with the note that “The cash related to this carved out business is swept by a centralized Treasury team and is held at the overall system level.” Please explain how cash swept to the central Treasury is accounted for on the balance sheet in this file, i.e., is it included in a different asset account, are the total assets underreported, or is there a different financial statement treatment?**

The total assets are not understated. Entities have a negative cash position and Providence is funding the entities at a system level to a \$0 balance. Please refer to Cash Flow statement provided (Compassus\_Notice\_099003 Luke - Oregon Statement of Cash Flow - 2019 - 2029) which shows cash assets.

**vi. Please clarify whether the forecast period assumes that the Providence JV is in place.**

Forecast period does not assume that the Providence-Compassus JV is in place.

**vii. Entities' response to Question 19a. states that "Reimbursement for home health and hospice services continues to decline." Please clarify how the decline in reimbursement rates has been incorporated into the revenue forecast.**

Revenue forecast for hospice assumes small growth due to historically small increases in Medicare/Medicaid in hospice. Revenue forecast for home health does not assume any growth due to historic decreases seen from Medicare. For example, the proposed Medicare rule for 2026 would implement a 6% decrease in Medicare reimbursement for home health services. Please see a Fact Sheet published by Centers for Medicare & Medicaid Services attached hereto as Exhibit 16.vii, Compassus\_Notice\_100004 to 100018.

**17. Please provide historical and projected financial statements for Providence's Nationwide Assets to be transferred to the Providence JV. Financial statements provided must meet the following requirements:**

- a. The financial statements should include at the minimum balance sheet, income statement, cash flow and operational exhibits for the calendar or fiscal years 2019 to 2024 and as projected under the proposed Providence JV for 2025 to 2029.**
- b. The income statements and operational exhibits should include breakouts for lines of business (home health, hospice and palliative care) and regional breakouts (e.g., by state and /or region).**
- c. The income statements should include metrics for revenue, variable and fixed cost categories (e.g., salaries and benefits, supplies, cost of services, taxes and fees, other operating expenses), margins, EBITDA, and metrics for interest, depreciation, and amortization.**

The requested documents are enclosed as Exhibit 17.

**i. [CONFIDENTIAL] Please provide the FY19 to FY22 financial metrics and regional splits (state/region) for FY19 to FY29 in the file "Compassus\_Notice\_005211 CONFIDENTIAL HCC Forecast Split Project Luke - Combined Financials.xlsx".**

Regional splits have been provided in Compassus-Notice\_099004 HCC Financials by Agency – FY19 through FY29 Forecasted-20250815-c. Compassus-Notice\_099004 supersedes and replaces Compassus\_Notice\_005211 in its entirety.

**ii. [CONFIDENTIAL] In tab PL-HH in the file titled “Compassus\_Notice\_005211 CONFIDENTIAL HCC Forecast Split Project Luke - Combined Financials.xlsx”, the Net Service Revenue line includes the note “Assuming 0% growth in Revenue - Medicare/Medicaid cuts”.**

**a. Please supply the federal or state regulation(s) on which the forecasted 0% growth is based.**

The 0% revenue growth assumption is due to Medicare and Medicaid cuts (e.g., “One Big Beautiful Bill”) that would exceed any kind of contracted payer increases.

**b. Explain in detail whether the forecasted 1% growth in Net Service Revenue in PL – HP and PL – PD takes into consideration the impact of any changes in recent federal or state regulations (e.g., HR1)?**

Forecasted growth is related to the historic trend of small increases for hospice Medicare and Medicaid reimbursement rates. Additionally, Medicare and Medicaid are the payer for 95% of hospice services, which has been taken into consideration along with the small increase in hospice reimbursement rates for Medicare/Medicaid to forecast growth.

**iii. [CONFIDENTIAL] The response to Question 19 a. stated that “Reimbursement for home health and hospice services continues to decline.” Please clarify how Entities incorporated this noted decline in reimbursement rates into the revenue forecast in tabs PL-HH, PL – HP, and PL – PD.**

Historically, Medicare and Medicaid reimbursement for home health has decreased year-over-year, and growth in Medicare/Medicaid reimbursement for hospice services is nominal year-over-year. Forecasted growth of 0% takes this into consideration.

**iv. Please confirm whether the forecast period assumes that the Providence JV is in place.**

Forecast period does not assume that the Providence-Compassus JV is in place.

**18. Please identify and quantify all financial, economic, or operational risks for Providence’s Nationwide and Oregon Assets to be transferred to the Providence JV related to:**

**a. Changes in healthcare regulations (e.g., potential changes in federal Medicaid funding or state’s 1115 Medicaid Waivers, changes in Medicare Advantage and**

**Part D federal rules such as 2026 Advance Notice, state legislative changes impacting health plans and providers, etc.) that impact current and projected revenue and operational costs.**

Recently passed federal legislation (i.e. the “One Big Beautiful Bill”) will significantly impact Medicaid funding for the next several years. Medicare hospice expenditures are also likely to be negatively affected by the One Big Beautiful Bill Act through increased Medicare sequestration related to federal deficit levels. Providence is unable to quantify any risk to Providence’s ongoing operations due to changes in healthcare regulations. This transaction provides Providence with additional operating capital and reduces Providence’s exposure to regulatory changes that affect the home health and hospice service lines.

**b. Fluctuations in the economy (employment levels, economic growth, etc.) and demographic trends that affect current and projected staffing, cost of care, utilization of services, and revenue.**

A decrease in the number of available nurses could significantly increase Providence’s costs. Providence is unable to quantify any risk to Providence’s ongoing operations due to fluctuations in the economy or demographic changes.

**c. Investment risk into the Providence JV potentially impacted by the financial stability of Providence and Compassus.**

Compassus is well-capitalized and has already dedicated substantial capital to improving the home health and hospice service lines in each state in which they operate. As described elsewhere in this response, this transaction leaves Providence more financially stable and advances the system’s overall turnaround efforts. Providence and Compassus cannot otherwise quantify these risks.

**d. Changes in organizational and management structure associated with the Providence JV impacting the staffing models, financial and operational performance, quality and continuity of care.**

The Providence-Compassus JV cannot quantify these risks. There is some near-term risk to business performance in the case of departure of key management and leadership personnel who are transitioning to the Providence-Compassus JV given historical relationships with staff, familiarity with local communities, and knowledge of prior operations. However, this risk mitigated by the ongoing involvement of Providence’s executive leadership via the Providence-Compassus JV Board of Directors, Executive Steering Committee, and other forums. The risk is also mitigated by the inclusion of the Providence-Compassus JV in Compassus’ national

management and organizational structure, which has a high degree of institutional knowledge in operating home-based care businesses. By nature of Compassus' role in the joint venture, there is a deep pool of human capital to draw from across the country to support the Providence-Compassus JV through any leadership transitions.

**e. Changes in historical, current, and future revenues from government programs.**

Like any health care service that engages with elderly populations, there is an inherent risk in government policy related to reimbursement rates via Medicare and Medicaid. For example, Medicare has proposed a significant reduction to Home Health reimbursement for all providers in 2026, despite rising labor and supply costs, threatening access to care where programs are not well capitalized and efficient. To mitigate this, Compassus is an active participant with industry groups and advocacy organizations to support continued sustainable funding for all home-based care service lines. However, the parties cannot quantify this risk.

**f. Changes in provider reimbursement rates and payer agreements and their impact on revenue and market competitiveness.**

Reductions in negotiated provider reimbursement rates could put pressure on the revenue and margin profile for the Providence-Compassus JV. This is mitigated by a long history of positive payor relations that will be maintained by the joint venture through ongoing collaboration between Compassus and Providence, as well as by the broader healthcare trends toward increasing demand for home-based care services as a patient-preferred and lower-cost site of care verses other alternatives. This makes home-based care an important segment for payers to reimburse at sustainable levels.

**For subpart f., please explain the level of fluctuation (e.g., year-over-year percentage change) in provider reimbursements for Providence's home health and hospice business in the most recent five years (2021-2025).**

Please see analysis showing year-over-year change in reimbursement attached as Exhibit 18. Fluctuations are due to year-over-year decreases in Medicare/Medicaid reimbursement for home health, and nominal year-over-year increases for hospice. Within contracted commercial payers, Providence has not seen year-over-year growth from 2021 - 2025.

**g. Historical and current competitiveness and market share of services by payer type (Commercial, Medicare, Medicaid).**

Health systems like Providence and Compassus's non-profit health system partners across the country face robust competition from traditional home-based providers as well as new entrants and specialized providers of these post-acute care services, including provider-sponsored, payer-sponsored, and national, regional, and local standalone providers. The parties expect that growing demand and increased competition will continue to spur the need to invest significantly in home-based services to incorporate new technologies, data platforms and the requisite capital and specialized expertise that enable providers to enhance quality and improve efficiency to meet competition.

It will be important for the Providence-Compassus JV to continue to serve a representative share of patients across payers, and all parties are committed to achieving this. There is risk that if the joint venture lost market share with Medicare patients while gaining market share with commercial patients, for example, revenue and margins would come under pressure. This is mitigated by effective collaboration between the joint venture and the hospital teams to serve all patients coming through the hospital, as well as be effective community growth efforts driven by Compassus' longstanding expertise and experience in this area. There is also some risk to increasing Medicare Advantage share of the Medicare population, with historically carries lower reimbursement than traditional Medicare. This will be mitigated by proactive contracting efforts and the increasing need for home-based care described above.

**h. Changes of ownership, key leadership position and strategy risk under the 50-50 joint venture between non-profit Providence and for-profit Compassus.**

Providence and Compassus are committed to the strategy and structure of the Providence-Compassus JV and do not anticipate material risk from changes in ownership, key leadership positions, or strategy. The Providence-Compassus JV expectations and governance are well-documented and structured to survive any changes in ownership of either partner. Compassus has implemented successful partnerships with several non-profit health system partners across the country. The Providence-Compassus JV is already operating in several states without disruptive turnover.

**i. Secondary impact on Providence's health delivery system (e.g., inpatient and emergency room utilization and length of stay, etc.) and Providence Health Plan (e.g., potential higher utilization of home health and hospice services but potential of reduced inpatient and emergency room cost); and**



More efficient patient admissions and throughput from hospital inpatient and ER settings should create additional efficiencies and access to ER services and inpatient hospital care.

**For subpart i., please explain how Providence quantified inpatient and ER efficiencies in its financial valuation of the Providence JV.**

Improved efficiencies for inpatient admissions and emergency room utilization is expected to occur once the Providence-Compassus JV closes in Oregon. This was not included as part of the initial valuation.

**j. Any other significant financial, economic, and operational risks.**

Providence has conducted extensive due diligence and analysis related to the joint venture. Providence has not identified any other significant financial, economic, or operational risks.

**19. Please identify and quantify all financial, economic, or operational risks including valuation and future financial performance for Providence's Oregon Assets if the proposed transaction is not approved but the Providence JV goes ahead in other states. In doing so, please comment on how the valuation of the Providence JV and required investments from Providence and Compassus would be impacted under the following two scenarios:**

**a. The proposed transaction is not approved in Oregon, and Providence continues managing and administering the Oregon Assets under the pre-JV ownership structure.**

While Providence has been and remains committed to delivering critically needed home health and hospice services in Oregon, financial and operational constraints make it impossible for Providence to sustain these lines of business alone. Providence reported a \$644 million operating loss in 2024. That same year, Providence home health and hospice service lines booked an operating loss of \$23 million nationally and \$5<sup>1</sup> million for Oregon. For 2026, Providence is projecting that the system-wide home health and hospice service lines will suffer operating losses of \$76 million, including a \$10 million operating loss in Oregon. These losses are not sustainable.

This transaction is part of a broader financial restructuring for Providence that is focused on stabilizing its acute inpatient and outpatient care lines that are at the core of Providence's service delivery model. [REDACTED]

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<sup>1</sup> This figure has been revised to reflect the updated financials at Compassus\_Notice\_099002.

[REDACTED] This will provide a much-needed cash infusion to Providence, and Providence's equity holding in Compassus Parent, Inc. could generate returns for years to come.

Additionally, the Providence-Compassus JV will set aside approximately [REDACTED] [REDACTED] to support efforts to turnaround Providence's home health, hospice, palliative and private duty service lines. Out of the [REDACTED] is specifically earmarked to be invested in the Oregon home health and hospice service lines. This will help Providence-Compassus JV avoid reducing or closing services and make meaningful improvements to the service lines in Oregon.

Providence chose Compassus as its Joint Venture partner because Compassus has a concrete, achievable plan to sustain and improve the home health and hospice lines of business without further reductions in clinical staff. As described in more detail throughout this notice, the Providence-Compassus JV will achieve long-term sustainability by making key investments in clinical technology, caregivers, and care management tools. These investments will allow Providence and Compassus to provide more patients with the in-home care that they need, while making further reductions in clinical staff unnecessary (and in fact counterproductive, as described in response to Inquiry 51).

Reimbursement for home health and hospice services continues to decline. Providence operates these service lines at a loss. CMS has announced a proposed 6.4% cut to Medicare home health payments for 2026. Providence cannot turn around these service lines and operate them profitably because Providence's operating structure is focused primarily on acute care provided at its hospitals and facilities. Providence is not designed to support home health and hospice.

If the proposed transaction is not approved in Oregon, Providence would have to take immediate steps to stem ongoing financial losses in the home health and hospice lines of business. This would involve, at the very least, further reducing clinical staff and eliminating non-core services like palliative care. However, even drastic staffing cuts would not solve the structural challenges that make the home health and hospice lines of business financially unsustainable. As such, the most likely outcome would be phasing out home health and hospice services entirely, and responsibly transitioning care to other providers in the community.

- b. The proposed transaction is not approved, but Providence signs an agreement with Compassus to manage and administer the Oregon Assets under the pre-JV ownership structure.**



For the reasons discussed below, solely contracting for management and administration services (i.e., an “MSA Structure”) with Compassus will not achieve Providence’s goals for this transaction and, as such, would put home health and hospice services in Oregon at risk.

Put simply, an MSA Structure would prevent Providence from accessing the capital that it needs to maintain the home health and hospice service line, meaning Providence would likely close the service line rather than pursue such an arrangement.

As noted above [REDACTED]

This will provide a much-needed cash infusion to Providence and Providence’s equity holding in Compassus Parent, Inc. will generate returns for years to come. An MSA Structure would provide neither.

The Providence-Compassus JV will also set aside approximately [REDACTED] to support efforts to turnaround Providence’s home health, hospice, palliative and private duty service lines. Out of the [REDACTED] is specifically earmarked to be invested in the Oregon home health and hospice service lines. Compassus will fund 50% of the necessary turnaround costs for Oregon. This will help Providence-Compassus JV avoid reducing or closing services and make meaningful improvements to the service lines in Oregon.

Without outside capital, Providence does not have the resources necessary to both fund ongoing financial losses and make the investments necessary to make the service line sustainable over the long term. Based on the above, if OHA does not approve this JV, Providence would be forced to stop taking on new home health and hospice patients and would diligently work to transition active patient care to other organizations in the community.

Even if Providence could sustain the home health and hospice service lines independently (which it cannot do for the reasons described above), the MSA Structure would be worse than the proposed JV for a number of reasons.

First, an MSA Structure would be more costly for Providence. The parties expect that the management fee for an MSA-only arrangement would need to be at least 20% higher than it is for this joint venture, which would not be sustainable given the margin profile of the business. Having ownership in the Providence-Compassus JV allows Compassus to invest its own capital and resources into the business and realize a return through an ownership interest in the Providence-Compassus JV.

Absent such ownership, Compassus (and any other MSA-only partner) would recoup any capital investments through fees only.

Second, an MSA Structure deprives Providence of a strategically aligned partner who is invested in the long-term financial and operational success of home care and hospice service lines in Oregon and other states. Without the incentive of equal ownership, Compassus' involvement will be limited to fulfilling administrative and support tasks. This inherently creates more instability in the relationship and Compassus would have no mechanism by which to make the long-term capital investments that have been so successful in other partnerships.

Third, Compassus has limited experience or expertise in MSA Structures. Compassus is an experienced health system joint venture partner, and as such would not be able to provide the same level of operational transformation under an MSA-only arrangement. Compassus's business model centers on partnerships with non-profit health systems that benefit from its dedicated focus, expertise, technology and delivery protocols focused solely on the unique needs of the post-acute care patient population.

And finally, an MSA Structure in Oregon would create substantial administrative complexity. The JV arrangement has already closed in WA, TX and AK. The transaction will close in CA shortly. An MSA Structure in Oregon, and only Oregon, would prevent Providence from integrating operations across its regions (as they are today), with no financial or operational upside, as described above.

