

Health Care Market Oversight

Transaction 050

Act II – VaxCare

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 Act II and VaxCare. It accompanies the [Findings of Fact, Conclusions of Law, and Final Order \(“Preliminary Review Order”\)](#) issued by Oregon Health Authority on May 22, 2025. For legal requirements related to the proposed transaction, please reference the [Order](#).

You can get this document in other languages, large print, braille or a format you prefer free of charge. Contact us by email at hcmo.info@oha.oregon.gov or by phone at 503-945-6161. We accept all relay calls.

If you have any questions about this report or would like to request more information, please contact hcmo.info@oha.oregon.gov.

About this Report.....	2
Executive Summary	3
Introduction.....	5
Proposed Transaction	5
Findings & Potential Impacts	8
Conclusions.....	10
Appendix A: OHA’s Review	11
References	12

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 23, 2025, OHA accepted a complete Notice of Material Change Transaction (“notice”) from Act II Holdings L.P. (“Act II”). The notice describes plans for Act II to acquire a majority ownership in VaxCare Holdings, LLC (“VaxCare”) through mergers. Act II and VaxCare are referred to in this report as “the entities.”

Act II is a newly-formed entity associated with Blackstone, Inc. that does not currently have business operations. VaxCare is a care delivery platform that provides non-clinical, administrative services relating to vaccine and contraceptive procurement, inventory management and billing to health care systems.

Through this proposed acquisition, Act II would become a majority owner in VaxCare following a series of mergers. The entities state that the merger will give VaxCare greater financial capacity to continue delivering non-clinical services that can reduce administrative burdens related to the provision of vaccines and contraceptives for clients in Oregon.

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 requested and received additional information from the entities to inform the review. OHA held a public comment period and received no public comment submissions.

Key Findings

OHA found that it is unlikely the proposed transaction will increase health care costs in Oregon. The entities have minimal services in Oregon and have no plans to reduce those services as a result of this transaction. VaxCare contracts with 17 medical practices in Oregon and only has three employees located in Oregon. VaxCare’s platform helps healthcare practices and health systems provide access to needed vaccines and contraceptives, including to medically underserved areas. OHA does not have specific concerns about increases in health care costs, decreases in quality, or adverse effects on health equity.

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 criteria:

1. Unlikely to substantially reduce access to affordable health care in Oregon

The effects of the proposed transaction on access to care and delivery of care in Oregon are minimal given that care delivery platforms are opt-in services selected by providers and health care entities. Clinics in Oregon have multiple options for vaccine management services. The potential impact of the proposed transaction on Oregon residents is relatively minor. The parties state that VaxCare has no material assets or operations in Oregon, and derives an immaterial portion of its revenue from activities in Oregon.

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.

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.

Proposed Transaction

On April 23, 2025, OHA accepted a complete Notice of Material Change Transaction ("notice") from Act II Holdings L.P. ("Act II") regarding a proposed acquisition of a majority ownership in VaxCare Holdings, LLC ("VaxCare") through merger (the "transaction").

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.

Entities Involved

Act II Holdings L.P. (Act II)

Act II is an entity formed for the purpose of this transaction, associated with Blackstone, Inc. Act II does not currently have business operations.¹ As a result, we describe below relevant information regarding Blackstone, Inc. rather than Act II.

Blackstone is the "world's largest alternative asset manager" with its headquarters located in New York, New York.^{2,3} Its "\$1.1+ trillion in assets under management include global investment strategies focused on real estate, private equity, credit, infrastructure, life science, growth equity, secondaries and hedge funds."⁴

Blackstone’s life sciences sector focuses on medicines and medical technologies and raised \$4.6 billion for its inaugural fund – the largest life-sciences fund in private equity history upon its announcement.⁵ The sector has grown to \$12 billion in assets under management as of February 2025, which includes agreements with pharmaceutical companies focusing on vaccines.⁶

In June 2023, Blackstone Life Sciences entered into a royalty financing collaboration agreement with Sutro Biopharma (Vaxcyte) for \$140 million up front with an additional \$250 million in exchange for potential future sales of Vaxcyte products, such as VAX-24, a pneumococcal conjugate vaccine.⁷ Additionally, in March 2024, Blackstone Life Sciences invested up to \$750 million to fund Moderna’s influenza program.⁸

