

Health Care Market Oversight

Transaction 047

Dispatch Health – Medically Home Preliminary Review Report

May 22, 2025



About this Report

This report summarizes analyses and findings from Oregon Health Authority’s preliminary review of the proposed material change transaction involving DispatchHealth and Medically Home. It accompanies the Findings of Fact, Conclusions of Law, and Order (“Preliminary Review Order”) issued by Oregon Health Authority on May 22, 2025. For legal requirements related to the proposed transaction, please reference the [Preliminary Review Order](#).

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Executive Summary

The [Health Care Market Oversight](#) (HCMO) program reviews proposed health care business deals to make sure they support Oregon’s goals of health equity, lower costs, increased access, and better care. After completing a review, the Oregon Health Authority (OHA) issues a decision about whether a business deal, or transaction, involving a health care company can proceed.

Proposed Transaction

On April 22, 2025, OHA accepted a complete [Notice of Material Change Transaction](#) (“notice”) from DispatchHealth Holdings, Inc. (“DispatchHealth”). The notice describes plans for DispatchHealth to acquire Medically Home Group Acquisition, LLC (“Medically Home”). DispatchHealth and Medically Home are referred to in this report as “the entities.” After the transaction closes, Medically Home will become a wholly-owned subsidiary of DispatchHealth.

In addition to Oregon, DispatchHealth provides in-home health care services to patients in 20 other states, and the District of Columbia. In Oregon, DispatchHealth operates its Acute Care service line, providing in-home health care treatments for conditions like infections, flu, pneumonia, migraines, dehydration, UTIs, COPD, and COVID-19.

Medically Home is a technology services company that facilitates the delivery of in-home health care services for patients with serious, complex, or high-risk illnesses.” In Oregon, Medically Home arranges for nursing services to be provided by home health agencies and for the provision of paramedic services by emergency services providers.

DispatchHealth wholly owns DispatchHealth Management, LLC, a management services organization that manages DispatchHealth Oregon, P.C. (“DispatchHealth-Oregon”), an Oregon Professional Corporation, pursuant to the terms of a management services agreement.

Medically Home wholly owns Medically Home Group Buyer, Inc., which in turn wholly owns Medically Home Group, Inc. (“MHG”), a management services organization that manages MHG Physician Services-Oregon, LLC (“MHG Oregon”), an Oregon limited liability company, pursuant to the terms of an administrative services agreement.

OHA’s Review

OHA completed a 30-day preliminary review of the proposed transaction. During the review, OHA assessed the likely impact of the transaction across various domains including cost, access, quality, and equity in alignment with preliminary review criteria. OHA held a public comment period and received no public comments.

Key Findings

OHA found that neither entity has a significant presence in Oregon. DispatchHealth and Medically Home both offer and coordinate in-home care services in Oregon. However,

their operations in the state are relatively limited compared to their presence in other markets, with smaller-scale and more restricted service offerings.

DispatchHealth operates in Oregon through DispatchHealth-Oregon, and exclusively offers its Acute Care service line. As of 2024, DispatchHealth-Oregon had only two full-time employees in the state and recorded fewer than 1,500 billable acute care visits in Oregon that year.

Medically Home does not directly provide billable healthcare services in Oregon. Instead it enables certain healthcare providers in Oregon to deliver care to their patients in the Portland area through license sales of its Cesia software, and serves as a management services organization for MHG Oregon. Medically Home employs just a handful of workers, and provided command center services for fewer than 1,000 patients in Oregon in 2024.

Conclusions and Decision

Based on preliminary review findings, **OHA approved the transaction on May 22, 2025.** (See [Preliminary Review Order](#)). OHA approved the proposed transaction based on the following criterion:

- 1. Comprehensive review of the material change transaction is not warranted given the size and effects of the transaction.**

DispatchHealth and Medically Home do not have a significant business presence in Oregon. Both entities have very limited staff and service offerings in Oregon. The entities do not expect significant effects of the transaction on staffing, services, locations, or geographic areas served in Oregon.

As required by statute, OHA will conduct follow-up analyses one, two, and five years after the transaction is complete.