For the reasons discussed above, an MSA Structure is not financially or operationally viable. If OHA does not approve the Providence-Compassus JV, Providence, or places conditions on the transaction that prevent integration, Providence would be forced to stop taking on new home health and hospice patients and would diligently work to transition active patient care to other organizations in the community. The closing of these programs would have profoundly negative consequences on patients, caregivers, and the community as a whole.

#### **Other**

**20. For each currently effective contract with a payer for commercial, Medicare, or Medicaid product/line of business involving Providence's home health, home hospice, or home-based palliative care services in Oregon, please provide the following:**

- a. A copy of the contract, as amended, including any fee schedules, and exhibits.**
- b. A summary of the contract terms including the following:**
  - i. Carrier/company name.**

- ii. **Product/line of business.**
- iii. **Contracted Providence services (e.g. home health, home hospice, and/or palliative care).**
- iv. **Contracted Providence locations.**
- v. **Reimbursement structure (e.g., fee-for-service, performance-based, capitated, etc.).**
- vi. **Effective date.**
- vii. **Duration.**
- viii. **Description of any amendments.**

**c. Commentary as to whether contract will be subject to amendments or changes due to the Providence JV.**

Please see Exhibit 20.1 for summary of contract terms and 20.2 for copies of the contracts. None of these contracts will be amended by the formation of the Providence-Compassus JV.

**i. Please provide Exhibit 20.1 in Excel format.**

Please see attached as Exhibit 20.1.

**ii. Please provide a crosswalk between the contracts listed in Exhibit 20.1 and the contract copies provided in Exhibit 20.2.**

Folder names in Exhibit 20.2 have been renamed to match the “Contract No.” identified in Column D of Exhibit 20.1.

**iii. [CONFIDENTIAL] Attachment A to this letter lists contracts included in Exhibit 20.1 for which contract copies were not provided in Exhibit 20.2. Please provide copies of all missing contracts.**

Agreements identified in Attachment A have been previously provided. Updated Exhibit 20.1 contains tab “Attachment A (Updated)” with “MedTract #” in Column D that match the folder/file names in Exhibit 20.2.

**iv. [CONFIDENTIAL] Please explain how the contract “CONFIDENTIAL20190501\_OR\_UBH\_COM\_MA\_(PHH)\_ANC\_BASE.pdf” for United Behavioral Health is applicable to home health or hospice services.**

This contract is used for outpatient mental health services provided to members of United Behavioral Health who receive skilled nursing home health visits, applicable to members 18 years of age or older.

**21. Provide a copy of Providence Oregon's current financial assistance and charity care policy applicable to home health and hospice services.**

**a. Summarize all revisions, if any, that were made to this policy since January 1, 2024.**

Please find enclosed copies of charity care policies for Providence and Providence Medical Group as Exhibit 21.1. Providence's charity care policy was revised on July 1, 2024 and Providence Medical Groups' charity care policy was revised in September 2024. Amendments were made to sections addressing presumptive screening and presumptive declination, as well as Schedule B. These changes were made to comply with Oregon HB 3320.

**b. Provide a copy of all previous versions of the policy effective from January 1, 2024, through the date of this letter.**

Please see Exhibit 21.1 for copies of requested policies.

A copy of the Providence-Compassus JV's financial assistance policy was previously provided at Compassus Notice\_00231 to 00233 and is also attached hereto as Exhibit 21.2. The Providence-Compassus JV's financial assistance policy is substantively similar to the Providence policy, subject to two differences.



Second, the Providence-Compassus JV's policy requires a patient to submit financial documentation (e.g., tax returns) to verify income eligibility for coverage under the policy. Income verification is an industry-wide best practice necessary to ensure that the charity care policy complies with the Anti-Kickback Statute and beneficiary inducement laws. Specifically, HHS Office of the Inspector General has advised that waivers of cost-sharing amounts for federal health care program enrollees are permissible only if not routine, not advertised, and made pursuant to a good-faith, individualized assessment of the enrollee's financial need. Compassus believes that Income verification is a necessary component of such an individualized assessment. Both policies have substantially similar eligibility requirements, so benefits will be available to the same patient population under both policies. Requiring financial documentation will not change the scope of the patient population who is eligible for coverage under the policy.

The parties intend that the Providence-Compassus JV's policy will continue to be substantially similar to the Providence policy to help ensure vulnerable Oregonians continue to enjoy the same or greater access to hospice and home health care. Subject to certain limitations, under the Providence-Compassus JV's operating agreement, Providence has a unilateral right to amend the Providence-Compassus JV's policy to ensure it remains consistent with Providence's policy. See definition of "Charity Care and Financial Assistance Policy" at Compassus\_Notice\_00167. If needed, Providence can use this right to help ensure there is continuity and consistency in the charity care and financial assistance policies of Providence and the Providence-Compassus JV.

**[CONFIDENTIAL] Entities' response describes plans for the Providence JV to write off unpaid balances associated with hospice services "within compliance and regulatory guidelines." Please provide citations for and copies of all referenced compliance and regulatory guidelines the Providence JV intends to follow.**

Reference to "applicable compliance and regulatory guidelines" means compliance with applicable fraud and abuse laws such as the Anti-Kickback Statute (42 U.S.C § 1320a-7b) and its implementing regulations (42 CFR Part 1001) and beneficiary inducement laws (42 U.S.C § 1320a-7a(a)(5)), and applicable provisions of the Providence-Compassus JV's financial assistance policy.

**22. Providence's Home and Community Care operations include home infusion and the Program of All-Inclusive Care for the Elderly (PACE) programs, neither of which are part of the Providence JV.**

**a. Explain why these programs were not included in the Providence JV.**

In electing to pursue a joint venture for its home health and hospice lines of business, Providence chose to exclude both its infusion and PACE programs. PACE and home infusion do not align with the Providence-Compassus JV's focus on home health and hospice. Additionally, in selecting a joint venture partner, Providence recognized that not all home health providers have expertise in administering infusion pharmacies or PACE programs.

**b. Describe any anticipated changes to the operations or staffing of the home infusion program in Oregon following the close of the proposed transaction.**

[REDACTED]



- c. Describe any anticipated changes to the operations or staffing of the PACE program in Oregon following the close of the proposed transaction.**

[REDACTED]

- d. Describe any plans for Providence to divest either the home infusion or the PACE program to the Providence JV or another entity in the future.**

[REDACTED]

- e. Describe any plans for Providence to work with Compassus to ensure access to Providence's home infusion or PACE services or coordinate care for home health patients. Describe any plans for Providence to divest either the home infusion or the PACE program to the Providence JV or another entity in the future.**

Providence's PACE and home infusion programs will collaborate with the Providence-Compassus JV to meet patient needs. Providence's goal continues to be coordinating care across all settings to provide high quality care.

Currently, Providence's home health and hospice lines of business are organizationally distinct from its home infusion business. As such any services rendered by the home health or hospice providers in support of Providence's home infusion or PACE services are delivered pursuant to arm's length contractual arrangements.

At closing, the Providence-Compassus JV will assume all intercompany service contracts related to the delivery of home health and hospice services. As such, the Providence-Compassus JV will continue to provide the same services to Providence's home infusion and PACE programs as a downstream provider entity on the same terms and under the same contractual arrangements.

As part of the integration process, Compassus will evaluate the mechanisms (technology and/or processes) by which the home health and hospice lines of business support continuity of care with PACE and home infusion patients, including regarding referrals, communication for patients on shared services, and other data sharing. Providence and Compassus will work together to ensure all points of collaboration are maintained throughout the Providence-Compassus JV transition.

As an example, to facilitate the transition for the Providence-Compassus JV in Washington, Compassus and Providence assigned the Washington PACE agreement between Elder PACE and Providence at Home, which included after hours triage support and nursing services. Prior to the closing of the Providence-Compassus JV in Washington, the Providence-Compassus JV established the appropriate EMR access, visit documentation, documentation sharing, and billing procedures to effectively continue delivering the care with no lapse in service. The Providence-Compassus JV is pleased to report that this integration was successful, and that the Providence-Compassus JV in Washington has been providing after hours triage support and nursing services for Elder PACE since the closing without interruption. The parties anticipate a similar process with the corresponding Oregon programs, if needed.


## **II. Compassus**

**23. Use the “Compassus Workbook,” attached hereto as Appendix B to provide National Provider Identifier (NPI) numbers and other information on home health and home hospice agencies nationwide operated by Compassus between January 1, 2019, and May 31, 2025. Further instructions are provided in Appendix B.**

Please see Compassus Workbook attached hereto as Exhibit 23 along with a list of AAH JV subsidiaries.

**24. In 2016, PR Newswire reported that Compassus had purchased Genesis Hospice and Home Health, a company operating in California, Idaho, and other states. Please explain why the Notice (page 12) does not list California or Idaho as a state in which Compassus currently operates.**

Compassus no longer operates in California and Idaho, so those states are not identified in the Notice. Compassus plans on re-entering the state of California through this Providence-Compassus JV transaction and do not have immediate plans to re-enter the state of Idaho. Compassus purchased home health and hospice business from Genesis Healthcare in 2016, which included locations in California and Idaho. Compassus, under former leadership, made a decision to close operations in the state of California effective March 2023 because of the competitive landscape, and decided to close operations in Idaho in October 2018 because of operational challenges in Idaho.



**25. CONFIDENTIAL** Please provide the following information related to the Compassus organizational charts submitted as Exhibit F to the Notice.

- a. The combined membership interest in Compassus Holdings, L.P. held by TowerBrook Investors GP V, L.P. and TowerBrook Investors GP V (Alberta), L.P.

[REDACTED]

[REDACTED]

[REDACTED]

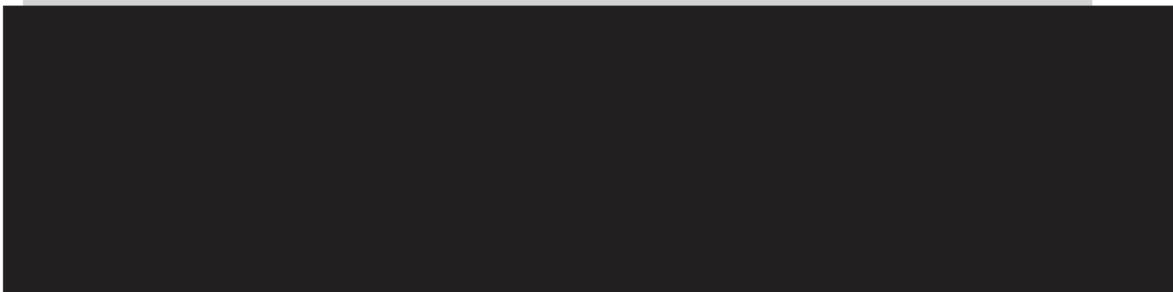
[REDACTED]



**b. Membership interest of Ascension and TowerBrook, respectively, in Ascension TowerBrook Healthcare Opportunities, L.P.**

Ascension Capital, LLC is the sole limited partner of Ascension TowerBrook Healthcare Opportunities, L.P. ("ATHO"). The general partner of ATHO is ATHO GP, L.P.

**c. Membership interest of Ascension and TowerBrook, respectively, in Ascension TowerBrook Healthcare Opportunities, L.P.**



**d. A copy of the current Partnership Agreement for Compassus Holdings, L.P.**

Please see attached as Exhibit 25.3.

**26. Describe Compassus' current employment arrangements for each of the below listed clinical staff engaged in providing home health, hospice, and palliative care.**

- **Physicians**
- **Advanced practice practitioners (NP, PA)**
- **Nurses (RN, LPN, LVN)**
- **Therapists (OT, PT, ST)**
- **Therapy assistants (OTA, PTA)**
- **Aides**
- **Social workers**

**In doing so, please include detailed information on the following:**

- a. Contract type (e.g., full-time employee, part-time employee, contractor).**
- b. Compensation structure (e.g., salaried, hourly, pay-per-visit, other productivity- based compensation).**
- c. Service line(s) in which services are provided (e.g. home health, home hospice, palliative care, home infusion, etc.).**
- d. Any variation in employment arrangements across Compassus' locations or geographies.**

As described below, positions can be full-time, part-time or on an independent contractor basis. Full-time means working thirty or more hours per week, and part-time means working less than 30 hours per week. Some positions are compensated on a pay-per-visit basis.

Physicians (medical directors/hospice physicians):

- **Contract Type:** Physicians serve as Medical Directors or hospice physicians on an independent contractor basis (note that the Providence-Compassus JV will employ a different model, as described in response to Inquiry 63).
- **Compensation Structure:** Combination of monthly salary and per visit pay
- **Service Lines:** Hospice only.
- **Variation in Employment Arrangement:** Compensation amount may vary location by location.

Advanced Practice Practitioners (NP, PA):

- **Contract type:** Full time and part-time.
- **Compensation Structure:** Mix of salaried, hourly and pay-per-visit employees.
- **Service Lines:** Hospice and palliative care.
- **Variation in Employment Arrangement:** Arrangements may vary by location. Each location may have a mix of full-time and part-time advanced practice practitioners, and the compensation structure, including the pay ranges, will

also vary by location and service line. Nurse practitioners frequently furnish hospice face-to-face evaluations as employees of the hospice as mandated by Medicare for beneficiaries receiving hospice care in the third benefit period and beyond.

Nurses (RN, LPN, LVN):

- Contract Type: Full-time or part-time.
- Compensation Structure: Salary, hourly, or pay per visit based on location and service line.
- Service Lines: Hospice, home health, palliative care, and home infusion.
- Variation in Employment Arrangement: Arrangements may vary by location. Each location may have a mix of full time and part time RNs and LPN/LVN's, and the compensation structure, including the pay ranges, will also vary based on location and service line.

Therapists (OT, PT, ST):

- Contract Type: Full-time or part-time.
- Compensation Structure: Salary or PPV (pay per visit) based on location.
- Service Lines: Home Health.
- Variation in Employment Arrangement: Arrangements may vary by location. Each location may have a mix of full time and part time therapists, and the compensation structure, including the pay ranges, will also vary based on location.

Therapy Assistants (OTA, PTA):

- Contract Type: Full-time or part-time.
- Compensation Structure: Hourly or pay per visit based on location.
- Service Lines: Home Health.
- Variation in Employment Arrangement: Arrangements may vary by location. Each location may have a mix of full time and part time therapy assistants, and the compensation structure, including the pay ranges, will also vary based on location.

Aides:

- Contract Type: Full-time or part-time.
- Compensation Structure: Hourly or pay per visit based on location and service line.
- Service Lines: Hospice and Home Health.
- Variation in Employment Arrangement: Arrangements may vary by location. Each location may have a mix of full-time and part-time aides, and the compensation structure, including the pay ranges, will also vary based on location.

#### Social Workers

- Contract Type: Full-time or part-time.
- Compensation Structure: Salary, hourly, or pay per visit based on location and service line.
- Service Lines: Hospice and Home Health.
- Variation in Employment Arrangement: Arrangements may vary by location. Each location may have a mix of full-time and part-time social workers, and the compensation structure, including the pay ranges, will also vary based on location.

**27. Describe Compassus' current systems, policies, and processes for incorporating SDOH screening into patient care plans. In doing so, please respond in detail to the following:**

Compassus integrates Social Determinants of Health (SDOH) screening into patient care through a structured, standardized approach at each of its joint ventures, and will ensure that the Providence-Compassus JV does the same in Oregon. Upon admission, every patient receives a comprehensive assessment that leverages standardized tools to identify needs across a broad spectrum of SDOH domains, including living situation, food security, transportation, finances, caregiver support, and access to healthcare and community resources.

This assessment is conducted by the admitting clinician, with specific domains explored in depth by social workers where indicated. The assessment protocols are guided by internal policies, particularly the "Identifying Health Related Social Needs" procedure, which ensures that every SDOH domain relevant to the patient's wellbeing is systematically evaluated. All assessments use standardized questions to ensure consistency across all patients and settings. Compassus SDOH policies are attached hereto as Exhibit 27.

When an SDOH-related need or barrier is identified, Compassus' interdisciplinary care team collaboratively determines appropriate interventions, including direct connection with community resources, financial assistance programs, transportation services, or caregiver support. All identified needs, relevant interventions, and referrals are incorporated into the plan of care, documented in the electronic health record, and progress is monitored and discussed during case conferences and follow-up visits.

Policy requires that care plans be regularly updated to reflect changes in a patient's circumstances and that all SDOH interventions are clearly outlined within the plan. Social workers and case managers are responsible for ongoing advocacy and resource navigation, ensuring sustained support throughout the care episode.