VaxCare Holdings, LLC (VaxCare)

VaxCare is a care delivery platform that provides clients with procurement, inventory management, patient eligibility, charting, and billing for vaccines and contraceptives.⁹ VaxCare “covers its expenses and profit through...insurance reimbursement for the vaccine, and then returns an administrative fee to the [client].”¹⁰



Headquartered in Orlando, Florida, VaxCare was formed in 2006 to support vaccine compliance through vaccine logistics and expanded to over 2,000 practices and 250 health departments by 2021.^{11,12} VaxCare currently operates in at least 33 states. In Oregon, VaxCare contracts with 17 medical practices located across the state.¹³ VaxCare currently only provides vaccine services to its Oregon clients.¹⁴ VaxCare has 483 full time employees, with three employees located in Oregon.¹⁵

VaxCare bills Medicare, Medicaid, and commercial health insurance plans, and is considered a ‘mass immunizer’ through the Centers for Medicare & Medicaid Services (CMS).¹⁶ In 2021, VaxCare expanded to include the Long-Acting Reversible Contraception (LARC) program.¹⁷

The entity’s pre-transaction organization chart shows their current structure. Current owners in VaxCare includes Summit Partners, a private equity firm.¹⁸ Other investors include Echo Health Ventures and HLM Investment Partners.^{19,20}

VaxCare states that “Physician Management Services of Oregon II, LLC is an inactive entity with no assets or operations” and that the entity “has no relevance and does not contract with any Oregon medical practices.”²¹

Transaction Terms

Through the transaction, Act II would become a majority owner in VaxCare following a series of mergers, acquiring VaxCare for a total enterprise value of \$1.7 billion.^{22,23} Certain existing equity holders will maintain minority ownership.²⁴ The entities’ [post-transaction organization chart](#), partially redacted to remove confidential information, shows the proposed structure.

The entities also submitted forms to the Indiana Attorney General in compliance with the Indiana Reporting of Health Care Entity Mergers and Acquisitions Act, and to the U.S. Federal Trade Commission and the U.S. Department of Justice in compliance with the Hart-Scott-Rodino Act.²⁵

Rationale for the Transaction

The entities state that the transaction is intended to provide financial resources to VaxCare so that it can continue to serve its clients.²⁶ The entities further state that such funding will allow reduce administrative burdens related to offering vaccines and contraceptives.

Post-Transaction Plans

After the transaction closes, the entities intend to continue delivering non-clinical, administrative services that streamline the provision of vaccines for clients in Oregon, with “no current plans for expansion” in the state.^{27,28}

Nationally, “VaxCare is expanding its care delivery network through expansion of its payer network, physician network and health system customer base, and the offering of LARC.”²⁹

Findings & Potential Impacts

OHA compiled available data and information to understand and examine the potential impacts of the transaction across four domains: access, cost, quality, and equity. To assess the potential impacts of the proposed transaction on Oregon residents' equitable access to affordable care, OHA considered the following:

- Transaction terms;
- Statements and documents submitted by the entities; and
- Publicly available data, research, and reports on care delivery platforms, including vaccine and contraceptive management solutions.

Service Areas

The service area for care delivery platforms that provide vaccine management solutions is competitive and not limited to a particular region within Oregon.

In Oregon, VaxCare contracts with 17 medical practices located in Beaverton, Corvallis, Grants Pass, Gresham, Hillsboro, Hood River, Madras, Milwaukie, Ontario, Portland, Roseburg, Salem, Stayton, Tualatin and West Linn.³⁰ At this time, the clinics in Oregon only contract with VaxCare for vaccine administration services.³⁰

Market Share & Consolidation

According to Oregon's ALERT Immunization Information System, more than 4 million vaccine doses were administered to people of all ages during 2023.³¹ Confidential data submitted by VaxCare on the number of vaccine doses they have administered through their Oregon clients confirms that VaxCare was involved in less than 1% of vaccine doses administered in 2023.³² And Oregon's All Payer All Claims (APAC) reporting program shows 1,334 immunization administration claims filed on behalf of VaxCare and 7,704 immunization administration claims filed on behalf of Physician Management Services of Oregon between 2020 and 2024.³³

This review does not include a calculation of Herfindahl-Hirschman Index (HHI), which is a measure of market consolidation. The market for care delivery platforms that provide vaccine management solutions is competitive and not limited to a particular region within Oregon.