Introduction

OHA's Health Care Market Oversight program (HCMO), launched in March 2022, reviews proposed health care transactions such as mergers, acquisitions, and affiliations to ensure they support statewide goals related to cost, equity, access, and quality. The HCMO program is governed by [Oregon Revised Statute 415.500 et seq.](#) and [Oregon Administrative Rules 409-070-0000 through -0085.](#)

In the authorizing statute, the Oregon Legislature specified what types of proposed transactions are subject to review and the criteria OHA must use when analyzing a given proposed transaction. The Oregon Legislature also authorized OHA to decide the outcome of a proposed transaction. After reviewing a given proposed transaction, OHA may approve, approve with conditions, or disapprove the transaction.

The HCMO program fits within OHA's broader mission of ensuring all people and communities can achieve optimum physical, mental, and social well-being through partnerships, prevention, and access to quality, affordable health care. The program also supports OHA's goal of eliminating health inequities by 2030.

The Preliminary Review Process

Health care entities planning a transaction that is subject to HCMO review must submit a Notice of Material Change Transaction ("notice") to OHA. The notice must comply with the requirements of OAR 409-070-0045 and be submitted to OHA no later than 180 days before the planned closing date of the transaction. OHA is required to complete a preliminary review of the proposed transaction, in accordance with OAR 409-070-0055, within 30 calendar days of confirming receipt of a complete notice, unless the review period is tolled or extended in accordance with OAR 409-070-0085.

For OHA to approve a transaction following preliminary review, OHA must determine that the transaction meets at least one of the following criteria specified in OAR 409-070-0055(2):

- a) The material change transaction is in the interest of consumers and is urgently necessary to maintain the solvency of an entity involved in the transaction;
- b) The material change transaction is unlikely to substantially reduce access to affordable health care in Oregon;
- c) The material change transaction is likely to meet the criteria set forth in OAR 409-070-0060;
- d) The material change transaction is not likely to substantially alter the delivery of health care in Oregon; or
- e) Comprehensive review of the material change transaction is not warranted given the size and effects of the transaction.

If OHA is unable to determine that the proposed transaction meets at least one of the above criteria, OHA must conduct a comprehensive review pursuant to ORS 415.501(7)(a) and OAR 409-070-0055(3).

Transaction Notice Submission

On April 22, 2025, OHA accepted a complete Notice of Material Change Transaction (“notice”) from DispatchHealth Holdings, Inc. (“DispatchHealth”) with respect to its Agreement and Plan of Merger and Reorganization, dated March 13, 2025 (“Agreement”) with Medically Home Group Acquisition LLC (“Medically Home”) and other Medically Home affiliates. The notice describes plans for DispatchHealth to acquire a subsidiary of Medically Home in an equity for equity transaction where, post-closing, the owners of Medically Home will own approximately 28.8% of the combined company.

OHA reviewed the notice of material change transaction and determined, based on the facts in the notice, that the transaction is subject to review. The entities party to the transaction meet the revenue thresholds specified in [OAR 409-070-0015\(1\)](#) and the proposed transaction is otherwise covered by the program in accordance with [OAR 409-070-0010](#).

After receipt of the complete notice, OHA began a preliminary review of the proposed transaction. This report describes the transaction and summarizes OHA’s findings and conclusions from the preliminary review.

Public Input

OHA solicited public comments on the proposed transaction during the preliminary review. On April 22, 2025, OHA posted a comment form to the [Transaction Notices and Reviews](#) page of the HCMO website and emailed subscribers to HCMO program updates to inform them about the opportunity to provide comment. OHA accepted comments via the form, phone, and by email to hcmo.info@oha.oregon.gov. OHA received no public comments.

Proposed Transaction

Through the proposed transaction, DispatchHealth plans to acquire Medically Home. Both entities offer in-home health care related services nationwide. The sections below describe the entities involved in the transaction, rationale for the transaction, the transaction terms, and the entities’ post-transaction plans.

Entities Involved

DispatchHealth

Founded in 2013, DispatchHealth is a privately owned, for-profit company incorporated in Delaware and headquartered in Denver, Colorado.^{1 2} DispatchHealth delivers in-home health care services in Oregon, the District of Columbia, and twenty other states.³



DispatchHealth, wholly owns DispatchHealth Management, LLC (“Dispatch Management”), a Delaware limited liability company and management services organization that manages DispatchHealth Oregon, PC (“Dispatch PC”), an Oregon professional corporation.⁴

DispatchHealth's owners include Optum Ventures, Adam Street Partners, Blue Shield of California, Humana, Echo Health Ventures, Questa Capital, and Oak HC/FT.⁵

DispatchHealth operates three distinct business lines described below. DispatchHealth only operates the Acute Care line of business in Oregon.