**a. What patients are screened?**

All patients admitted to a Compassus-operated joint venture receive a comprehensive assessment that includes systematic screening for social determinants of health (SDOH). This screening is conducted for all new admissions and is integrated into reassessments if there is a change in patient condition, environment, or support system. The following clinical disciplines participate in this process as appropriate: nursing, therapy, social work, and spiritual care. This policy ensures that every patient's SDOH needs are identified as a routine standard of care.

**b. What types of SDOH are screened for?**

Compassus' comprehensive assessment process includes SDOH screening that covers multiple domains relevant to whole-person care:

- Demographics and Identity: Race, ethnicity, language preference, cultural practices, religious beliefs.
- Financial Status: Insurance coverage, ability to pay for medical and personal needs, financial support systems.
- Transportation: Access to reliable transportation for medical and daily needs.
- Food Security and Nutrition: Consistent access to adequate and nutritious food, availability of meals.
- Housing and Environment: Living arrangements, housing safety and cleanliness, presence of utilities, rural/urban location.
- Caregiver Support: Availability and adequacy of caregiver resources, family and social support, caregiver stress or strain.
- Access to Necessary Services: Ability to obtain medications, medical supplies, or durable medical equipment.
- Psychosocial and Behavioral Health: Emotional well-being, history of psychiatric illness, coping skills.
- Education and Health Literacy: Understanding of care plans, health conditions, and ability to follow instructions.
- Community Resources: Existing use of and need for social support, case management, and connection to community agencies.
- Risk Factors: History or risk of abuse, neglect, exploitation, or isolation.

These domains are systematically screened with specific question items included in the patient's comprehensive assessment forms and, for more complex cases, further evaluated by social work professionals.



**c. What resources or services are offered to patients who screen positive for SDOH needs?**

Compassus employs a multidisciplinary, patient-centered approach to addressing identified SDOH needs:

- Resource Navigation: Patients who screen positive are offered connections to community resources, including transportation programs, meal services, food pantries, utility support, and charitable organizations.
- Care Coordination: Social workers and case managers coordinate referrals to agencies and programs specific to financial assistance, durable medical equipment, insurance navigation, and legal aid.
- Caregiver and Family Support: Education, training, and respite resources are provided for patients with identified caregiver needs or caregiver burden.
- Mental Health Support: Referrals are made to appropriate mental health, counseling, and crisis intervention services based on psychosocial findings.
- Follow-Up: The patient's care plan is updated to reflect interventions, and follow-up assessments ensure needs are met or updated as necessary.

All interventions are tracked in the electronic health record, and a continuous feedback loop engages the interdisciplinary team to monitor progress and address ongoing needs.

**d. Provide copies of all current documents outlining Compassus' systems, policies, and processes for SDOH screening, including screening tools.**

The following policies, procedures and documents are as attached hereto as Exhibit 27:

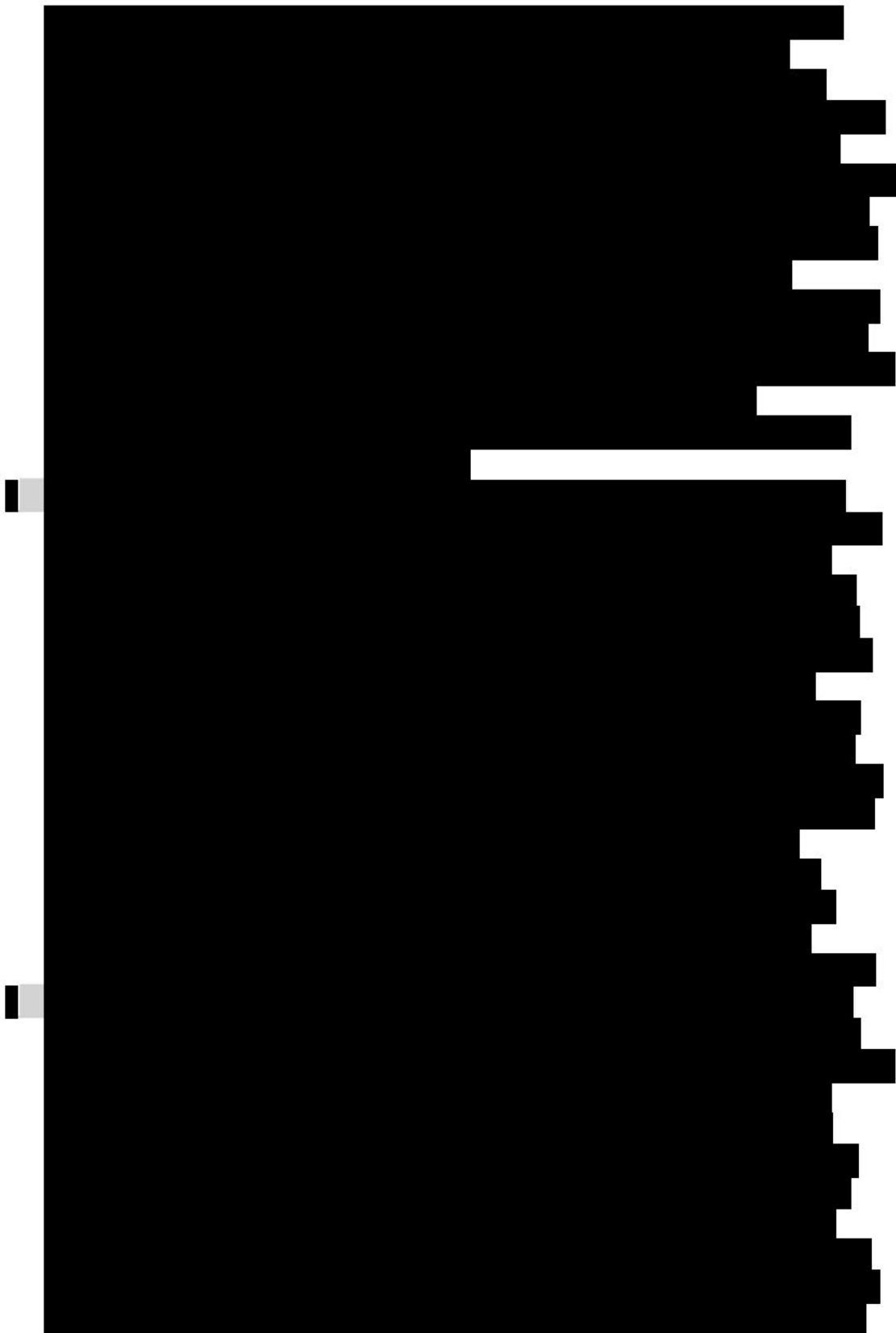
1. Policies and Procedures outlining the standardized approach for SDOH screening and documentation:
  - Identifying Health-Related Social Needs Procedure
  - Policy HOS-C08 Hospice Initial and Comprehensive Assessment
  - Compassus Policy 32 Financial Assistance
2. Policies and Procedures outlining care planning at Compassus:
  - HH-C08 – Care Coordination and Plan of Care
  - HOS-C09 – Written Interdisciplinary Plan of Care
3. Policies and Procedures outlining role of Interdisciplinary Team at Compassus:
  - HH-C12 Nursing Services
  - HH-C20 Therapy and Other Professional Services
  - Policy HOS-C17 Social Work Services
  - Policy HOS-C-18 Counseling Services

- Policy HOS-C19 Bereavement Services
- Policy HOS-C20 Volunteer Services
- 4. Copies of SDOH related assessment forms from EMR:
  - Home Health Comprehensive Assessment SDOH Items
  - Home Health Social Work Evaluation
  - Hospice RN Comprehensive Assessment SDOH Items
  - Hospice Social Work SDOH Assessment Items
  - Social Work Storyboard SDOH Assessment Items
  - Palliative SDOH Assessment Items – Social Work
- 5. Policies and procedures for internal interventions/supports:
  - Procedure HH-C\_06B Communications and Language Line
  - Procedure HH-C\_08B Care Coordination and Case Manager
- 6. Miscellaneous:
  - Cardinal Family Health Process Map: Compassus partnership to expand access to care by physicians and non-physician practitioners.
  - Language Line ID Guide: summarizes language/communication service available to Compassus employees and patients to address communication barriers and health literacy.

These documents demonstrate Compassus' commitment to consistently identifying and addressing SDOH as part of high-quality, patient-focused care.







[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



• [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]



[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**29. Describe the progress in implementing Compassus' joint ventures with Bon Secours Mercy Health ("BSMH") and OhioHealth. In doing so, address the following in detail:**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

- a. The timeline for integrating BSMH and OhioHealth into the broader Compassus organization and operations.

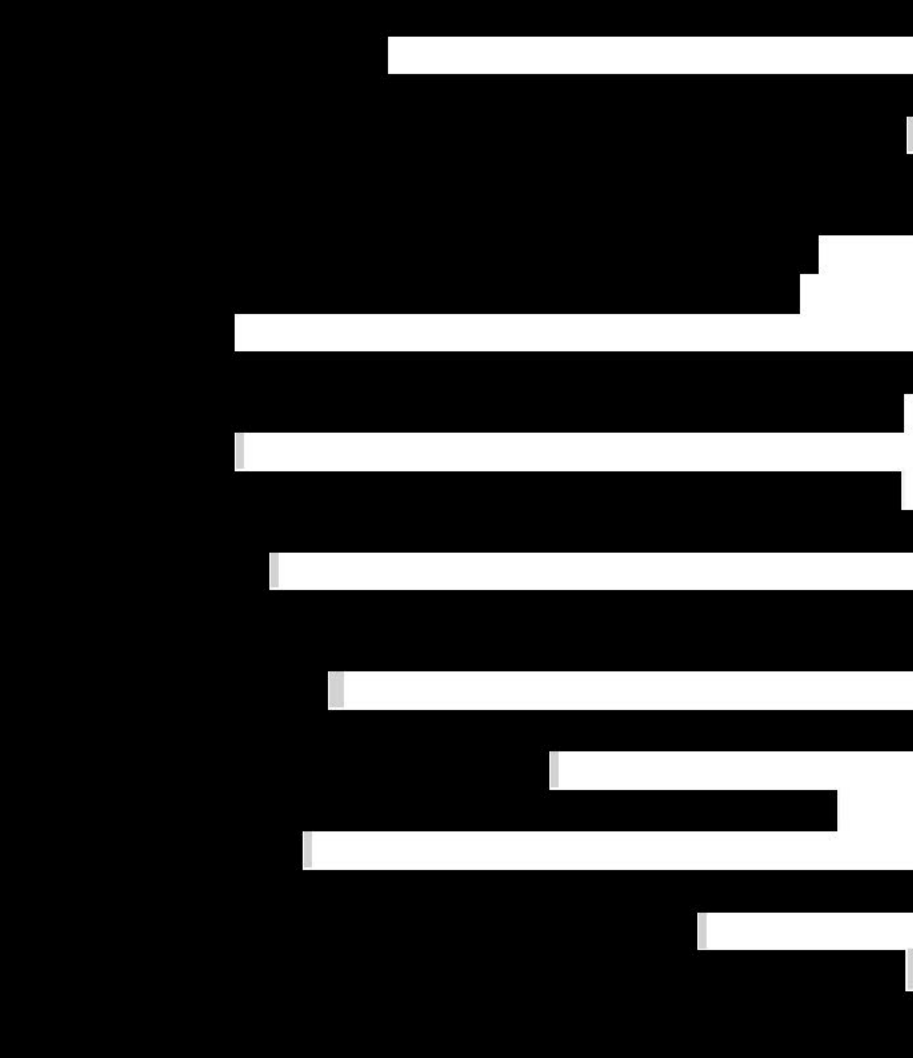
[REDACTED]

[REDACTED]

[REDACTED]

- b. The status of the integration, including actions or initiatives completed to date and future steps in the integration process.

[REDACTED]



**c. Any challenges encountered or lessons learned to date related to the implementation of either joint venture.**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[illegible]

- d. The safeguards in place to protect the not-for-profit/tax-exempt status of BSMH and OhioHealth in each of the joint ventures.**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

- e. Whether or not the same levels of charity care were maintained by the BSMH and OhioHealth joint ventures following closing on the respective transactions, and if applicable, the number of months post-closing when the level of charity care changed and the degree to which it increased or decreased.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**Ascension-Compassus Joint Venture and Related Acquisitions**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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- 31. Use the “Compassus Workbook,” attached hereto as Appendix B, to provide summary data for home health and home hospice agencies included in the Ascension-Compassus Joint Venture and Related Acquisitions. Please provide historical data for the years 2017 through 2024 and January 1 – May 31, 2025. Further instructions are provided in Appendix B. Requested metrics include:**
- a. Average annual FTE for administrative and clinical staff, employed vs. contracted.**
  - b. Utilization metrics:**
    - i. Home health: annual number of episodic admissions, non-episodic admissions, episodic visits, non-episodic visits, and average annual capture rate (based on unique patients discharged from affiliated hospitals within 30 days prior to receiving home health services).**
    - ii. Home hospice: annual number of admissions, annual patient days, average daily census, average length of stay, and average annual capture rate (based on unique patients discharged from affiliated hospitals within 30 days prior to receiving home hospice services).**
  - c. Total annual revenues, patient care costs, and general & administrative expenses.**
  - d. Number of admitted patients by age group, sex, ethnicity, race, and language service needs.**
  - e. Annual Home Health utilization metrics including the number of episodic and non-episodic admissions, episodes, and visits; revenues, patient care costs, general administrative expenses, and capture rates of unique patients who were discharged from the Providence Health System hospitals within 30 days prior to receiving Home Health services.**
  - f. Annual Hospice and Palliative care utilization metrics including the number of admissions, patient days, average daily census average length of stay, revenues, patient care costs, general administrative expenses, and capture rates from the Providence Health System hospitals.**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



[illegible]

<sup>2</sup> 2020 FTE data covers period commencing on November 1, 2020 to December 31, 2020. Compassus does not have validated FTE data prior to this period.

<sup>3</sup> 2020 FTE data covers period commencing on November 1, 2020 to December 31, 2020. Compassus does not have validated FTE data prior to this period.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

32. Use the “Compassus Workbook,” attached hereto as Appendix B, to provide the following location-specific data on home health and home hospice agencies included in the Ascension-Compassus Joint Venture and Related Acquisitions. Further instructions are provided in Appendix B.
- a. Staffing.
  - b. Service volumes.

- c. Home health case mix.**
- d. Hospice diagnoses.**
- e. Referrals.**
- f. Payer mix.**

Please see Compassus Workbook attached hereto as Appendix B.

Please note that the Workbook does not contain data regarding hospice diagnosis in response to Inquiry 32.d. because, as discussed above, those assets were acquired by Compassus on October 1, 2020, and are not a part of the AAH JV.

Please note that the Workbook does not contain referral data from 2019 in response to Inquiry 32.e. because Compassus does not have access to such AAH referral data and information that predates the July 1, 2020 closing of the AAH JV transaction.

In response to Inquiry 32.c., the Workbook contains “Admission Source and Timing” information for episodic admissions. AAH JV does not have “Admission Source and Timing” information for non-episodic admissions.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

- 34. Please identify and quantify the financial and operational strategies implemented under the Ascension-Compassus Joint Venture from July 1, 2020, to date that impacted the revenues, fixed costs, variable costs, or margins for the Ascension-Compassus Joint Venture. In doing so, please comment on the following:**
- a. Whether levers outlined as part of Compassus' valuation of the Providence business (including higher capture rate, community growth, home health episodic improvement, home health recertification rate improvement, and non-labor clinical savings) were implemented under the AAH joint venture and whether these levers increased revenue and margins as projected.**
  - b. Whether initiatives such as clinical support optimization and optimized clinician utilization were implemented, and if so, how they impacted (i) the utilization metrics reported in response to RFI Item # 25b.,<sup>4</sup> and (ii) fixed and variable cost and margins.**

Please see response to Inquiry 36 for details regarding strategies implemented to improve the financial profile of the AAH JV, including revenues, fixed costs, variable costs, and margins for the AAH JV.

Please see information below regarding “levers” implemented under the AAH JV and their impact on revenue and margins, and information regarding clinical support optimization and clinician utilization initiatives and their impact on utilization metrics described in response to Inquiry 31.b.

[REDACTED]

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<sup>4</sup> Please note that we assume this reference to “RFI Item # 25b” is a typo and that this question intends to cross-reference utilization metrics from Inquiry 31.b.









[REDACTED]

[REDACTED]

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<sup>5</sup>Rose, Todd, [Medicare Advantage driving home health crisis - Commonwealth Beacon](#) (May 17, 2024).

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

### **III. Transaction Terms and Agreements**

**38. Does the proposed transaction involve any assets, staff, processes, and/or operations related to Providence's hospitals or other inpatient facilities? If so, please identify and describe such assets, staff, processes, and/or operations.**

The Providence-Compassus JV does not involve any such assets.