Access

VaxCare contracts with 17 medical practices in Oregon. The proposed transaction is unlikely to adversely affect access to care in Oregon.

In the notice, the entities state:

While VaxCare's platform helps healthcare practices and health systems provide access to needed vaccines and contraceptives, including to medically underserved

populations, the Merger is not expected to have any direct impact on access to services.³⁴

OHA does not have specific concerns about reductions in access to care resulting from this transaction.

Cost

The proposed transaction is unlikely to adversely affect cost in Oregon. The entities state that VaxCare has no material assets or operations in Oregon and derives an immaterial portion of its revenue from activities in Oregon.

In the notice, the entities state:

The Merger has no anticipated impact on health care cost growth in Oregon. The proposed transaction will allow VaxCare to continue providing non-clinical services to its clients which can reduce administrative burdens related to offering needed vaccines and contraceptives to protect Oregon residents and can reduce the health care costs associated with vaccine-preventable diseases.³⁵

OHA does not have specific concerns about cost increases resulting from this transaction.

Quality

The proposed transaction is unlikely to adversely affect quality of care in Oregon. Care delivery platforms are opt-in services selected by providers and health care entities. Clinics in Oregon have multiple options for vaccine management services.

In the notice, the entities state:

The proposed transaction will allow VaxCare to continue providing non-clinical services to its clients which can reduce administrative burdens related to offering needed vaccines and contraceptives to protect Oregon residents and can reduce the health care costs associated with vaccine-preventable diseases.³⁶

OHA does not have specific concerns about changes in quality of care resulting from this transaction.

Equity

The proposed transaction is unlikely to adversely affect health equity in Oregon.

In the notice, the entities state:

The Merger is not expected to have any impact on health inequities or access to services. The proposed transaction will allow VaxCare to continue providing non-clinical services to its clients which can reduce administrative burdens related to offering needed vaccines and contraceptives to protect Oregon residents and can reduce the health care costs associated with vaccine-preventable diseases.³⁷

OHA does not have specific concerns about changes in health equity resulting from this transaction.

Conclusions

Based on preliminary review findings, **OHA approved the transaction on May 22, 2025.** See [Findings of Fact, Conclusions of Law, and Final Order](#), dated May 22, 2025.

The transaction was approved per ORS 415.501(6)(b) and OAR 409-070-0055(2)(d), because OHA determined the transaction is unlikely to substantially reduce access to affordable health care in Oregon.

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.

1. Unlikely to substantially reduce access to affordable health care in Oregon

The effects of the proposed transaction on access to care and delivery of care in Oregon are minimal given that care delivery platforms are opt-in services selected by providers and health care entities. Clinics in Oregon have multiple options for vaccine management services. The potential impact of the proposed transaction on Oregon residents is relatively minor. The entities state that VaxCare has no material assets or operations in Oregon and derives an immaterial portion of its revenue from activities 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. The review explored impacts in four areas (domains): cost, access, quality, and equity. OHA's analysis followed the guidelines and methods set out in the HCMO Analytic Framework published January 31, 2022.³⁸ 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 and the entities involved. 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 and third party entity reports; reports commissioned by local, state, and federal government; and other relevant governmental communications. OHA also considered articles and research reports about care delivery platforms, immunization management solutions, vaccine finance models, and contraceptive management solutions.

Request for Information

OHA issued two requests for information (RFI) to inform its preliminary review, to which the entities responded. Through these RFIs, OHA sought more information about VaxCare's presence and goals for expansion in Oregon, the purpose and background of the transaction, and other filings associated with this transaction.

Public Input

OHA solicited public comments on the proposed transaction during the preliminary review. On April 23, 2025, OHA emailed subscribers to HCMO program updates to inform them about the opportunity to provide comment. OHA accepted comments via a comment form, phone, and by email to hcmo.info@oha.oregon.gov. OHA did not receive any public comments pertaining to this transaction.