Acute Care

DispatchHealth's Acute Care service line provides in-home treatment for conditions like infections, flu, pneumonia, and COVID-19, generating 68% of the company's national revenue.⁶ Acute Care serves Medicare, Medicaid, and commercial insurance patients.⁷ This is the only service DispatchHealth offers in Oregon, where its providers deliver care under agreements with Medicare Advantage and Medicaid Managed Care plans.⁸

Mobile Imaging

DispatchHealth's second service line is Mobile Imaging, which brings X-rays and other diagnostic imaging to patients' homes upon a provider's order.⁹ This segment contributes 24% of DispatchHealth's national revenue and serves Medicare, Medicaid, and commercial insurance patients.¹⁰ Mobile Imaging is not currently offered in Oregon.¹¹

Advanced Care

DispatchHealth's Advanced Care is its smallest service line, making up 8% of total national revenue.¹² This program delivers hospital-level care at home for stable but serious conditions, offering an alternative to inpatient treatment.¹³ Advanced Care is not currently offered in Oregon.¹⁴

Medically Home

Medically Home, founded in 2016, is a for-profit technology services company organized in Delaware and based in Massachusetts.¹⁵ Medically Home facilitates the delivery of in-home health care services for patients with serious, complex, or high-risk illnesses.¹⁶



Medically Home wholly owns Medically Home Group Buyer, Inc. ("Medically Home-Buyer"), a Delaware corporation.¹⁷ In turn, Medically Home-Buyer wholly owns Medically Home Group, Inc. ("MHG"), a Delaware corporation and management services organization that manages MHG Physician Services-Oregon LLC ("MHG Oregon"), an Oregon limited liability company. MHG is the operating entity that contracts with customers, holds contracts with service providers and employs employees.¹⁸

MHG Oregon operates as a command center in Oregon which includes arranging for nursing services to be provided by home health agencies and the provision of paramedic services by emergency services providers,

Medically Home's significant unitholders include Mayo Clinic and Kaiser Foundation Hospitals, with additional equity held by Baxter Health, Cardinal Health, and GMR Shared Services LLC.¹⁹

Medically Home is a technology company that supports health systems and providers by delivering decentralized, acute hospital-level care to patients with serious, complex, or high-risk illnesses in their homes.²⁰ Its technology platform, Cesia, enables providers to manage logistical and clinical operations through functions such as:

- Physician orders and EHR integration
- Supplier management and scheduling
- Remote monitoring (vitals, surveys, photos, analytics)
- In-home technology and provider document coordination²¹

Additionally, Medically Home offers managed services that include provider contracting, medical supplies, rapid response teams, and remote patient monitoring.²² In Oregon, Medically Home partners with home health agencies for nursing services and emergency providers for paramedic support.²³ The company also employs clinicians, through MHG Oregon, to oversee the care provided to patients in Oregon.²⁴

In Oregon, Medically Home does not directly provide billable healthcare services. Medically Home currently holds two enablement contracts to operate hospital at home program for patients in Oregon: one with certain Kaiser Permanente affiliates and another with the Oregon Health & Science University.²⁵ Medically Home licenses its Cesia software for command center operations and manages MHG Oregon, which oversees care coordination.^{26 27}

Medically Home employs seven administrative and enablement service employees in Oregon.²⁸ MHG Oregon employs two FTE clinicians in Oregon, who provide command center services.²⁹

About In-Home Health Services

The in-home health services model of care, also known as “home hospitalization,” “hospital at home”, and “early supported discharge” provides a substitution for in-hospital care.³⁰ The model provides acute and sub-acute treatment for conditions normally requiring hospital admission in a patient's residence.³¹ The care is coordinated by nurses, physicians, and allied health professionals.³²

The in-home health services model of care focuses on a variety of conditions, including infectious diseases; chronic medical conditions requiring respiratory and cardiac support; postsurgical care; geriatric care; rehabilitation medicine; psychiatric care; orthopedic care; and diagnostic medicine.³³

This model has been shown to reduce inpatient admissions, shorten the length of stay, and facilitate early discharge with accurate care at home.³⁴