**39. Provide the current draft of Schedule 1.1(h) of the Agreement (e.g., list of Continuing Providence Employees).**

Please see requested information attached hereto as Exhibit 39.

**40. Provide the current draft of Exhibit A of the Employee Lease Agreement (e.g., list of Leased Employees).**

Please see Exhibit 40 which lists leased employees in Alaska, Washington, and Texas. This list will be amended to cover California and Oregon when the transaction closes in those states.

**41. Please confirm whether there are any Providence facilities or assets related to home health, hospice, or palliative care services in Oregon that have been specifically excluded from the Providence JV. If yes, please explain why. In doing so, please identify the specific location and assets that have been excluded.**

All Providence facilities and assets in home health and hospice (including in-home palliative care) will be contributed to the Providence-Compassus JV. Inpatient palliative care will be excluded from the Providence-Compassus JV because it is a hospital-based service that fits with the core competencies that Providence will maintain in acute care.

#### **IV. Plans for the Providence Joint Venture Objectives, Milestones, and Timeline**

- 42. OHA understands that the Providence JV has already closed in Washington (WA), Texas (TX), and Alaska (AK) but has yet to close in California (CA) and Oregon.**
- a. Provide the closing dates of the WA, TX, and AK portions of the Providence JV, respectively.**

The WA, TX and AK portion of the transaction closed on March 1, 2025.

- b. Provide the timeline, including key milestones, for integration/implementation of the Providence JV in WA, TX, and AK. In doing so, address whether the implementation/integration is expected to occur simultaneously, or whether there is a phased implementation across these states.**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

- c. Describe the status of the integration/implementation in WA, TX, and AK, including actions or initiatives completed to date and future steps in the integration process.

[REDACTED]

- d. Describe any challenges encountered or lessons learned to date relating to implementation of the Providence JV in WA, TX, and AK.

[REDACTED]



- e. Provide all reports, analyses, presentations, and other internal or external documentation developed to date related to implementation/integration plans for WA, TX, and AK.**

Please find attached slide decks from joint-sessions held by Providence and Compassus to discuss transition to and implementation of the Providence-Compassus JV attached hereto as Exhibit 42.3. Note that these slide decks are working documents and therefore contain contemporaneous notes alongside informational material, informal proposals, and the opinions of the author. They have not been vetted for accuracy and were not intended to be, and should not be interpreted as, formal summaries of the integration planning process.

- f. Provide copies of all communications materials sent to inform Providence staff in WA, TX, and AK about the Providence JV.**

Keeping staff members informed regarding the Providence-Compassus JV is a critical component of ensuring their engagement and buy-in throughout the implementation process.

Compassus routinely sent emails, newsletters and other communications to caregivers with updates regarding the Providence-Compassus JV implementation and helpful information like training reminders, and benefits enrollment information. These communications are also attached hereto as Exhibit 42.4. A communications plan showing various communications that have been sent by Compassus to Providence staff members is attached hereto as Exhibit 29.

Beginning November 1, 2024, Compassus circulated and consistently updated a “frequently asked questions” (FAQs), that addresses questions from Providence staff regarding the Providence-Compassus JV. These FAQs are attached hereto as Exhibit 42.4.

Providence’s communications are attached as Exhibit 42.

- g. Explain how levels of staffing, including administrative, clerical, and clinical roles, have changed in WA, TX, and AK since the implementation of the Providence JV.**

Providence-Compassus JV intends to maintain and hopefully grow staffing levels to meet growing need for in-home services. Providence-Compassus JV has not made any changes to the levels of staffing in WA, TX, or AK (aside from minor and temporary changes that may occur due to ordinary-course turnover).

**h. Explain how levels of charity care have changed in WA, TX, and AK since the implementation of the Providence JV.**

There have been no changes to the charity care policies and procedures for WA, TX, AK since implementation of the Providence-Compassus JV.

**i. Provide copies of the charity care policies applicable to each of the WA, TX, and AK entities (i) at present, and (ii) immediately prior to closing.**

A copy of Providence's charity care policy that was in effect prior to the closing is attached hereto as Exhibit 42.5. Providence-Compassus JV's charity care policy currently in effect in WA, TX and AK is attached hereto as Exhibit 21.2.

A copy of the Providence-Compassus JV's financial assistance policy that is currently in effect was previously provided at Compassus Notice\_00231 to 00233.

As described in response to Inquiry 21, both policies are substantially similar.

**j. Clarify whether the CA portion of the Providence JV has closed. If not, provide the following information:**

**i. Expected closing date of the CA portion of the Providence JV.**

[REDACTED]

**ii. Expected timeline, including key milestones, for integration/implementation of the CA portion of the Providence JV.**

[REDACTED]



•	[REDACTED]
█	[REDACTED]
█	[REDACTED]
█	[REDACTED]
█	[REDACTED]



- k. **If the CA portion of the Providence JV has closed, provide responses to a. through h. above for CA.**

Not applicable.

**43. [CONFIDENTIAL] Exhibit A of Providence’s Board of Directors resolution dated February 16, 2024 (at Compassus\_Notice\_01867), lists “shared goals for the partnership” related to access to care, quality of care, community benefit, caregiver experience, best practice development, operational efficiency, and access to capital. For each listed goal, describe in detail the commitments made by Compassus and the steps Compassus plans to take to ensure each listed goal is met in Oregon.**

In addition to the information below, please see response to Inquiry 75 for more information regarding how Compassus will help the Providence-Compassus JV preserve and increase access to care, reduce health care costs, address factors affecting health equity and improve care quality and outcomes.

1. Access to Care: Please see response to Inquiry 75 for information regarding how Compassus will help more Oregonians access home health and hospice services that the Providence-Compassus JV will provide.
2. Quality of Care: Compassus will uphold and advance evidence-based clinical quality standards for all patient care services. Please see response to Inquiry 75 for more information regarding how Compassus will help the Providence-Compassus JV improve care quality and outcomes.
3. Community Benefit: Please see responses to Inquiries 2 and 70 describing community benefit programs that Providence-Compassus JV will maintain. Please also see response to Inquiry 21 regarding the Providence-Compassus JV’s charitable care policy, and response to Inquiry 71 for broader discussion regarding how Compassus will help comply with applicable charitable requirements.
4. Caregiver Experience: Please see the response to Inquiry 46 for detailed response regarding Compassus will support a positive work environment to recruit and retain high-quality caregivers. To accomplish this, Compassus will strive to be the “Employer of Choice.” See Compassus\_Notice\_1052.

Among other things, this means helping the Providence-Compassus JV foster an inclusive, supportive workplace culture. See response to Inquiry 46.c. describing

Compassus' "Care for who I am" culture. Compassus believes that "belonging" is more than a value. It is the heart of how we care. Compassus believes every team member deserves to feel seen, heard, and valued for who they are and the perspective they bring. Compassus is committed to building a culture where differences are honored, voices are amplified, and connection is nurtured at every level of the organization. Compassus leads with empathy, extends dignity, and builds trust.

In addition to building an inclusive and supportive culture, Compassus will help the Providence-Compassus JV provide robust ongoing training and professional development for its caregivers. This includes service line specific training curricula, and a learning management system that offers classes for caregivers to continue to learn and grow. "Leading with Heart" is Compassus' leadership training platform that will be available to Providence-Compassus JV leadership. Compassus has made a commitment to invest in its leadership teams to ensure they have the tools needed to lead at a higher level and to provide a better environment for caregivers.

Compassus will make technologies and tools available to the Providence-Compassus JV that will help caregivers deliver higher quality services and make their day-to-day easier. For example, HCHB is specifically designed for home care and hospice services which makes it more intuitive and efficient for caregivers. Using HCHB in lieu of Providence's legacy EMR system will be an immediate improvement in experience, workflow and productivity for home-based care workers. Please see response to Inquiry 65 for more information regarding HCHB. Compassus will also make Pulse (a clinical decision support tool) and Muse (a predictive analytics tool) available to Providence-Compassus JV caregivers, along with other technologies like Care Delivery App (see discussion in response to Inquiry 75) and remote patient monitoring tools (see response to Inquiry 66 b. and c.).

5. Best Practice Development: Compassus will help the Providence-Compassus JV develop best practices for delivering high quality home health and hospice services. Please see response to Inquiry 75 describing activities that Compassus will undertake to help the Providence-Compassus JV improve outcomes and care quality for home health and hospice services. Those activities are synonymous with the process of "best practice development."

6. Operational Efficiency: Please see response to Inquiry 28 (with emphasis on discussion about "operational standards") for a detailed discussion of the "joint venture value creation journey" that Compassus will undertake with Providence, which is designed to improve operational efficiency. Compassus will help the Providence-Compassus JV streamline operations, reduce redundancy, and optimize resource allocation. Compassus will accomplish this by leveraging technology for scheduling, referral management, and care coordination; integrating operational workflows with Providence systems where appropriate; assisting with payor and supplier contracting

and revenue cycle management; and implementing technology to assist leaders and caregivers in reducing redundancies in current workflow.

7. Access to [REDACTED]

Through the formation of the joint venture, Compassus and Providence have set aside approximately [REDACTED] to support the Providence-Compassus JV's efforts to turnaround the home health and hospice service lines. Of that total, [REDACTED] has been specifically earmarked for Providence's home health and hospice services lines in Oregon. Compassus will be responsible for funding 50% of the necessary turnaround costs for these Oregon assets. Without this joint venture, Providence would need to fund the turnaround efforts on its own, which would be impossible given its broader system-wide commitments and financial constraints – See response to Inquiry 75.

Through this joint venture, Providence will benefit from a highly capable partner to operate its home health and hospice service lines in Oregon and other states. This collaboration helps Providence share the financial responsibility of the turnaround with Compassus, and also positions the region for additional investment including future expansion if opportunities arise to better serve the community through additional sites. Compassus will help ensure that the Providence-Compassus JV has the resources to maintain and hopefully grow Providence's home and hospice service lines in Oregon.

**44. Describe plans for implementing the Providence JV in Oregon. In doing so, address the following in detail:**

**a. The milestones and expected timeline for integration/implementation of the joint venture in Oregon.**

An overview of Oregon integration timeline is attached hereto as Exhibit 44.1. The timelines are subject to change based on timeline for OHA HCMO review and other closing conditions, as applicable.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

- c. Provide copies of all reports, analyses, presentations, and other external or internal documentation developed to date related to implementation/integration plans for Oregon Assets.

[REDACTED]



- d. Provide copies of all communications materials sent to inform Providence staff in Oregon about the Providence JV.**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

- b. Describe how each of these four “levers” can be targeted to improve the performance of a home health or hospice agency.**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**c. Describe what plans or strategies Compassus was or is contemplating to target these levers.**

The Providence-Compassus JV will undertake the “joint venture value creation journey” described in responses to Inquiries 28, 34 and 36, which is designed to improve capture rates, lower patient care costs and achieve G&A Optimization.

Response to Inquiry 48 contains details regarding how Compassus will help Providence-Compassus JV improve Capture Rate, achieve G&A Optimization and reduce non-labor care costs.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

- d. Describe what changes have been made to date to target these levers in states where the transaction has already closed.**

[REDACTED]

- e. If no changes have been made to date in states where the transaction has already closed, describe the anticipated timeline for upcoming changes.**

Please see Compassus\_Notice\_01268 that provides an overview of the timeline of the “joint venture value creation journey” that the Providence-Compassus JV will undertake to improve Capture Rate, lower Patient Care Cost or achieve G&A Optimization, among other levers.

Compassus\_Notice\_01698 shows very early projections of these levers over the next five years.

**46. [CONFIDENTIAL] A Compassus presentation dated August 2023 (at Compassus\_Notice\_01070) identifies as a priority for the Compassus Management Services Organization (MSO) in managing health system JVs to “effectively integrate labor force into the Compassus culture and staffing model.”**

**a. Describe the “Compassus staffing model” for home health and home hospice.**

The culture at Compassus is rooted in a “Care for Who I Am” approach. Compassus’s teams ensure the clinicians have the resources and tools they need to care for patients and families. Compassus will integrate Providence’s staff into its culture and staffing model through the rollout of HCHB and other analytical tools that have allowed Compassus’ other joint ventures to achieve their clinical, operational and staffing goals.

As described in response to Inquiry 46.e. the Providence-Compassus JV is engaging in a robust training program to ensure that Providence’s caregivers can quickly make use of the new clinical tools at their disposal (e.g., HCHB, predictive analytics tools, remote patient monitoring tools, etc.). These tools are discussed in detail elsewhere in this response, including in connection with Inquiries 65 and 66.

Compassus monitors recruitment and retention efforts to ensure that Compassus is and remains an employer of choice. Compassus has a centralized recruitment team to support hiring new caregivers. Compassus also has human resource business partners assigned to programs to help leaders navigate retention efforts.

The Compassus staffing model is based on the needs of the patient and the plan of care designed by the care team and patient. Compassus utilizes the NHPCO guidelines, HCHB recommendations, and industry norms to assist with staffing recommendations. Compassus also compares those with the data in the EMR. Compassus also recognizes that each community is different and will assist the teams with a framework to meet the needs of the community. Compassus is a national company, and services patients with diverse needs and in many different geographies. The staffing model is dynamic and will look different in different regions in keeping with different labor markets, staff availability and patient care needs.

**b. Describe how the Compassus staffing model differs from that of Providence.**

The Providence-Compassus JV’s staffing model is described in detail in response to Inquiry 53. In short, the Providence-Compassus JV will preserve existing clinical FTEs post-closing. This transaction will give the Providence-Compassus JV the ability to increase productivity, and the Providence-Compassus JV intends to use gains in productivity to increase patient census, not reduce staff. The response to

inquiry 60 discusses paraprofessional scheduling optimization, and the opportunities it provides to: (a) improve employee satisfaction by allowing each staff member to perform the duties at the top of their license, (b) improve clinical outcomes by helping ensure that a trained clinician is available to provide complex care at the right time, and (c) improve productivity by freeing clinicians to see more patients overall.

**c. Describe the Compassus “culture.”**

Compassus’ “Care for Who I Am” culture encompasses the essence of its mission and vision as well as Compassus’ unique focus on patients and their fundamental cares. Compassus’ brand culture is written in the first person (“I” rather than “you”) because as Compassus provides care, Compassus is guided by the patient’s perspective and the three domains of our Care Delivery Model.

- Who I am – Quality of life
- How I feel – Comfort (Total pain management, symptom management)
- What I need – Safety (right meds right time, safety and autonomy)

“Care for Who I Am” extends to teammates, as well as patients, through Compassus’s employer of choice initiatives, including teammate business resource groups (TBRGs), clinical career ladders, education assistance and teammate wellness programs.

Compassus supports and fosters the culture through the following forums:

- Leadership development focused on providing a supportive environment for Caregivers.
- Every other month all caregiver townhall meetings are conducted to provide updates, transparency and an environment to share thoughts and ideas.
  - Compassus also shares a patient care story or reflection.
  - Caregivers are recognized for demonstrating Compassus’s core values of compassion, integrity, excellence, teamwork and innovation.
- Meetings are started with a reflection or a patient care story. Board meetings as well.

**d. Describe all similarities and differences between the Compassus “culture” and the “culture” of Providence.**

There are several similarities in the culture of Providence and Compassus. Compassus and Providence have 3 of the 5 same core values: compassion,

integrity, and excellence. Both organizations focus on leading with compassion and doing what is right for the caregivers, patients, families, and communities.

Compassus and Providence completed a culture alignment meeting prior to executing the joint venture and found many overlapping practices as it relates to culture. Specifically, like Providence, Compassus prioritizes compassionate care and the caregivers serving our patients. Compassus is equally vested in the importance of the interdisciplinary process – it’s social work, physical therapy, speech language therapy, volunteers, grief support, clinical care – the whole continuum of care to treat the whole person. The values of the organization and the focus on patients is congruent with Providence’s values. In the definitive agreements, the parties identified mission metrics signifying the importance both organizations place on maintaining a commitment to mission in this new joint venture. Compassus’s core values overlap on Providence’s core values. (Compassus\_Notice\_01875).

The difference in culture primarily surrounds the integration of technology tools to the day-to-day clinical experience. Compassus has a best-in-class technology platform with a long track record of improving clinical outcomes and operational efficiency. Providence’s home health and hospice teams have not had access to these tools. Providence caregivers will be learning new operating systems, utilizing new predictive analytics, and deploying these tools in the clinical setting. Experience shows that this will be a positive change for caregivers and patients alike.