Data Sources

The Oregon All Payer All Claims Database (APAC) houses administrative health care data for Oregon's insured populations. It includes medical and pharmacy claims, non-claims payment summaries, member enrollment data, billed premium information and provider information for Oregonians who are insured through certain commercial insurance, Medicaid and Medicare. APAC does not include all claims for individuals insured by self-insured employer group (ERISA) plans. More information available on [the APAC website](#).

References

- ¹ HCMO-1: Notice of Material Change Transaction Form [Internet]. 050 Act II-VaxCare. Oregon Health Authority: 4. Available from: <https://www.oregon.gov/oha/HPA/HP/HCMOPageDocs/050-HCMO-1-Notice-of-Material-Change-Transaction.pdf>
- ² Blackstone Reports First Quarter 2025 Results [Internet]. [cited 2025 May 1]. Available from: https://s23.q4cdn.com/714267708/files/doc_financials/2025/q1/Blackstone1Q25EarningsPressRelease.pdf
- ³ Blackstone.com. 2022. Available from: <https://www.blackstone.com/the-firm/our-offices/>
- ⁴ Blackstone Reports First Quarter 2025 Results [Internet]. [cited 2025 May 1]. Available from: https://s23.q4cdn.com/714267708/files/doc_financials/2025/q1/Blackstone1Q25EarningsPressRelease.pdf
- ⁵ Ramaswamy A. Meet the Blackstone BXLs life-sciences investing team: interviews [Internet]. Business Insider. 2021 [cited 2025 April 29]. Available from: <https://www.businessinsider.com/blackstone-life-sciences-investors-deals-bxls-2021-8>
- ⁶ Blackstone Life Sciences and Anthos Therapeutics Announce Agreement for Anthos to be acquired by Novartis for up to \$3.1 Billion. ENP Newswire. 2025 Feb 12.
- ⁷ Sutro Biopharma and Blackstone Announce Royalty Financing Collaboration - Blackstone [Internet]. Blackstone. 2024. Available from: <https://www.blackstone.com/news/press/sutro-biopharma-blackstone-announce-royalty-financing-collaboration/>
- ⁸ Blackstone Life Sciences Announces Collaboration to Support Moderna's Influenza Program [Internet]. Blackstone. 2024. Available from: <https://www.blackstone.com/news/press/blackstone-life-sciences-announces-collaboration-to-support-modernas-influenza-program/>
- ⁹ Vaccines [Internet]. VaxCare. 2025 [cited 2025 May 1]. Available from: <https://www.vaxcare.com/vaccines/>
- ¹⁰ Rudisill J. Board of Health approves VaxCare agreement. The Hawk Eye. 2024 Apr 10.
- ¹¹ About Us [Internet]. VaxCare. Available from: <https://www.vaxcare.com/about-us/>
- ¹² VaxCare: Vaccines for Primary Care Practices. The ACO Show; 2021.
- ¹³ HCMO-1: Notice of Material Change Transaction Form [Internet]. 050 Act II-VaxCare. Oregon Health Authority: 9. Available from: <https://www.oregon.gov/oha/HPA/HP/HCMOPageDocs/050-HCMO-1-Notice-of-Material-Change-Transaction.pdf>
- ¹⁴ VaxCare. Re: Incomplete Notice of Material Change Transaction – 050 VaxCare-Act II – Information Required for a Complete Submission [Internet]. 2025 April 23. Available from: <https://www.oregon.gov/oha/HPA/HP/HCMOPageDocs/050-Response-Letter-04.23.25.PDF>
- ¹⁵ HCMO-1: Notice of Material Change Transaction Form [Internet]. 050 Act II-VaxCare. Oregon Health Authority: 9. Available from: <https://www.oregon.gov/oha/HPA/HP/HCMOPageDocs/050-HCMO-1-Notice-of-Material-Change-Transaction.pdf>
- ¹⁶ VaxCare: Vaccines for Primary Care Practices. The ACO Show; 2021.
- ¹⁷ Staff V. VaxCare & Contraceptive Choice with Dr. Dalia Brahma [Internet]. VaxCare. 2022 [cited 2025 May 2]. Available from: <https://www.vaxcare.com/featured-stories/vaxcare-contraceptive-choice-dr-dalia-brahmi/>
- ¹⁸ Summit Partners | Companies | VaxCare [Internet]. Summitpartners.com. 2020 [cited 2025 April 30]. Available from: <https://www.summitpartners.com/companies/vaxcare>
- ¹⁹ Echo Health Ventures. [Internet]. [cited 2025 May 5]. Available from: <https://echohealthventures.com/companies/vaxcare/>
- ²⁰ Portfolio Items – HLM [Internet]. 2024 [cited 2025 May 5]. Available from: <https://hlmvp.com/portfolio/>
- ²¹ VaxCare. Re: Incomplete Notice of Material Change Transaction – 050 VaxCare-Act II – Information Required for a Complete Submission [Internet]. 2025 April 23. Available from: <https://www.oregon.gov/oha/HPA/HP/HCMOPageDocs/050-Response-Letter-04.23.25.PDF>
- ²² HCMO-1: Notice of Material Change Transaction Form [Internet]. 050 Act II-VaxCare. Oregon Health Authority: 6. Available from: <https://www.oregon.gov/oha/HPA/HP/HCMOPageDocs/050-HCMO-1-Notice-of-Material-Change-Transaction.pdf>