A 2023 study found that in-home hospital-at-home (HAH) or hospital-in-the-home (HITH) services demonstrate a 25% lower cost of stay compared to traditional inpatient care, while maintaining comparable safety and care standards.³⁵ Multiple studies found that HAH delivers care meeting inpatient quality benchmarks.³⁶ Additionally, companies like

Medically Home are collaborating with academic and nonacademic institutions to expand HAH as a viable care model for eligible patients.³⁷

Despite these benefits, low enrollment remains a barrier, often due to emergency department or other clinicians declining the service on behalf of their patients.³⁸ One study suggests that improved implementation strategies have the potential to increase adoption of HAH programs and services.³⁹

Rationale for the Transaction

Through the proposed transaction, the entities seek to combine DispatchHealth's experience and provider network with Medically Home's technology platform and managed services to create a "more robust" in-home healthcare business.⁴⁰

The entities stated in the notice that their "complementary services will allow the combined company to create a holistic and comprehensive high-acuity delivery solution that accelerates the development of cost-effective, efficient, innovative, and disruptive at-home care services, which will benefit patients. The combined entity will be positioned to deliver or facilitate everything from same-day medical care at home (i.e., urgent medical care) to acute hospital-level care in patients' homes—improving outcomes while reducing healthcare costs by up to 30 percent over a 30-day period."⁴¹

In a press release, DispatchHealth stated that the combined entity will "extend care into the homes of patients across 50 major metropolitan areas in partnership with nearly 40 health systems, as well as most major health plans and value-based care entities".⁴² The entities believe this collaboration will enhance efficiency and expand service capabilities beyond what either company could achieve independently.⁴³ The entities state that through this transaction, the combined entity could "free up more than 62,000 bed days."⁴⁴

This transaction is not expected to disrupt current customer or service arrangements for either company.⁴⁵

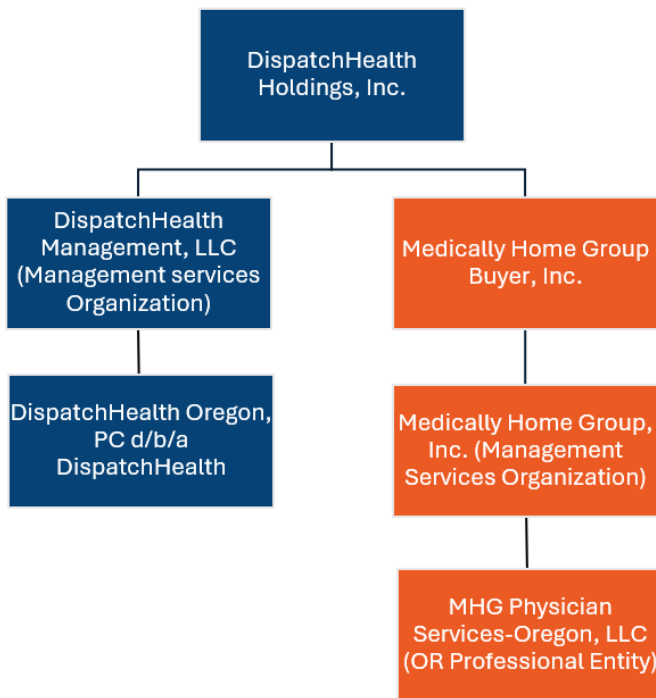
Transaction Terms

Under the terms of the Agreement DispatchHealth will acquire a wholly-owned Medically Home subsidiary through an equity-for-equity transaction.⁴⁶ This would result in Medically Home's owners holding approximately 28.8% of the combined entity post-closing.⁴⁷ The entities' post transaction organizational chart shows the proposed structure. No funds are being exchanged as part of the merger.⁴⁸

The entities also submitted forms to the Washington Attorney General and the U.S. Department of Justice in accordance with the requirements with the Hart-Scott-Rodino Act.

Post-Transaction Plans

After the transaction closes, Medically Home will become a wholly-owned subsidiary of DispatchHealth, as detailed in the organization chart below.



The entities state that the proposed transaction will not impact Medically Home’s existing contracts with Kaiser Foundation Hospitals and the Oregon Health & Science University.⁴⁹ The entities also state that the transaction will not result in any changes in staffing, types and level of services provided, and have no current plans to change the number of locations and geographic areas served in Oregon.⁵⁰

Findings & Potential Impacts

OHA compiled and analyzed data and information to understand and examine the potential impacts of the transaction and alignment with preliminary review criteria. For more information on OHA’s analysis, see **Appendix A: OHA’s Review**. The below sections summarize OHA’s findings from the preliminary review.