- e. Describe the strategies and actions Compassus plans to undertake to integrate Providence’s home health and hospice labor force into the Compassus “culture” and “staffing model.”**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

• [REDACTED]  
 [REDACTED]  
 [REDACTED]  
 [REDACTED]  
 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



**b. Relating to item 1:**

- i. Describe in detail the “Compassus/AAH standards” for home health and hospice operating performance.**

Please see to response to Inquiry 53 for a complete summary of Compassus / AAH standards.

- ii. Identify and describe in detail the metrics used to define these standards.**

The metrics of success are discussed in detail in response to Inquiries 34 and 43.

- iii. Describe how Providence’s operating performance would need to change to more closely align with “Compassus/AAH standards.”**

Please see to response to Inquiry 53 for detail explaining Compassus / AAH standards.

- iv. Describe the strategies and activities Compassus plans to undertake to achieve this goal.**

Please see to response to Inquiry 53 for detail explaining Compassus / AAH standards.

**c. Relating to item 2:**

- i. Describe in detail the “operational changes” Compassus plans to implement in the Providence JV.**

Please see responses to Inquiry 28 for a list of initiatives that all feed into better performance and Inquiry 36 for examples of how these have been deployed with AAH JV.

- ii. Describe the “behavior changes” needed within Providence’s hospital operations to improve care coordination.**

The Providence and the Providence-Compassus JV will enter into a “Value-Based Enterprise” focused on improving the coordination of care for Providence patients who are discharging from the hospital in need of home based services. The target patient population (TPP) is all patients who may need home based services regardless of payor. The value-based purpose is focused on transitioning patients to the right setting of care at

the right time with value based measures of: readmission rate, timely initiation of care, mortality rate, and hospital length of stay. Patient choice of home-based service providers will be honored. The tactical activities to support the achievement of these value-based measures include increased collaboration within the hospital to identify post-acute needs earlier for a hospitalized patient, match the patient with the right level of care and the right provider, and support the smooth transition of that patient to home with the accountable post-acute partner. The behavior change discussed represents the collaboration with the case management team to support the objectives and operational changes necessary for the “Value Based Enterprise.” Broadly, this model aligns with the Providence’s national case management leadership goals to standardize processes across hospitals and drive high accountability in the post-acute space.

Please also see the response to Inquiry 28, which discusses the systems, staff, and tools Compassus deploys to optimize care coordination between hospitals and in-home care.

**iii. Describe in detail the features of the “partnership alignment and governance structure” necessary to support this goal.**

Partnership alignment and governance happens at multiple levels and is designed to ensure that both Providence and Compassus are fully informed and aware of activities and outcomes in the Providence-Compassus JV, and that both parties can effectively collaborate to deliver on shared objectives. The first is the joint venture board of directors (described in detail in other questions). The second is an executive steering committee which meets monthly. This group includes from Providence operations, finance, case management, and M&A leadership; from Compassus operations, finance, strategy, and growth leadership. The committee reviews monthly financial outcomes, operational KPIs, and joint strategic initiatives. Next are regular meetings at the market and hospital level between Providence-Compassus JV field leaders and hospital leaders, primarily case management but also operations, finance, population health, or other teams as appropriate. These groups meet on a monthly or quarterly cadence to review operational KPIs, quality outcomes, service levels for hospital needs, escalations of specific patient experiences, etc.

**iv. Describe the strategies and activities Compassus plans to undertake to achieve this goal.**

Please see response to i. above.

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

- v. **For clinical productivity, describe how the compensation structure would be changed to align with “productivity.”**

The Providence-Compassus JV has no plans to change the compensation structure. All staff transitioning to the Providence-Compassus JV will maintain the same pay and pay structure. Compassus will honor all existing collective bargaining agreements.

- vi. **For G&A efficiencies, describe in detail the tactics for “delaying” middle management. In doing so, explain what types of roles and responsibilities within Providence would be changed or eliminated.**

The Providence-Compassus JV continues to evaluate the roles and needs of each unique community. Through implementation in the wave 1 states, the parties have noticed that Providence’s legacy technology platform created substantial administrative overhead due to the need to perform certain key functions manually. As HCHB is deployed and optimized in the wave 1 states, local leaders are learning how to re-deploy resources to clinical tasks based on these additional efficiencies. This will be an iterative process undertaken over months and years, and the specific changes will vary based on the operational needs of individual agencies. Please see response to Inquiries 52 and 57 for more information regarding Providence-Compassus JV pre-closing staffing analysis.

[REDACTED]

[REDACTED]

**50. The Notice (page 22) describes “key performance indicators for quality of care and patient satisfaction” that Compassus will be required to meet in managing the Joint Venture. Please provide the following information regarding these key performance indicators (“KPIs”):**

**a. KPI name and definition.**

[REDACTED]

**b. Methodology for calculating each KPI, including data sources.**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

- c. Why each KPI was chosen, including how it is linked to quality of care or patient satisfaction.

[REDACTED]

- d. Any information, data, or other input considered in choosing these KPIs.

[REDACTED]

- e. The role of Providence and Compassus, respectively, in choosing these KPIs.

[REDACTED]

[REDACTED]



[REDACTED]

- f. The extent to which the choice of KPIs was informed by the Charitable Requirements.**

[REDACTED]

- g. Describe Providence's plans for monitoring Compassus' progress toward meeting these KPIs. Provide copies of all documentation developed by Providence or its advisors related to any such monitoring plans.**

[REDACTED]

## **Staffing, Employment, and Compensation**

**51. Describe in detail any plans to change levels of FTE positions in Oregon in any of the below listed functions following the close of the proposed transaction. For any anticipated workforce reductions, provide the number of Oregon FTE affected by functional area and title/role. For example, “reduction of X clinical operations FTE, of which Y are Care Consultants and Z are Clinical Directors.” Provide a copy of all existing documentation, analysis, or correspondence underlying and/or associated with such plans.**

The Providence-Compassus JV’s plan to achieve financial sustainability does not rely on cuts to clinical staff. In fact, the opposite is true. The Providence-Compassus JV will be most successful if it is able to maintain, or even increase, current staffing levels.

At the highest level, the current operating model for Providence’s home health and hospice line of business is not sustainable. Providence projects that, absent the Providence-Compassus JV, its national hospice and home health line of business would suffer operating losses [REDACTED] in 2026. Losses in Oregon would be approximately [REDACTED]. These losses stem, in large part, from operational constraints that prevent Providence from increasing volumes, as discussed in detail in response to Inquiry 19.

As described in more detail below, the Providence-Compassus JV has a plan to increase clinical volumes through proven productivity-enhancing strategies that deliver superior clinical results. These strategies are discussed in more detail in response to Inquiries 60 and 65. Successfully implementing these strategies would allow the Providence-Compassus JV to: (a) improve access to home health and hospice services, (b) deliver more timely, patient-centered care, and (c) achieve financial sustainability, all while preserving existing staffing levels.

### **a. Clinical Operations**

The Providence-Compassus JV is not projecting or anticipating any changes in the number of FTE caregivers. As the Providence-Compassus JV implements its productivity-enhancing strategies, the joint venture intends to expand services and patient census. This service expansion is critical to the Providence-Compassus JV’s long term success, and any reduction in clinical staff would directly undermine this goal.

**The response to subpart a. (clinical operations), states, “The Providence-Compassus JV is not projecting or anticipating any changes in the number of FTE caregivers.” (Emphasis added.) As requested, please address plans or projections related to any clinical operations FTE, including non-caregiving positions, and provide copies of all documentation, analysis, or correspondence underlying such plans.**

Based on the current caregiver census and potential volumes in the area, we do not anticipate a company driven change in caregiver headcount. The Providence-Compassus JV will implement its growth strategy in the market and maintain adequate staffing levels. Except as described in response to Inquiry 57, Providence-Compassus JV does not have any plans or projections related to any clinical operations FTE, including non-caregiving positions, or any documentation, analysis, or correspondence underlying such plans.

**b. Management**

The Providence-Compassus JV is assessing the leadership model with Providence in Oregon. With TX, WA, and AK the joint venture made very few changes to the headcount of leaders. Early on in the integration planning phase, Providence recommended aligning the leadership titles with the Compassus leadership titles. Executive Directors were moved into Regional Vice President roles. Clinical managers are now Directors of Clinical Services; directors have changed into Area Clinical operators. There was a lot of positive feedback from these changes.

**c. Compliance and Legal** - The Providence-Compassus JV is not projecting or anticipating any changes in the number of FTE positions.

**d. Revenue Cycle Management (“RCM”)** - The Providence-Compassus JV is not projecting or anticipating any changes in the number of RCM FTE positions.

**[CONFIDENTIAL] The response to subpart d. (RCM), states “The Providence-Compassus JV is not projecting or anticipating any changes in the number of FTE positions.” This appears to conflict with information contained in Compassus\_Notice\_01717. Please explain this discrepancy.**

Compassus\_Notice\_01717 is a projection of one possible scenario to help make the Providence-Compassus JV more financially sustainable. However, at this time, Compassus is not planning a reduction in RCM FTEs in Oregon.

[REDACTED]



- e. Finance & Accounting** - The Providence-Compassus JV is not projecting or anticipating any changes in the number of FTE positions in finance and accounting. Accounting at Providence historically been outsourced, so Compassus will be taking that work in house.
- f. Marketing & Communications** - The Providence-Compassus JV is not projecting or anticipating any changes in the number of FTE positions.
- g. Information Technology** - The Providence-Compassus JV is not projecting or anticipating any changes in the number of FTE positions.
- h. Human Resources** - The Providence-Compassus JV is not projecting or anticipating any changes in the number of FTE positions.

**52. Describe in detail any plans to changes levels of FTE positions in Oregon for all direct patient care roles, specifically including all positions listed as a. through r. below. In doing so, please provide separate responses for hospice and home health and provide a copy of all existing documentation, analysis, or correspondence underlying and/or associated with such plans.**

As noted above, the Providence-Compassus JV is not projecting or anticipating any changes in the number of FTE clinical caregivers. As the Providence-Compassus JV achieves its clinical and productivity goals, the joint venture intends to expand services and patient census. This service expansion is critical to the Providence-Compassus JV's long-term success, and any reduction in clinical staff would directly undermine this goal.

**Entities' responses to subparts a.-d., f.-l., n.-p., and r. fail to reference plans for Oregon specifically. Please clarify, for each subpart, whether the stated plans also apply to Oregon.**

Responses below have been revised to clarify that each subpart applies to Oregon.

**a. Registered Nurse**

Based on the current volumes in Oregon and the projected needs of the community, the Providence-Compassus JV anticipates adding additional home health and hospice registered nurses in Oregon.

**b. Licensed Practical Nurse**

Based on the current Oregon volumes and the projected needs of the community, the Providence-Compassus JV anticipates maintaining existing staffing levels for the home health and hospice licensed practical nurses in Oregon. As Providence-Compassus JV expands access to care in Oregon, it will evaluate the need for additional Licensed Practical Nurse.

**c. Licensed Vocational Nurse**

Based on the current Oregon volumes and the projected needs of the community, the Providence-Compassus JV anticipates maintaining existing staffing levels for home health and hospice licensed vocational nurses in Oregon. As Providence-Compassus JV expands access to care in Oregon, we will evaluate the need for additional Licensed Vocational Nurses.

**d. Mental Health Registered Nurse**

Providence and Compassus are still evaluating this role in Oregon. This is not a consistent role with Providence, and it is not clear whether the Providence-Compassus JV will designate a permanent Mental Health Registered Nurse. As noted above, the Providence-Compassus JV is not planning or projecting any reduction in RN FTEs.

**e. Wound Ostomy and Continence Nurse**

The Providence-Compassus JV will retain current wound ostomy/continence nurses in Oregon and will use a centralized team to support programs in Oregon with wound/ostomy care needs. The Providence-Compassus JV will engage the team leader to meet with the caregivers to provide any needed support in Oregon. This will be a new clinical resource for Oregon caregivers and will allow the organization to better serve patients with wound care needs.

**52.ii. For subpart e., please clarify whether the use of a centralized wound/ostomy team would be associated with any changes in wound ostomy/continence nurse FTE in Oregon.**

There are no planned changes to wound ostomy/continence nurse FTE in Oregon due to the use of a centralized wound/ostomy team. As discussed above, the Providence-Compassus JV will retain current wound ostomy/continence nurses in Oregon.

**f. Nursing Assistant**

Based on the current volumes and the projected needs of the community, the Providence-Compassus JV anticipates maintaining all existing nursing assistant FTEs in Oregon. As Providence-Compassus JV expands access to care in Oregon, we will evaluate the need for additional nursing assistants.

**g. Physical Therapist**

Based on the current volumes and the projected needs of the Oregon community, the Providence-Compassus JV anticipates maintaining existing physical therapy FTEs in Oregon. As Providence-Compassus JV expands access to care in Oregon, it will evaluate the need for additional physical therapists.

**h. Physical Therapy Aide/Assistant**

The Compassus approach emphasizes the strategic utilization of paraprofessional staff, and the Providence-Compassus JV is committed to increasing PTA staffing levels in Oregon as indicated by patient census and the evolving needs of each community.

**i. Occupational Therapist**

Based on the current volumes in Oregon and the projected needs of the community, the Providence-Compassus JV anticipates retaining all occupational therapist FTEs in Oregon. As Providence-Compassus JV expands access to care in Oregon, it will evaluate the need for additional occupational therapists.

**j. Occupational Therapy Aide/Assistant**

The Compassus approach emphasizes the strategic utilization of paraprofessional staff, and the Providence-Compassus JV is committed to increasing occupational therapy aide/assistant staffing levels in Oregon as indicated by patient census and the evolving needs of each community.

**k. Speech Therapist/Speech Language Pathologist**

Based on the current volumes in Oregon and the projected needs of the community, the Providence-Compassus JV anticipates maintaining existing speech therapy FTEs in Oregon. As Providence-Compassus JV expands access to care in Oregon, it will evaluate the need for additional physical therapists.

**l. Home Health Aide**

Based on the current volumes in Oregon and the projected needs of the community, the Providence-Compassus JV anticipates maintaining existing home health aide FTEs in Oregon, and work with the physicians to assess the needs of the patients and determine if the community needs additional support from home health aides.

**m. Social Worker**

Based on the current volumes in Oregon and the projected needs of the community, the Providence-Compassus JV anticipates maintaining existing social work FTEs but is still assessing the staffing within Oregon to see if additional resources are needed to support care plans.

**n. Chaplain**

Chaplain caregivers are needed to provide spiritual support for patients in need. All chaplains FTEs in have been or will be conveyed to the Providence-Compassus JV, including in Oregon. Providence-Compassus JV will assess the needs of its patients to determine if additional chaplain FTEs are needed.

**o. Bereavement Counselor**

The bereavement counselor is needed to support the family 13 months post death of the patient. All bereavement counselors have been or will be conveyed to the Providence-Compassus JV, including in Oregon, and the parties are evaluating continued bereavement support in the community. The Providence Foundation has supported these efforts in the past.

**p. Hospice Assistant/Aide**

Based on the current volumes and the projected needs of the community in Oregon, the Providence-Compassus JV anticipates maintaining all hospice assistant/aid FTE at closing, including in Oregon. Providence-Compassus JV will assess the needs of its patients to determine if additional hospice assistants are needed.

**q. Massage Therapist**

Massage therapy is an optional offering to patients on hospice care. The Providence-Compassus JV is assessing the role in Oregon to ensure the therapy is driven by the interdisciplinary team.

**r. Other staff engaged in providing care directly to patients.**

The Providence-Compassus JV is not projecting or anticipating any changes in the number of FTE caregivers in Oregon.

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[REDACTED]		[REDACTED]		[REDACTED]	
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



[REDACTED]

[REDACTED]

There are no plans to reduce RN staffing. Compassus completed a review of Providence at Home and noticed opportunities with staffing. However, this does not equate to a reduction of staff. As described in detail in response to inquiry 19, the only way for the Providence-Compassus JV to achieve financial sustainability is to increase volumes. With increased volumes, Providence-Compassus JV will continue to maintain adequate staffing to serve its patients with high quality care.

Thus, the Providence-Compassus JV will leverage clinical productivity gains to expand services, not reduce FTEs. RNs are needed to complete starts of care and manage the plan of care. The goal would be to retain RNs and add LPNs where needed to compliment the care the RNs provide. The Providence-Compassus JV does not have any intention of replacing RNs with LPNs to reduce costs.

**a. Explain whether these proposed changes reflect the current plans for implementation of the proposed transaction in Oregon. If not, please explain how the current plans differ.**

The above-described changes accurately reflect the current plan for Oregon. This plan has already been implemented in Texas, Washington, and Alaska.