-
- ²³ Gould R, Davis MF, Eastland M. Blackstone Nears \$1.7 Billion Deal for Summit-Backed VaxCare [Internet]. Bloomberg.com. Bloomberg; 2025 [cited 2025 May 5]. Available from: <https://www.bloomberg.com/news/articles/2025-02-21/blackstone-nears-1-7-billion-deal-for-summit-backed-vaxcare>
- ²⁴ HCMO-1: Notice of Material Change Transaction Form [Internet]. 050 Act II-VaxCare. Oregon Health Authority: 6. Available from: <https://www.oregon.gov/oha/HPA/HP/HCMOPageDocs/050-HCMO-1-Notice-of-Material-Change-Transaction.pdf>
- ²⁵ VaxCare. Re: Incomplete Notice of Material Change Transaction – 050 VaxCare-Act II – Information Required for a Complete Submission [Internet]. 2025 April 11. Available from: <https://www.oregon.gov/oha/HPA/HP/HCMOPageDocs/050.Response-Letter04.11.25.PDF>
- ²⁶ HCMO-1: Notice of Material Change Transaction Form [Internet]. 050 Act II-VaxCare. Oregon Health Authority: 6. Available from: <https://www.oregon.gov/oha/HPA/HP/HCMOPageDocs/050-HCMO-1-Notice-of-Material-Change-Transaction.pdf>
- ²⁷ Ibid.
- ²⁸ VaxCare. Re: Incomplete Notice of Material Change Transaction – 050 VaxCare-Act II – Information Required for a Complete Submission [Internet]. 2025 April 23. Available from: <https://www.oregon.gov/oha/HPA/HP/HCMOPageDocs/050-Response-Letter-04.23.25.PDF>
- ²⁹ Ibid.
- ³⁰ VaxCare. Re: Incomplete Notice of Material Change Transaction – 050 VaxCare-Act II – Information Required for a Complete Submission [Internet]. 2025 April 23. Available from: <https://www.oregon.gov/oha/HPA/HP/HCMOPageDocs/050-Response-Letter-04.23.25.PDF>
- ³¹ Oregon Health Authority. 2023. ALERT Immunization Information System.
- ³² VaxCare. Party A, Exhibit A: Oregon Clients [Confidential, Fully Redacted]. 2025. HCMO_SUBMISSION_000625
- ³³ Oregon Health Authority. 2025. All Payer All Claims Reporting Program. Release 23. Salem, Oregon: Oregon Health Authority
- ³⁴ HCMO-1: Notice of Material Change Transaction Form [Internet]. 050 Act II-VaxCare. Oregon Health Authority: 13. Available from: <https://www.oregon.gov/oha/HPA/HP/HCMOPageDocs/050-HCMO-1-Notice-of-Material-Change-Transaction.pdf>
- ³⁵ Ibid.
- ³⁶ Ibid.
- ³⁷ Ibid.
- ³⁸ Oregon Health Authority, Health Care Market Oversight Analytic Framework. 2022 Jan 31. Accessed 2022 Aug 10. Available from: <https://www.oregon.gov/oha/HPA/HP/HCMOPageDocs/OHA-HCMO-Analytic-Framework-FINAL.pdf>