Key Findings

Neither entity has a significant presence in Oregon

DispatchHealth and Medically Home both offer and coordinate in-home care services in Oregon, however, their operations in the state are relatively limited.

DispatchHealth does not have significant business in Oregon.

DispatchHealth operates in Oregon exclusively through its Acute Care service line.⁵¹ As of 2024, the company had only two full-time employees in the state – compared to 942 FTEs nationwide – and recorded fewer than 1,500 billable acute care visits in Oregon that year.⁵²

Medically Home does not have significant business in Oregon.

Medically Home does not directly provide billable health care services in Oregon.⁵³ The company supports health care provider customers in the Portland area, including MHG Oregon, certain Kaiser Permanente affiliates, and Oregon Health & Science University, through its Cesia software platform and management services.⁵⁴

Medically Home employs seven full-time employees in Oregon, all of whom perform administrative and operational support roles, compared to 277 full-time employees nationwide.⁵⁵ MHG Oregon employs two full-time employee clinicians who deliver command center services. In 2024, MHG Oregon provided command center support for fewer than 1,000 patients served by Medically Home's Customers.^{56 57}

The transaction is unlikely to result in significant changes to services in Oregon.

The entities do not expect any changes in Oregon in staffing, type and level of services provided, locations, or geographic areas served.⁵⁸ The entities state that there is no anticipated change in payer contracts and payer mix.⁵⁹

Conclusions

Based on preliminary review findings, **OHA approved the transaction on May 22, 2025** See Findings of Fact, Conclusions of Law, and [Order](#). The transaction was approved per ORS 415.501(6)(b) and OAR 409-070-0055(2)(d), because OHA determined that comprehensive review is not warranted given the size and effects of the transaction.

Approval Criteria

The approval criteria are specified in administrative rules for the HCMO program and are consistent with Oregon law. Below is a summary of the main reasons, based on the findings described in this report, why OHA considers the criterion satisfied.

Comprehensive review of the material change transaction is not warranted given the size and effects of the transaction.

DispatchHealth and Medically Home do not have a significant business presence in Oregon. Both entities have very limited staff and service offerings in Oregon. The entities do not expect significant effects of the transaction on staffing, services, locations, or geographic areas served in Oregon.

Follow-Up Reviews

As required by statute, OHA will conduct follow-up analyses one, two, and five years after the transaction is complete. OHA's monitoring will assess whether the entity keeps the commitments included in the notice. More broadly, OHA will monitor changes to health care cost, quality, access and health equity for people in Oregon.

As part of the required monitoring activities, OHA may request additional information from the entities. OHA will publish findings and conclusions from follow-up analyses to the HCMO website.

Appendix A: OHA's Review

OHA performed a preliminary review of the proposed transaction to assess its potential impact on Oregon's health care delivery system.

OHA's analysis followed the guidelines and methods set out in the HCMO Analytic Framework published January 31, 2022.⁶⁰ The framework is grounded in the goals, standards, and criteria for transaction review and approval outlined in OAR 409-070-0000 through OAR 409-070-0085.

Background Research and Literature Review

OHA conducted background research on the entities involved in the transaction to understand more about the proposed transaction, the entities involved, in-home health services. OHA consulted publicly available sources, including press releases and media reports; Securities & Exchange Commission (SEC) filings; business filings with the Secretary of State in Oregon and other states; entity websites; state agency, professional association, and third-party entity reports; reports commissioned by local, state, and federal government; peer-reviewed journal articles and research reports, and other relevant governmental communications.

References

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- ⁶ Ibid. Response 10a
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⁴¹ Ibid. Response 6a.

⁴² DispatchHealth. DispatchHealth and Medically Home to Merge, Increasing Access to Hospital-level Care at Home for Americans. Available at: <https://www.dispatchhealth.com/dispatchhealth-and-medically-home-to-merge-increasing-access-to-hospital-level-care-at-home-for-americans/>

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⁴⁵ Ibid. Response 6b

⁴⁶ Ibid. Response 6b

⁴⁷ Ibid. Response b6

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