**b. Provide details of any current plans to change the ratio of RNs to LPNs/LVNs caring for home health or home hospice patients in Oregon following the close of the proposed transaction. Provide copies of any existing documentation, analysis, or correspondence underlying and/or associated with such plans.**

Compassus uses an industry-standard staffing model. Compassus utilizes NHPCO/Alliance guidelines, HCHB recommendations, and data to establish the model. Compassus operates in 30+ states and the joint ventures tailor the model based on the needs of the unique community.

**i. Entities' response states, "The goal would be to retain RNs and add LPNs where needed [...]." This statement suggests that Compassus intends to decrease the ratio of RNs to LPNs/LVNs caring for home health and/or hospice patients in Oregon following the close of the transaction. Please clarify the response for subpart b to account for this statement.**

For the avoidance of doubt, Providence-Compassus JV does not intend to decrease the ratio of RNs to LPNs/LVNs caring for home health and/or hospice patients in Oregon following the close of the transaction. Providence-Compassus JV will utilize industry standard staffing models to determine appropriate staffing ratios. Specifically, the Providence-Compassus JV will use NHPCO/Alliance guidelines, HCHB recommendations, and patient data. For Home Health services, the ratio for RN to LPN/LVN is based on weighted points for visit types. Both models are based on the unique circumstances and needs of the patients in the areas which we operate.

**ii. [CONFIDENTIAL] The response to subpart b. refers to 53.a. for "target ratios for the Oregon market." The response numbered 53 does not include this information. The response numbered 52.a. includes productivity ratios but does not mention the ratio of RNs to LPNs/LVNs. Please correct the cross-reference as needed.**

Parties have deleted the erroneous cross-reference to Inquiry 53.a. Providence-Compassus JV does not maintain forecasts and information regarding target RN to LPN/LVN ratio in Oregon. As discussed above, Providence-Compassus JV will use NHPCO/Alliance guidelines, HCHB recommendations, patient data and weighted points for visit types, as applicable, to determine appropriate staffing ratios that meet the needs of its patient population.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**a. Provide the context for this analysis. In doing so, please explain:**

**i. Who performed this analysis.**

Compassus and EYP together performed this analysis to plan for the MSO / corporate support for post-transaction.

**ii. When this analysis was performed.**

Compassus produced this analysis as part of due diligence for the transaction and completed it in the summer of 2024.

**iii. Who was the expected audience.**

Compassus conducted this analysis for internal planning purposes

**iv. With whom was this analysis shared and when.**

The documents were shared with Compassus's internal leadership team (Corporate Development, Finance, CEO, COO, CIO etc.) in the summer of 2024. Compassus shared with Providence the specific staff positions that were identified as not needed in the go-forward operations. This gave Providence the opportunity to transfer these colleagues within broader organization, if possible.

**b. Explain whether these proposed changes reflect the current plans for implementation of the Providence Oregon JV. If not, please explain how the current plans differ.**

The above-referenced changes reflect current plans.

**c. Provide any subsequent updates to this headcount analysis.**

There have been no updates to this headcount analysis.

**d. Provide any other headcount analysis developed between August 1, 2023, and the date of this letter.**

All headcount analysis has been provided.

[illegible]

[REDACTED]

[REDACTED]

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[REDACTED]

- 60. Provide a detailed description of the strategies and/or actions the Providence JV plans to undertake to improve the productivity of clinical staff (including visits per week, ADC/nurse, and any other productivity metrics) in Oregon. The response should include (but not be limited to) anticipated changes in compensation, policies, systems, or patient care protocols intended to improve productivity. In responding, please address home health and hospice clinical staff separately and provide a copy of all existing documentation, reports, presentations, or analysis underlying and/or associated with such plans.**

[REDACTED]

[REDACTED]

[REDACTED]







[REDACTED]

[REDACTED]

[REDACTED]

**62. Describe any plans to change employment or compensation arrangements for Providence clinical staff in Oregon, including physicians, advanced practice practitioners (NP, PA), nurses (RN, LPN, LVN), therapists (OT, PT, ST), therapy assistants (OTA, PTA), aides, and social workers. Please list each occupation separately and include any planned changes related to:**

**a. Full-time vs part-time status.**

There will be no changes to the employee statuses.

**b. Employee vs. independent contractor (1099) status.**

The Providence-Compassus JV is not changing employee or contractor classifications. Providence employees who are transitioning to the Providence-Compassus JV will be employees of the joint venture; Providence independent contractors who are transitioning to the Providence-Compassus JV will be independent contractors of the joint venture. See the response to Inquiry 63 for information regarding medical director relationships.

**c. Compensation structure (e.g., salary, hourly pay, pay-per-visit, bonus, other productivity or incentive-based compensation, and relative weight of each compensation type).**

There will be no changes to compensation structure of any class of employee.

**d. Compensation rates (e.g., base salaries, hourly wages, bonuses, mileage/expense reimbursement rates).**

There will be no reductions in pay rates. If anything, there may be increases for employees that experience job changes and after the Providence-Compassus JV completes market reviews. The mileage reimbursement rate will be the same.

**e. Health insurance plans offered.**

Please see benefits guide for Providence Compassus JV attached as Exhibit 62.

**f. Range of benefits offered.**

Please see benefits guide for Providence Compassus JV attached as Exhibit 62.

**g. Requirements for benefits eligibility.**

There are no changes to benefit eligibility. Compassus will offer benefits to the same classes of employees under the same eligibility rules as Providence's existing benefit plans.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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**65. Describe plans for Providence home health and hospice agencies in Oregon to adopt Compassus' HomeCare HomeBase ("HCHB") Electronic Health Record (EHR) system.**

At closing, Providence home health and hospice agencies in Oregon will move forward with a well-coordinated transition to HCHB, the Compassus-sponsored Electronic Health Record (EHR) platform. This integration milestone is built on the Compassus model of deploying dedicated integration teams for each service line, ensuring a smooth, effective, and highly tailored adoption process.

To further strengthen this transition, Compassus engages industry expert consultants through Maxwell TEC and implementation specialists through HCHB itself. This dual-resource approach provides clinical, operational, and technical expertise, ensuring best-practice driven workflows and a proven, nationally recognized implementation methodology.

The transition to HCHB in home health will take place over a carefully planned 60-day "straddle" period. On the HCHB go-live day, all new home health admissions will be managed in HCHB, while existing patients will remain in the legacy EMR until their recertification date. Over the course of 60 days, the Providence-Compassus JV will transition existing patients to HCHB upon recertification. This deliberate, phased process reduces disruption, ensures data integrity, and supports a manageable workload for staff during the transition.

The hospice service line will transition to HCHB through a "big-bang" go-live on the first day of the designated month. Every current hospice patient will be pre-built into HCHB prior to go-live—using a detailed "couch visit" process to ensure all patient records and documentation are fully ready and accessible. This approach enables seamless clinical continuity for both staff and patients from the very first day on the new platform.

A key differentiator for Compassus—and a critical factor for the success of this transition—is the assignment of dedicated HCHB integration teams for each service line, supported by Maxwell TEC's industry consultants and HCHB's implementation specialists. Unlike generalized or siloed EHR onboarding seen elsewhere, this approach brings together deep clinical, operational, and regulatory expertise for each discipline, providing:

- Customized Workflows: Tailored configurations for the unique needs and best practices of each service line.
- Implementation Guidance: Comprehensive, hands-on support from planning through rollout—anticipating, addressing, and solving real-world issues before they impact patient care.



- Sustained Partnership: Continuous engagement with integration teams, Maxwell TEC consultants, and HCHB specialists after go-live, ensuring ongoing optimization, regulatory compliance, and staff proficiency.

This dedicated, expert-supported approach delivers substantial added value compared to traditional EHR transitions. The Providence-Compassus JV's care teams receive discipline-specific, best-in-class support, reducing risk, accelerating user adoption, and maximizing efficiency, compliance, and patient care quality.

**a. Describe the reasons for transitioning to HCHB and the anticipated benefits from this change.**

HCHB is a best-in-class EMR specifically tailored to the needs of home-based care. There are four primary advantages to HCHB over other EMR platforms:

- Systems and capabilities specifically designed for the unique needs of home-based care.
- Integrated predictive analytics tools.
- Advanced reporting suite.
- Real-time editing capabilities to customize the platform for particular service lines or communities.

**b. Describe in detail whether (and if so, how) achievement of the Entities' stated goals of the Providence JV may depend on implementation of HCHB.**

HCHB is critical to achieving the goals of the Providence-Compassus JV. Specifically, the HCHB platform will further the following goals:

- Improve Caregiver Efficiency Through Streamlined Workflows: As described in response to Inquiry 14.d, Providence's existing EMR has stymied its efforts to improve clinical productivity. Specifically, Providence clinicians have had to address limitations in the EMR system through time-consuming manual workarounds. Further, patient scheduling and travel time were not integrated into Epic, and did not efficiently track travel, in-home phases, or workflow. HCHB solves these problems. HCHB is specifically designed for home care workflows. It integrates with a technology suite designed for in-home care by enabling more functionality at the bedside.
- Improve Clinical Performance and Efficiency Through Data Analytics: Providence currently lacks the data tools necessary to integrate predictive analytics into its workflows. Compassus' HCHB's integration has several workflows specifically designed to improve clinical outcomes. For example, the Providence-Compassus JV will implement

the Compassus Home Health Utilization program that helps ensure patients are receiving the right number of visits per episode based on their individual needs. This helps improve efficiency and optimize staffing levels over time to be consistent with demand. A separate tool, referred to as Pulse, analyzes the clinical documentation within HCHB to generate recommendations regarding patient recertification.

- Clinical and Operational Optimization Through Real-Time Reporting: Compassus has invested in a robust and continually evolving reporting suite to support the operations of its joint ventures and its health system partners. This includes (a) day-to-day operational and growth reports accessible through HCHB and Power BI and (b) a monthly data transfer mechanism whereby the health system sends hospital discharge data to Compassus, and Compassus sends volume and quality outcomes data to the health system. These systems will enable the Providence-Compassus JV to design, implement and evaluate clinical and operational programs in a way that Providence could not with its existing tools.
- Improve Supply Chain Management: HCHB also enables an electronic supply ordering platform with a strict formulary. These features, which are fully integrated into HCHB, supports cost savings, clinician efficiency, and clinical effectiveness with greater visibility into cost and utilization.

The Providence-Compassus JV's goal is to improve the experience for patients and caregivers. The patients will not necessarily see the benefits of the EMR but the care team will have the insights to deliver high quality care based on the insights provided by the EMR. Prior joint ventures have improved clinical outcomes for patients and families. The caregivers will experience a tool that was built for home care. They will also experience reporting and predictive tools to support the care they provide.

**c. Provide the expected timeline, relative to the closing date of the proposed transaction, for adoption of HCHB in Oregon.**

Please see Exhibit 44.1 for overview of Oregon implementation timeline.





- [REDACTED]

**d. Describe the capabilities and functionality of HCHB that are not currently available in Providence's Epic EHR system.**

Please see the response to Inquiry 65.b, which summarizes the unique features and capabilities of HCHB, which Providence's Epic EMR system does not offer.

**e. Describe the manner in which HCHB interfaces with other EHR systems, including but not limited to Epic, Oracle Cerner, and MEDITECH.**

[REDACTED]

**f. Describe Compassus' experience to date with implementing HCHB for the Providence JV in WA, TX, and AK and for other health system joint ventures.**

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- g. Identify and describe any issues Compassus has encountered to date with HCHB interfacing with Epic, Oracle Cerner, and/or MEDITECH.

The integration technologies that facilitate data sharing between these systems have been validated. The interfaces between HCHB and these platforms have to be configured based on specific implementation. This requires collaboration to design the interface specifications, configure the EHRs, test, and finally monitor the production use of interfaces. This process is fairly routine and can be configured in a few weeks, depending on the availability of resources.

**h. Describe any anticipated impacts of switching to HCHB on clinicians' ability to directly communicate with external healthcare providers, including clinicians at hospitals, rehabilitation facilities, and other health care facilities.**

Clinicians will be able to continue using in-basket messaging within Epic through the Carelink tool, which is available for Providence referral sources. Communication with external referral sources will not be affected.

**The response to subpart h. indicates that the "Carelink" tool is not available for referral sources outside of the Providence system. The response further states, "Communication with external referral sources will not be affected." Please explain in detail why switching to HomeCare HomeBase will not affect communication with referral sources outside of the Providence system.**

Switching the HCHB will not affect communication with referral sources outside of the Providence system because Providence-Compassus JV will continue using the same tools to communicate with external providers as they do today, including using CareLink, phone, and fax. CareLink is a secure platform that allows non-Providence providers to communicate with Providence providers.

**i. Describe any anticipated impacts of switching to HCHB on clinician's ability to access patients' comprehensive medical history upon admission to home health or home hospice care.**

Experience with HCHB transitions gives the parties confidence that this HCHB transition will not negatively impact clinicians' ability to access relevant patient information. Clinicians and back-office caregivers will have access to the past 30 days of patient information in Epic through Carelink. This approach provides an appropriate balance of visibility into relevant patient health history while transitioning to the new platform, ensuring caregivers have the necessary context for informed decision-making while focusing on the most pertinent and timely clinical details.

**66. Describe plans for implementation of the "predictive analytics" and "telehealth tools" referenced in the Notice (page 20). Please address the following topics:**

**a. The intended uses for predictive analytics and telehealth tools, respectively.**

The intended use for both predictive analytics and telehealth tools is to improve the quality of patient care, the experience of care for patients, and provide clinical teams with insights to better allow them to care for patients.

**b. The specific capabilities offered.**

Compassus utilizes a variety of predictive analytics to support patient care. Most notably, Compassus leverages predictive analytics through a product called Muse to identify decline in patients on hospice service to improve clinicians' ability to be at the patient bedside in the last days of life. For home health patients, Compassus leverages predictive analytics through a product called Pulse to identify home health patients at risk of rehospitalization and at risk of mortality. For patients identified at high risk of rehospitalization and at risk of mortality, clinical services directors evaluate the need to modify plans of care, deploy clinicians for as needed visits, and/or provide additional education to patients and families.

In the telehealth category, Compassus provides remote patient monitoring support for home health patients with specific disease conditions that benefit from additional monitoring support. Compassus provides peripheral devices, including weight scale, blood pressure cuff, and pulse oximeter. Additionally, Compassus provides a cellular tablet or an application for a BYOD setup depending on the patient's access to a device and Wi-Fi. Patients on remote patient monitoring service will take vitals daily, which is monitored by a team of nurses who identify trends and provide outreach/triage support for patients who have vitals that require intervention. Virtual nurses also perform video or telephonic calls with patients to provide education and support related to their vitals. All vitals collected through remote patient monitoring are integrated into the EMR to provide additional clinical data to support the patient's plan of care. As noted in response to Inquiry 5, Providence home health line had to discontinue its remote patient monitoring services. Compassus expects to continue to provide this technology-driven service within the Providence Compassus JV.

**c. How these technologies would contribute to improving patient care quality, outcomes, or patient experience.**

Compassus's predictive analytics supported by Muse improves hospice quality outcomes. The primary measure of improvement is the hospice quality measure called Hospice Visits in the Last Days of Life (HVLDL).

[REDACTED]



[REDACTED]

Compassus' predictive analytics for Home Health patients through Pulse improves home health star ratings. The AAH JV's Home Health Star Ratings improved to 4.3 from 3.5. [REDACTED]

**d. The role of clinician assessments and recommendations in decisions or actions informed by predictive analytics tools.**

Clinicians make all decisions affecting patient diagnosis, treatment, and care. The above mentioned predictive analytics features are tools that clinicians use to inform their independent decisions. The Muse and Pulse tools are reviewed daily by Directors of Clinical Services for their panels of patients. The predictive analytics result is always coupled with detailed visit notes and historical clinical data to provide the full understanding of the patient context. A care navigator will review the file of each home health patient identified to have a mortality risk, with recommendations sent to the home health clinical teams for review and implementation.

**e. How these technologies would be implemented into patient care practices and workflows, including expected timelines relative to the closing date of the proposed transaction.**

Predictive analytics for patients on service will be available as soon as the Providence Compassus JV entity transitions from the Epic EMR to HCHB, [REDACTED]. See the response to Inquiry 65.c. for a complete timeline of this implementation.

Although the predictive analytics will be available upon EMR transition, the full adoption and utilization of the tools will take [REDACTED] transition is supported by detailed training for all staff, super user training for Directors of Clinical Services, supportive educational videos, and retraining opportunities based on utilization and performance over time. Additionally, Compassus employs a centralized team of utilization management nurses who continue to support



adoption. Telehealth supportive services will be available within three months of HCHB transition to allow time for necessary trainings and technology transitions. Any new technology deployments are supported by training and education for all users or team members impacted by the change.

