

June 18, 2025

By Email Only – hcmo.info@oha.oregon.gov

Sarah Bartelmann, MPH
Cost Programs Manager
Oregon Health Authority
421 SW Oak Street, Suite 850
Portland, OR 97204

Re: 048 The Oregon Clinic, P.C.–Northwest Gastroenterology Clinic LLC
– Response to Incomplete Notice of Material Change Transaction

Dear Ms. Bartelmann:

We represent The Oregon Clinic, P.C. (“TOC”), in connection with the Notice of Material Change (“Notice”) originally submitted on February 24, 2025 by TOC and Northwest Gastroenterology Clinic LLC (“NWGI”). We are in receipt of your letter dated June 11, 2025 (“Second RFI”), which seeks supplemental information from OHA’s Request for Supplemental Information of May 15, 2025, and TOC and NWGI’s May 28, 2025 response thereto (“5/28/25 RFI Response”), as well as new and additional information needed to complete the Notice related to OHA’s preliminary review of the above-referenced transaction.

Please find TOC and NWGI’s response to OHA’s Second RFI. Accompanying this letter, TOC and NWGI is also producing additional documents requested by OHA, both in redacted (PUBLIC) and unredacted (CONFIDENTIAL) form. The explanations and basis for redactions are included in an updated Redaction Log, which is also being produced to OHA today.

Please confirm once OHA’s May 15, 2025 Request for Supplemental Information and Second RFI is deemed complete and the time period for the 30-day preliminary review has commenced.

If you have any additional questions, or need any additional information to deem the Notice complete, please contact me as soon as possible.

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Very truly yours,

Davis Wright Tremaine LLP

A handwritten signature in blue ink, appearing to read "Kaley Fendall". The signature is fluid and cursive, with the first name "Kaley" and last name "Fendall" clearly distinguishable.

Kaley L. Fendall

SUPPLEMENTAL INFORMATION & NARRATIVE

A. Required Information

1. **(Confidential) It appears many of the supplied NWGI contracts are five or more years old and do not include any amendments. For example, Entities' submission includes [REDACTED] contracts with effective dates in either 2016 or 2017 (TOC_NWGI001800-TOC_NWGI001969).**

- a. **Please confirm there are no such amendments, notices, etc., to all supplied contracts reflecting modification of rates and/or arrangements. If there are, please submit copies of them. If not, please explain why.**

RESPONSE: Please see documents numbered TOC_NWGI002167 to TOC_NWGI003465, which have been designated as "CONFIDENTIAL," for a supplemental production (including additional amendments and modifications) to NWGI's payer contracts. Documents numbered TOC_NWGI001265 to TOC_NWGI002071 and TOC_NWGI002167 to TOC_NWGI003465 represent all of NWGI's payer contracts, notices, and related documentation that could be located through a reasonably diligent search. Please note that TOC and NWGI's payer contracts were collected separately through outside counsel for purposes of responding to this RFI, and have not been exchanged or shared between the parties.

- b. **Most, if not all, of these contracts have provisions requiring that the contracting parties follow formal amendment procedures when modifying the rates and/or arrangements. Have the rates and/or arrangements not been amended on these contracts since 2016 or 2017, as applicable?**

RESPONSE: While NWGI has produced all modifications and/or amendments to its payer contracts that could be located through a reasonably diligent search, it is likely that other contracts and/or rates have been amended since 2016. For instance, NWGI engaged healthcare consultants to negotiate several payer contracts and amendments on its behalf from approximately 2015 through 2019, but may not have complete records of those amendments. Additionally, NWGI was a member of Portland Interhospital Physicians Association ("Portland IPA"), which managed several payer contracts on behalf of NWGI through its Participating Practitioner Agreement, [REDACTED]

[REDACTED]. Portland IPA, however, no longer contracts on behalf of NWGI. Portland IPA was acquired by Optum in January of 2021, and Optum terminated NWGI's Participating Practitioner Agreement as of December 31, 2024.

2. **(Confidential) Please provide copies of the following TOC contracts. If the requested contracts do exist but are not available, please explain in detail why this is the case. Entities may supply these documents to HCMO through separate confidential submissions to maintain the firewall between TOC and NWGI with regard to payment rates.**

RESPONSE: Please see documents numbered TOC_NWGI002082 to TOC_NWGI002161, which have been designated as "CONFIDENTIAL," for additional TOC contracts produced in response to this request. Specific numbers for the requested TOC

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contracts are further identified below. Please note that TOC and NWGI's payer contracts were collected separately through outside counsel for purposes of responding to this RFI, and have not been exchanged or shared between the parties.

a. [REDACTED]
[REDACTED]

RESPONSE: Please see TOC_NWGI002086 to TOC_NWGI002087.

b. [REDACTED]
[REDACTED]

RESPONSE: Please see TOC_NWGI002088 to TOC_NWGI002095.

c. [REDACTED]
[REDACTED]

RESPONSE: Please see TOC_NWGI002111 to TOC_NWGI002114.

d. [REDACTED]
[REDACTED]

RESPONSE: Please see TOC_NWGI002098 to TOC_NWGI002110.

e. [REDACTED]
[REDACTED]

RESPONSE: Please see TOC_NWGI002115 to TOC_NWGI002130.

f. [REDACTED]
[REDACTED]

RESPONSE: Please see TOC_NWGI002082 to TOC_NWGI002085.

g. [REDACTED]

RESPONSE: Please see TOC_NWGI002131 to TOC_NWGI002161.

