

April 11, 2025

SENT VIA EMAIL

Sarah Bartelmann, MPH Cost Programs Manager
Oregon Health Authority
421 SW Oak Street, Suite 850
Portland, OR 97204
SARAH.E.BARTELMANN@oha.oregon.gov

Re: Incomplete Notice of Material Change Transaction — 050 VaxCare - Act II – Information Required for a Complete Submission

Dear Ms. Bartelmann:

We write on behalf of the parties to provide additional information and documents in support of the above-referenced Notice of Material Change Transaction (the “Notice”) in response to your request for information set forth in the letter (the “RFI Letter”) you provided by email on March 28, 2025.

Below, we reproduce each of your requests and our accompanying response with respect to the information required for a complete Notice submission.

1. **Negotiation/Transaction Process.**

Request: For Item 7, please provide the following:

- a. A description of the negotiation and transaction process. In doing so, please provide details regarding the competitive bid process conducted by VaxCare.
- b. Any due diligence products, reports or analyses prepared by or on behalf of VaxCare or Act II regarding the proposed transaction.

Response:

A description of the negotiation and transaction process. In doing so, please provide details regarding the competitive bid process conducted by VaxCare.

In 2024, VaxCare engaged a financial advisor to begin exploring a potential sale or investment transaction involving VaxCare. The advisor reached out

to numerous potentially interested parties to solicit initial indications of interest. Following the initial phase, VaxCare selected a small number of parties to move forward into a final phase, where each of the remaining parties conducted additional diligence and submitted final offers setting out terms of their proposed transactions. VaxCare evaluated these proposals based on a number of criteria. The specific parties and terms of their offers are subject to confidentiality obligations and cannot be disclosed. Ultimately, the Board of VaxCare selected Act II based on a determination that the terms presented by Act II were the most attractive for VaxCare as a whole and would position VaxCare well to continue serving its constituents in the future.

Any due diligence products, reports or analyses prepared by or on behalf of VaxCare or Act II regarding the proposed transaction.

Noting that the estimated revenue for Party A in Oregon was below the monetary thresholds in the Health Care Market Oversight Program regulations and Party A's presence in Oregon was not the focus of the transaction, the parties believe that there are no such materials that are germane to the Oregon Health Authority's review under the Health Care Market Oversight Program statute and regulations.

2. **List of Filings.**

Request: For Item 9, please provide all applications, forms, notices, or other materials that have been submitted by VaxCare to any other state or federal agency regarding the proposed transaction.

Response: On March 21, 2025, the parties filed a Notification and Report Form for Certain Mergers and Acquisitions with the Federal Trade Commission Pre-Merger Notification Office in compliance with the HSR Act ("HSR Filing").

VaxCare submitted Notice to the Office of the Attorney General, State of Indiana, on April 1, 2025. VaxCare is also submitting Medicaid change of ownership or change of information filings, as applicable, in various states as part of conditions to closing the transaction.

3. **Organizational Documents of Act II.**

Request: For Item 11, please provide organizational documents of Act II. Please include copies of current governance documents (e.g., bylaws, articles of incorporation, corporate charter).

Response: Act II's counsel to respond under separate cover.

4. **HCMO-1b: Business Entities Form.**

Request: Please submit a completed HCMO-1b: Business Entities form.

Response: Please see attached. Please note that Physician Management Services of Oregon II, LLC is not an active entity.

5. **HSR Filing.**

Request: The Notice states that the pre-merger notification under the Hart-Scott Rodino Antitrust Improvements Act of 1976 (HSR) was expected to be filed mid-March. Please confirm that this HSR has been filed and provide a copy of such filing.

Response: Please see attached.

6. **Redaction Log.**

Request: Additionally, OHA has reviewed the redaction logs and requires that Applicants address the redaction-related items listed in Attachment A to [the RFI Letter].

Response: Please see attached for updated redactions to the Structure Charts. The redaction log contains the basis for the redaction.

[Signature Page to Follow]

Very truly yours,

Richard A. Harris II

Richard A. Harris II

Ropes & Gray LLP

CC:

Karine Giaella

Benjamin Wilson

Vanessa K. Burrows