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- a. Describe the Entities' plans for ensuring that resources and capacity currently devoted to these programs and services are maintained and that patients currently eligible for these programs and services continue to be eligible following the close of the proposed transaction.
- b. Describe Compassus' experience supporting community benefit services. In doing so, provide specific examples, including examples from the AAH joint venture, of how Compassus has supported these services.

**c. Provide copies of all documentation, analyses or reporting relevant to your responses to the above requests.<sup>6</sup>**

Please see response to Inquiry 2 for information regarding Providence-Compassus JV's commitment to ensuring that community benefit programs continue into the future.

Providence will ensure that resources and capacity currently devoted to the community benefit programs are maintained and that patient eligibility will not change through its representatives on the Providence Compassus JV's board. Through its board membership, Providence will continue to have oversight of and a voice in the joint venture's operations. And pursuant to Section 2.08 of the Amended and Restated JV Agreement, the Providence Compassus JV will deliver quarterly reports and certifications relating to its compliance with the joint venture's charitable and ethical obligations.

Compassus understands that Providence's community benefit programs are critical for the communities they serve, so preserving those benefits is important for the Providence-Compassus JV. This is why the parties agreed to make the continuation of community benefit programs a contractual obligation under the Providence-Compassus JV's operating agreement (please see Compassus\_Notice\_00179; 00237). To strengthen their commitment to these programs, Providence and Compassus's respective foundations plan to enter into a formal agreement to guarantee philanthropic investment in necessities of life grants and youth grief programs.

**The response states that Providence and Compassus foundations “plan to enter into a formal agreement to guarantee philanthropic investment in necessities of life grants and youth grief programs.”**

**i. Please provide the expected timeline for execution of such an agreement.**

**ii. Please outline the expected terms of the agreement. If available, please provide a draft agreement or term sheet.**

The respective legal, tax, compliance, and foundation leadership teams are planning to finalize the formal agreements in Q4 of 2025, with the expectation that budgets and funding requests will be finalized for calendar year 2026 for all active community benefit programs of the Providence-Compassus JV. A final term sheet or

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<sup>6</sup> Please note that this Inquiry is misnumbered as #69 in OHA's RFI 2 request letter dated September 12, 2025. The numbering scheme has been updated to match OHA's RFI 1 request letter dated June 13, 2025.

draft of the agreement is not yet available, however the parties will provide a copy to OHA once finalized. So far, the parties have agreed to the following high-level terms:

- a. Parties plan to support the community benefit programs described in response to Inquiry #2. Specifically, Providence-Compassus JV will continue to support these programs through financial support from philanthropic fundraising by Providence and Providence St. Joseph Health Foundation.
- b. Although the parties are still working on the details, the parties anticipate implementing a process through which Providence-Compassus JV will periodically request funds from the Providence St. Joseph Health Foundation to fund the community benefit programs. Providence St. Joseph Health Foundation, with input from Providence and Compassus, will review and approve the funding request and allocation.
- c. With necessary input from Compassus, funding will be capped at amounts set by Providence and Providence St. Joseph Health Foundation based on the overall funding availability, other funding requests, needs of the community, among other factors.
- d. Providence shall perform an annual community review to validate the designation of "healthcare desert" areas, thereby allowing for ongoing funding and strategic coordination to ensure access to community benefit programs for underserved populations in those areas.
- e. Providence through Providence St. Joseph Health Foundation or otherwise shall continuously engage in fundraising endeavors within the communities needing access to care for underserved populations to guarantee sustainability and align with community-specific philanthropic targets.
- f. Parties have also agreed to the following legal terms:

## Foundation-to-Foundation Agreement (overview)

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Agreement establishes the terms under which **Compassus Living Foundation** provides funding to **Providence Foundation** in support of home-based service for Providence at Home programs (Hospice and Home Health).

### Key Points

- **Independent Contractors:**  
Each foundation operates separately; no employment relationship.
- **Confidentiality:**  
Strict protection of each party's confidential info; exceptions for legal requirements.
- **Indemnification:**  
Funding foundation (Compassus) covers third-party claims against recipient (Providence).
- **HIPAA Compliance:**  
Both parties must follow patient privacy and data protection laws.
- **General Provisions:**  
Force majeure for uncontrollable events  
Written notices for all official communication  
No assignments or amendments without written consent  
Binding on successors; signed copies via PDF/fax allowed

3



This agreement will serve as the backbone of an ongoing and accountable partnership. Providence-Compassus JV board will monitor and oversee the community benefit programs alongside dedicated staff and leadership from both the Providence and Compassus foundations. This structure is designed to protect community benefit resources, and foster collaborative development and transparency in all future community benefit activities.

This transaction is the best opportunity Providence has to help preserve these community benefit programs (see response to Inquiry 75) and also position them for growth and innovation through the efforts of the Providence-Compassus JV. The parties expect that these community benefit programs will continue to be funded in much the same way as Providence funds them today. Specifically, Providence has supported home health and hospice through the Providence Foundation and will continue to do so post-closing. Funding will also come from ongoing home health and hospice operations, consistent with past practice. Finally, the parties expect additional funding from private grants and donations, and the Compassus Living Foundation will fund necessities of life requests and grief camps.

The Providence-Compassus JV has no plans to change eligibility requirements to participate in these community benefit programs, except as specifically described in response to Inquiry 22. Thus, the Providence-Compassus JV will maintain eligibility for current and future patients, to extent permitted by, and in accordance with, applicable laws.



The Providence-Compassus JV and Providence will establish a clear process to directly petition the Providence Foundation for funds to sustain and enhance community grief initiatives, such as Camp Erin as described in response to Inquiry 2. This ensures these resources remain available to all eligible Oregonians by providing the necessary financial support to maintain development of these programs, manage volunteer efforts, manage risk and maintain general liability insurance coverage for each camp program.

Finally, Compassus has extensive experience in operating community benefit programs through its Compassus Living Foundation, which is a nonprofit organization that aims to provide financial and practical support for hospice and palliative patients, their families, and the broader communities served by Compassus programs. Compassus Living Foundation will make additional benefits available to Oregonians, such as:

- Financial Grants for Basic Needs (“Care for Me” program): The Foundation offers one-time financial assistance for patients facing urgent needs, such as utility bills, groceries, rent, or transportation to medical appointments. For example, patient’s family struggling to pay for groceries after a job loss during hospice care received a grocery gift card funded by the Foundation.
- Wish Fulfillment (“Wish with Me” program): Similar to Make-A-Wish but for adults, Compassus Living Foundation has helped patients experience meaningful final moments, such as family reunions, attending a favorite event, or simple outings. For example, a patient’s wish to have a last meal at their favorite restaurant with family was coordinated and funded by the Foundation.
- Specialized Transportation Support: For patients in rural areas, the Compassus Living Foundation has on occasion financed transportation to ensure access to special events.

Compassus fully supports community benefit programs of its joint venture partners Ascension Health, OhioHealth and BSMH. Compassus worked with Ascension Health, OhioHealth and BSMH to ensure the joint ventures with each of these health systems preserves and hopefully grow home health and hospice community benefit programs they offer. These health system patients have also benefited from the Compassus Living Foundation, for example:

- BSMH: Assisted uninsured or underinsured patients at BSMH to secure essential non-medical items not covered by insurance, and provided educational scholarships for joint venture hospice social workers serving BSMH locations, enabling advanced grief counseling certifications.

- OhioHealth: Supported OhioHealth patients' transportation needs to facilitate visits with distant family members during end-of-life care, and sponsored special events (Mother's Day teas, Veterans' Pinning Ceremonies) for patients and families co-hosted at OhioHealth/Compassus hospice units.

Also, Compassus Living Foundation has collaborated with OhioHealth and BSMH to supplement non-medical care for hospice patients. This may include help with funeral expenses for indigent families, support during transitions from hospital to hospice, or home modifications for comfort to the extent permitted by applicable health care fraud and abuse laws and compliance guidelines.

Below are additional patient stories and summary of news articles highlighting the community benefit work Compassus and Compassus Living Foundation have done with its health system joint venture partners:

"Final Family Reunion"

A hospice patient in a Compassus program affiliated with OhioHealth longed to see estranged family members one more time. The Foundation provided funds for long-distance bus tickets and a hotel stay, enabling a final, meaningful family gathering.

"Paying the Light Bill"

In partnership with Bon Secours Mercy Health, a seriously ill patient faced imminent electricity shutoff due to lost wages from illness. The Foundation intervened with emergency utility assistance, allowing the patient to remain safely at home and continue receiving in-home hospice.

"A Veteran's Salute"

A Compassus hospice patient (from a program partnered with Ascension Health) who was a military veteran wished for a patriotic send-off. The Foundation requested a local Honor Guard, supplied flags and medals, and helped coordinate a bedside ceremony with the patient's grandchildren present.

"Tiny Miracles"

For a pediatric palliative patient, Compassus Living Foundation funded specialized formula and soft blankets after insurance denials. Caregivers were coached by hospital staff from an OhioHealth partner hospital, with the Foundation covering all out-of-pocket costs.

Below are examples of new stories discussing the activities of the Compassus Living Foundation.

Compassus & Ascension Saint Thomas

Source: *BusinessWire*, Jan 2023

"The Compassus Living Foundation supported several patient requests for emergency rent and utilities at Ascension Saint Thomas Hospice, sharing, 'No patient will go without basic needs during their most vulnerable moments.' Their grant program has since covered over \$25,000 in direct emergency aid in partnership with Ascension."

OhioHealth's Hospice Partnership

Source: *Local News (Columbus Dispatch)*, July 2022

"OhioHealth Hospice, in partnership with the Compassus Living Foundation, has launched a 'final wishes' program. Recent grants allowed patients to attend grandchild graduations, reconnect by video with relatives in other states, and receive dignity kits—including new bedding and personal care items upon entering hospice."

**71. Describe the Entities' plans for ensuring that the Providence JV complies with the Charitable Requirements. Please address each requirement separately. Provide copies of all documentation, analyses or reporting relevant to your response.**

[Redacted content]

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**72. [CONFIDENTIAL] In their pre-filing presentation to OHA on January 6, 2025, the Entities stated that Providence will have “continued input into the Joint Venture’s operations in Oregon, as well as the overall direction of the Compassus enterprise.” The notice describes Compassus and Providence as “equal partners” in home-based care services.**

- a. Describe in detail the anticipated roles and responsibilities of Providence in the operation of the Providence Oregon JV. In doing so, include information on personnel/FTE dedicated to this work and their titles/roles, decisions for which Providence will be consulted, and Providence representation on committees or other governing bodies.**

Providence and Compassus are co-equal partners in the Providence Compassus JV. The parties share equal, 50-50 equity ownership of the Providence Compassus JV and will govern the enterprise collaboratively pursuant to the terms of the joint venture’s governing documents.

Specifically, the LLCA dictates that the Joint Venture will be “manager-managed” and appoints the board of managers (the “Board”) as the manager. See LLCA Section 4.01. The Board, as the manager, will have the exclusive right to manage the business affairs of the company. See LLCA Section 4.03.

The Board itself is comprised of eight representatives, four of whom will be appointed by Providence and four of whom will be appointed by Compassus. The process for appointing, replacing, and removing a manager ensures that each party will exclusively control their own appointees. The chair of the Board will be a Compassus appointee, but the chair has no special rights or authorities other than to call a special meeting (which the Board itself may do as well).



The LLCA ensures that this co-equal Board will operate only upon mutual consent of Compassus and Providence. Any Board action requires the affirmative vote of a majority of all Providence appointed Board members and a majority of all Compassus appointed Board members. In addition, certain particularly important actions require unanimous consent of the Board (i.e. the affirmative vote of all Providence and Compassus appointed Board members). The actions requiring unanimous consent include, among other things, approving the annual budget, hiring or terminating the chief executive officer, changing the cash distribution policy, and approving the long-term strategy of the Providence Compassus JV.

By requiring unanimous consent for the approval of the budget and long-term strategic plan, the parties have ensured that they will be co-equal partners in the Providence Compassus JV, and specifically that each party will have to approve the spending priorities and overall strategic direction of the enterprise with Compassus providing administrative and support services to the Providence Compassus JV pursuant to the terms of the BSSA.

Additionally, Providence retains special rights that ensure the Providence Compassus JV's activities will be conducted in a manner consistent with Providence's charitable mission. Please see response to Inquiry 71 for more information regarding Providence Compassus JV's charitable requirements.

Providence has demonstrated its commitment to active participation in the Providence Compassus JV's governance structure by appointing key system leaders as its Board representatives. Specifically, Providences appointees are:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

[REDACTED]

- b. Describe in detail the anticipated roles and responsibilities of Providence in the overall direction of the Providence JV. Include information on personnel/FTE dedicated to this work and their titles/roles, decisions for which Providence will be consulted, and Providence representation on committees or other governing bodies.**

See response above.

- c. Please comment on whether the anticipated roles and responsibilities of Providence, as described in response to a. and b., will remain the same over time.**

The governance structure outlined above is set forth in the LLCA. The terms of the LLCA may only be amended by unanimous consent of the Board. As neither party has any incentive to diminish their own governance rights, the parties expect that the co-equal governance structure will not change for the duration of the Providence Compassus JV.

- 73. The Notice (p. 20) states that the Providence JV will “seek to add sites to expand access to care” throughout Providence’s current service areas. Describe in detail the Entities’ plans for adding sites. In your response, please include details on:**

[REDACTED]

- a. The information, data, and analyses expected to inform any decision to add new sites.**

[REDACTED]

- b. The information, data, and analyses expected to inform decisions on the appropriate staffing, FTE, and services to offer at any new sites.**



[REDACTED]

- c. The role of Providence and Compassus in making any decisions regarding new sites.**

[REDACTED]

- d. The extent to which any decision to add new sites would be informed by the Charitable Requirements.**

[REDACTED]

**74. Please explain in detail what would happen to the Providence home health and hospice operations in Oregon in the event such operations were not included in the Providence JV.**

Providence has been and remains committed to delivering critically needed home health and hospice services in Oregon, but the status quo is not sustainable. Providence reported a \$644 million operating loss in 2024. That same year, Providence home health and hospice service lines booked an operating loss of \$23 million nationally and \$5 million<sup>7</sup> for Oregon. For 2026, Providence is projecting that the system-wide home health and hospice service lines will suffer operating losses of \$76 million, including a \$10 million operating loss in Oregon. Providence cannot sustain these lines of business without the Providence Compassus JV.

If OHA does not approve the Providence Compassus JV, Providence would be forced to stop taking on new home health and hospice patients and would diligently work to transition active patient care to other organizations in the community.

Thus, by not approving this transaction, OHA would substantially disrupt the delivery of health care in Oregon. As HCMO concluded in its Preliminary Report, Providence is the largest provider of both home health and hospice in Oregon, providing 25% of home health episodes and 13% of hospice episodes in 2023. No other health care provider in Oregon could absorb that volume of patients, seriously deteriorating access to in-home health care services. Patients in hospitals and skilled nursing facilities would take

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<sup>7</sup> This figure has been revised to reflect the updated financials at Compassus\_Notice\_099002.

longer to discharge, increasing costs for both hospitals and patients. It would also have a profoundly negative impact on the communities currently served by Providence's home health and hospice services. Moreover, Providence provides the highest level of home health and hospices to patients with the highest acuity of conditions. If the Providence-Compassus JV cannot proceed, Oregonians will lose access to that high-quality care.

[REDACTED]

[REDACTED]

## **V. Asserted Benefits of the Transaction**

- 75. Provide a detailed explanation of how the proposed transaction will benefit the public good and communities and/or improve health outcomes for Oregon residents. Your response should expand on the information supplied for item 15 of the Notice. Please do not repeat responses that have already been provided. In responding, please include copies of all documentation (e.g., metrics, projections, plans, analyses, reports) in support of your responses. In responding, please address how the proposed transaction will accomplish the following:**
- a. Reduce the rate of growth in health care costs for patients or consumers.**
  - b. Increase access to health care services in medically underserved areas.**
  - c. Rectify historical and contemporary factors contributing to a lack of health equity or access to health care services**
  - d. Improve health outcomes for Oregon residents.**

This transaction helps achieve the goals stated in a. through d. above for the following reasons:

First, the Providence Compassus JV helps Providence avoid scaling back services (i.e., reducing services or service areas in Oregon), or closing its home health and hospice service lines in Oregon. For the reasons discussed below, reduction or closure of these services will contribute to growth in health care costs, worsen access to home health and hospice services, and adversely affect health equity and outcomes in Oregon.