3. **(Confidential) Please provide copies of the following NWGI contracts. If the requested contracts do exist but are not available, please explain in detail why this is the case. Entities may supply these documents to HCMO through separate confidential submissions to maintain the firewall between TOC and NWGI with regard to payment rates.**

RESPONSE: Please see documents numbered TOC_NWGI002167 to TOC_NWGI003465, which have been designated as "CONFIDENTIAL," for all additional NWGI contracts produced in response to this request. Specific responses and numbers for each of the requested NWGI contracts are further identified below. Please note that TOC and

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NWGI's payer contracts were collected separately through outside counsel for purposes of responding to this RFI, and have not been exchanged or shared between the parties.

a. [REDACTED]
[REDACTED]

RESPONSE: Please see TOC_NWGI003158 to TOC_NWGI003204.

b. [REDACTED]
[REDACTED]

RESPONSE: As stated in TOC and NWGI's 5/28/25 RFI Response and in Exhibit A attached thereto, NWGI is not in-network with [REDACTED].

c. [REDACTED]
[REDACTED]

RESPONSE: Please see TOC_NWGI002502 to TOC_NWGI002509 and TOC_NWGI001999 to TOC_NWGI002007.

d. [REDACTED]
[REDACTED]

RESPONSE: Please see TOC_NWGI003233 to TOC_NWGI003243 for NWGI's [REDACTED] contract. After a reasonably diligent search, NWGI is unable to locate a copy of NGC Endoscopy Services' [REDACTED] contract.

e. [REDACTED]
[REDACTED]

RESPONSE: Please see TOC_NWGI002170 to TOC_NWGI002174 and TOC_NWGI002820 to TOC_NWGI003121 for NGC Endoscopy Services' [REDACTED] contract. After a reasonably diligent search, NWGI is unable to locate NGC Endoscopy Services' [REDACTED] [REDACTED] contract.

e. [REDACTED]
[REDACTED]

RESPONSE: After a reasonably diligent search, NWGI is unable to locate a copy of the requested contract.

f. [REDACTED]
[REDACTED]

RESPONSE: After a reasonably diligent search, NWGI is unable to locate a copy of the requested contract.

g. [REDACTED]
[REDACTED]

RESPONSE: After a reasonably diligent search, NWGI is unable to locate a copy of the requested contract.

4. (Confidential) TOC_NWGI002072 provides the TOC Financial Assistance Procedures, which details employee process steps. Please provide TOC's financial assistance policy and thresholds for determining levels of financial assistance. This must include a list or table of poverty level thresholds and the corresponding financial aid for patients with incomes at poverty level thresholds.

RESPONSE: Please see documents numbered TOC_NWGI002162 to TOC_NWGI002166.

B. Supplemental Request for Information ("RFI #2")

1. Please provide the following with regard to NWGI's negotiation process with payers for modification of rates and/or arrangements
- a. Does NWGI enter into contract negotiations with payers on a specific timeframe related to the contract duration?
- i. If yes, please explain this timeframe
- ii. If no, please explain in detail how NWGI decides when to enter into negotiations with payers

RESPONSE: NWGI does not enter into contract negotiations with payers on a regular or predetermined schedule tied to contract duration. NWGI does not have the administrative staff, infrastructure, or resources to support ongoing and regular payer negotiations. Further, as a small, independent practice, NWGI's requests to payers to initiate negotiations or renegotiations frequently go unanswered by payers. For instance, in 2024, NWGI made targeted efforts to engage with key payers [REDACTED] [REDACTED] to hopefully negotiate more favorable terms to help cover NWGI's increasing costs of providing care. Despite multiple outreach attempts to these payers, NWGI received no response.

2. (Confidential) The following contracts were included with NWGI payer contracts (TOC_NWGI001265-2071) but were not listed as a current in-network insurer of NWGI in Exhibit A of the 5-28-25 RFI supplemental response to OHA. Please explain this discrepancy.
- a. [REDACTED]
[REDACTED]
[REDACTED]

RESPONSE: [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

b. [REDACTED]
[REDACTED]

RESPONSE: [REDACTED] was listed as a current in-network insurer of NWGI in Exhibit A of the 5/28/25 RFI Response.

C. Redaction Issues

RESPONSE: TOC and NWGI are providing an updated Redaction & Confidentiality Log that addresses all of the redaction issues raised in OHA's Second RFI.