The Providence-Compassus JV is critical to ensuring the survival of Providence's home health and hospice services in Oregon. Providence reported a \$644 million operating loss in 2024. This transaction is part of a broader financial restructuring for Providence that is focused on stabilizing its acute inpatient and outpatient care lines that are at the core of Providence's service delivery model. Like other health systems, Providence is facing economic headwinds and financial constraints due to a combination of factors including rising costs and lower reimbursement rates. In 2024, Providence home health and hospice service lines booked an operating loss

projecting an operating loss . This is not sustainable.

Providence does not have the financial means to make the investments in technology and operational expertise needed to turnaround its home health and hospice service lines in Oregon.

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■ This figure has been revised to reflect the updated financials at Compassus\_Notice\_099002.

[REDACTED]

Reducing or closing home health and hospice service lines will also make it more challenging for Oregonians in underserved areas to access those services. On average, annually 866 individuals receive services through the community benefit programs.

[REDACTED]

Providence is pursuing this transaction because needs a partner like Compassus, a well-capitalized and experienced operator specializing in home health and hospice services, to sustain and improve its Oregon operations. The Providence-Compassus JV will provide the financial, technological and operational support needed to ensure Oregonians continue to have access to these services for many years to come.

[REDACTED]

This will provide a much needed cash infusion to Providence and Providence's equity holding in Compassus Parent, Inc. will generate returns for years to come.

As discussed in response to Inquiry 43, the Providence-Compassus JV will set aside approximately [REDACTED] to support efforts to turnaround Providence's home health, hospice, palliative and private duty service lines. Out of the [REDACTED], [REDACTED] is specifically earmarked to be invested in the Oregon home health and hospice service lines. Compassus will fund 50% of the necessary turnaround costs for Oregon. This will help Providence-Compassus JV avoid reducing or closing services, and make meaningful improvements to the service lines in Oregon.

Second, the Providence-Compassus JV will help reduce care costs, increase access, improve care outcomes and address factors affecting health equity by undertaking the "value creation journey" described in response to Inquiry 28:

- Increasing Access to Home Health and Hospice Services for Oregonians:

The Providence-Compassus JV will increase access to home health services by improving continuity of care within Providence's system. Compassus has a proven track record of helping its joint venture health system partners identify patients who need in-home care and discharge those patients directly into home care. [REDACTED]

Providence currently has no unified system within its EMR to identify patients who are candidates for home health and hospice services. This results in many patients not getting the in-home care they need. The Providence-Compassus JV will allow Providence to better serve these patients. The joint venture will embed "Care Transition Coordinators" (CTCs) FTE at Providence hospitals who will interface with hospital clinicians, patients and families to identify patients who will benefit from home health and hospice services. The Providence-Compassus JV will also provide case management support protocols to align in-home operations with hospital needs. This feedback loop between acute and in-home care makes both sites of service better able to serve their patients.


The Providence-Compassus JV will also seek to serve more Oregonians by increasing awareness of in-home services among community providers). The goal is to make in-home more accessible to those who need it, even if they do not pass through Providence's system. The Providence-Compassus JV will do this by deploying hospice and home health care consultants to connect with non-Providence hospitals and other providers who serve at-risk patients.

[REDACTED]


Compassus will help the Providence-Compassus JV implement technologies and tools like HCHB, Pulse and Muse give patients access higher quality home health and hospice services. For example, the Providence-Compassus JV will deploy the "Journey Program," which uses algorithms to assess the current home health and palliative care census to identify patients who may

be eligible for hospice, and then leverages a centralized team of clinicians to act as care navigators to help patients and families receive hospice services.

The Providence-Compassus JV will preserve access to services by continuing to participate in all Providence's existing health plan networks under existing terms (subject to each payor's contractual termination rights). Ultimately, the Providence-Compassus JV will seek to expand network participation. As the Providence-Compassus JV contracts with more payors, more Oregonians will receive access to in-network home health and hospice services.



As discussed in response to Inquiry 21, the Providence-Compassus JV will implement a charity care policy that is substantially similar to Providence's current policy. This means eligible patients will continue having access to home health and hospice services and inability to pay will not become a barrier to access.



The Providence-Compassus JV will also help maintain Oregonians' access to the community benefit programs as described in response to Inquiries 2 and 70.

- Reducing Health Care Costs for Oregonians:

Receiving services at acute, inpatient facilities like hospitals and skilled nursing facilities is very expensive. Providence and Compassus believe that far too many patients who may qualify for more cost effective home health and hospice services do not receive those services. Patients get stuck paying for acute, inpatient care settings when they could have received cost effective services at home. Additionally, patients fail to receive post-acute services at home resulting in costly readmission to inpatient, acute care settings. Providence and Compassus believe that increasing patient access to home health and hospice services is an effective way to help patients navigate away from expensive inpatient, acute care settings like hospitals and skilled nursing facilities. This will help reduce patient care cost for

Oregonians and also help relieve pressure from capacity constrained hospitals in Oregon.

One focus area of the Providence-Compassus JV is to reduce a patient's inpatient days of stay or "hospital length of stay," and rate of hospital readmissions. Compassus will help the Providence-Compassus JV leverage its technology suite and CTC roles to help accomplish this.

[REDACTED]

[REDACTED]

[REDACTED]

If Providence is forced to reduce or close Oregon home health and hospice services, it would mean fewer alternatives to expensive inpatient, acute care services in Oregon. Thus, it is important for the Providence-Compassus JV to move forward in Oregon.

- Addressing Factors Affecting Health Equity Among Oregonians:

The Providence Compassus JV will help address factors contributing to a lack of health equity or access by, among other things, ensuring that Providence Compassus JV maintains in-home service in existing



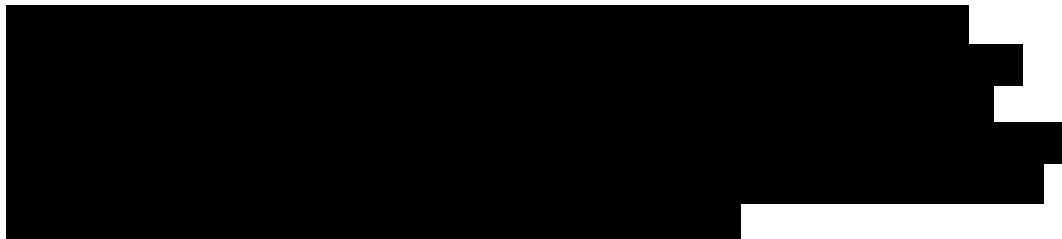
underserved areas. As previously discussed, the Providence Compassus JV aims to provide home health and hospice services to more Oregonians through investments in productivity-enhancing tools that allow the same number of clinicians to serve more patients. These productivity-enhancing tools are discussed in more detail in response to Inquiries 28, 65 and 66.

Inability to pay for services is often a material factor that makes health equity worse. As discussed above, the Providence-Compassus JV will provide in-home care to any patient, regardless of ability to pay. The Providence-Compassus JV will also carry forward Providence's legacy community benefit programs and substantially similar charity care policy to ensure eligible patients receive home health and hospice services even if they cannot afford it. Underserved Oregonians will benefit from initiatives of the Compassus Living Foundation, such as the "Shelter Me and Wish with Me" which addresses the following critical needs: providing safe housing for individuals facing instability, granting meaningful wishes to enhance quality of life, and preserving cherished memories for loved ones.

Please see response to Inquiries 2 and 70 for more information regarding community benefit programs, including the benefits offered by Compassus Living Foundation that will become available to Oregonians. Please see response to Inquiry 21 and 71 for more information regarding the charity care policy and charitable requirements Providence-Compassus JV.

- Improving Quality and Health Outcomes for Oregonians:

Improving quality of home health and hospices services is a critical component of the Providence-Compassus JV's strategy. Compassus is a quality-focused organization. The Providence-Compassus JV is making substantial investments in technology, infrastructure, and operations that have a proven ability improve the quality of home care and hospice services.



Compassus has specific tools that have a measurable impact on key quality measures—tools that Providence currently lacks. For instance, Providence recently had to end support for its remote patient monitoring program.



[REDACTED] These tools will be deployed at the Providence-Compassus JV. [REDACTED]

Compassus also has advanced data analytics that help clinicians make better, more timely clinical decisions. For instance, Compassus' Pulse, a clinical decision support tool implemented by Compassus, produces real-time data used to proactively monitor care, identify at-risk patients, and help clinicians intervene early to prevent inappropriate utilization and hospital admissions. [REDACTED]

The Providence-Compassus JV can also improve care quality and outcomes through its value-based care arrangements. Value-based care arrangements are dependent on the provider being able to collect quality data and track relevant metrics. Providence's existing EMR is not specific to the home health and hospice service lines, and it does not have a suite of technology products tailored to gather care data and generate insights specific to its home health and hospice service lines. The tools and technologies like HCHB and Pulse (see response to Inquiries 65 and 66) that Compassus will implement will help Providence-Compassus JV track quality data and metrics that it was unable to track before (or otherwise track it more efficiently).

In addition to entering into value-based care arrangements with payors, the Providence-Compassus JV is forming a "Value-Based Enterprise" ("VBE") with Providence. The Value-Based Enterprise Care Coordination Agreement by and between Providence and the Providence-Compassus JV is attached hereto as Exhibit 75.2 ("VBE Agreement"). The VBE Agreement contemplates that the parties will focus on improving the quality of care for a target patient population by facilitating safe, timely and effective inpatient discharges and reducing hospital inpatient length of stay, among other things.

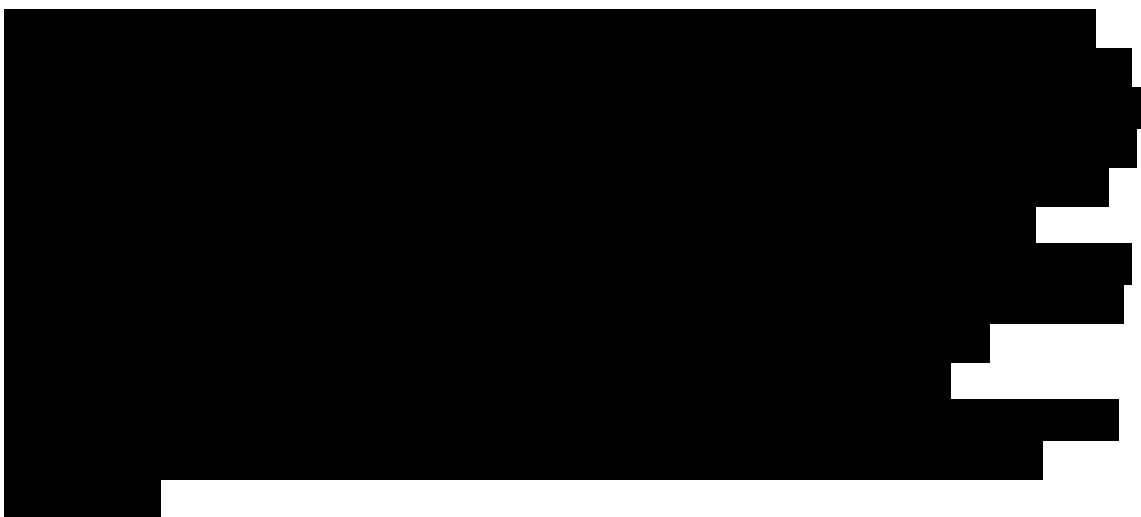
Providence and Compassus believe that delivering high quality care requires hiring and retaining the best caregivers, and providing them with the training and tools necessary to operate at the top of their license. Compassus will help the Providence-Compassus JV become the "Employer of Choice" in Oregon and other states. Compassus' "Employer of Choice" program (see

Compassus\_Notice\_1052) is driven by a culture of retention and focusses on, among other things, best-in-class recruitment, comprehensive onboarding and training, and resources and capabilities for continuous improvement. For example, Compassus has a robust onboarding curriculum to support quality care in the organization. The curriculum is service line specific and has a centralized dedicated team to ensure Compassus is meeting the needs of the organization. The Providence-Compassus JV caregivers will benefit from this robust training that will help improve their care delivery knowledge and skills. Compassus will also help the Providence-Compassus JV develop service line specific quality programs. Please see Exhibit 75.3 for summary of Compassus' Orthopedic pre-op and Cardiac pre-op programs. The Providence-Compassus JV will also start using the Compassus Care Delivery App that serves as a standard clinical playbook across service lines and helps make sure patients receive consistent care experience across the care continuum. Please see Exhibit 75.4 for more information regarding the Care Delivery App.

Finally, Compassus has a quality committee that is led by its Chief Medical Officer that will have oversight of quality standards of the Providence-Compassus JV. Please see Exhibit 75.5 for more information regarding the Compassus Quality Committee.

**76. The Notice states that one goal of the proposed transaction is “implementation of capabilities and technologies to automate and integrate medical records.” These capabilities and technologies would result in smoother transitions between levels of care, an efficient hospital discharge process, and a reduction in avoidable hospital readmissions.**

**a. Describe in detail the “capabilities and technologies” in question.**



[REDACTED]

[REDACTED]

- b. Describe how each of these capabilities or technologies would contribute to smoother care transitions, efficient hospital discharge, and/or reduced readmissions. Please include copies of all documentation (e.g., pilot studies, research, or case studies) in support of your response.

[REDACTED]

**77. The Notice (pages 7, 8, and 22) identifies the below-listed goals of the Providence JV. For each goal, provide (1) a detailed description of the goal, (2) an explanation of how progress toward the goal will be tracked and measured, and (3) information on planned strategies or actions for achieving the goal. Please provide copies of all documentation, including planning documents, data, or other analyses, in support of your response.**

**a. Timely initiation of post-acute care**

[Redacted content for goal a]

**b. Enhanced care coordination between acute and post-acute settings of care**

[Redacted content for goal b]

[REDACTED]

**c. Expanded capacity to provide home-based care services**

[REDACTED]

**d. Improved caregiver experience and retention**

[REDACTED]

**e. More geographies served**

[REDACTED]

[REDACTED]

**f. Expanded suite of services**

[REDACTED]

**78. In the Notice, the Entities state that Compassus' Care Delivery Model will help to improve health outcomes for people in Oregon.**

- a. Provide documentation on the Care Delivery model, including detailed information and documentation of the standardized care processes included in the model for hospice and home health care.**
- b. Provide a detailed description of how each standardized care process included in Care Delivery may contribute to improving health outcomes. Please include any evidence (e.g., pilot studies, research, or case studies) to support your response.**

The requested information is provided in Exhibit 78.

#### **VI. Management and Executive Level Employees**

**79. Provide a list of all current and former employees of Compassus and Providence, respectively, involved in management-level discussions, negotiations, planning, and due diligence activities leading up to the execution of the Master Contribution and Purchase Agreement. For each current or former employee, please provide the following information:**

- a. First and last name**
- b. Title**
- c. Department/Division**
- d. State/Region (if applicable)**
- e. Date of employment by Providence or Compassus**
- f. If applicable, date of involuntary or voluntary termination by Providence or Compassus.**
- g. If applicable, reason for involuntary or voluntary termination by Providence or Compassus.**
- h. Description of role in discussions, negotiations, planning, or due diligence activities.**

The requested information is provided as Exhibit 79.



**80. Provide a list of all current and former management and executive level employees of Compassus and Providence, respectively, involved in activities related to the integration, implementation, management, or operations of the Providence JV to date in WA, CA, AK, or TX. For each current or former employee, please provide the following information:**

- a. First and last name**
- b. Title**
- c. Department/Division**
- d. State/Region (if applicable)**
- e. Date of employment by Providence or Compassus**
- f. If applicable, date of involuntary or voluntary termination by Providence or Compassus.**
- g. If applicable, reason for involuntary or voluntary termination by Providence or Compassus.**
- h. Description of current and previous role(s) in the integration, implementation, management or operations of the Providence JV in WA, CA, AK, or TX.**

The requested spreadsheet is attached as Exhibit 80.





**81. Provide a list of all current and former management and executive level employees of Compassus and Providence, respectively, who have been involved, are currently involved, or are expected to be involved post-closing, in the integration, implementation, management, or operations of the Providence Oregon JV. For each current or former employee, please provide the following information:**

- a. First and last name**
- b. Title**
- c. Department/Division**
- d. State/Region (if applicable)**
- e. Date of employment by Providence or Compassus**
- f. If applicable, date of involuntary or voluntary termination by Providence or Compassus.**
- g. If applicable, reason for involuntary or voluntary termination by Providence or Compassus.**
- h. Description of current and/or expected role(s) in the integration, implementation, management, or operations of the Providence Oregon JV.**

Following the close of the Providence Compassus JV, in the states of AK, WA, and TX Compassus and Providence strategically staffed the integration and ongoing operations with a well-rounded leadership team.

Requested information is enclosed as Exhibit 81.

[REDACTED]

[REDACTED]

[REDACTED]

