

CERTIFIED MAIL, RETURN RECEIPT REQUESTED

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**STATE OF OREGON
OREGON HEALTH AUTHORITY
HEALTH POLICY AND ANALYTICS DIVISION**

In the Matter of the Proposed)	Proposed Findings of Fact, Conclusions of
Material Change Transaction of)	Law, and Order
Evernorth Health, Inc. and CHSS JV, LLC.)	
)	Transaction ID: 055

This Order resolves the Notice of Material Change Transaction (the “Notice”) filed by Evernorth Health, Inc. (“Evernorth”) on or about June 16, 2025, with respect to its proposed acquisition of CHSS JV, LLC (“CHSS”). (Evernorth and CHSS and their subsidiaries are sometimes referred to collectively herein as the “Entities.”) The Entities filed the Notice with the Oregon Health Authority (“OHA”) under the Health Care Market Oversight Program pursuant to Oregon Revised Statutes (ORS) 415.500 through 415.900 and Oregon Administrative Rules (OAR) 409-070-0000 through 409-070-0085.

On July 18, 2025, OHA confirmed receipt of a complete Notice in compliance with OAR 409-070-0030 and 0045. Pursuant to ORS 415.501(5) and OAR 409-070-0055, OHA timely conducted a preliminary review of the proposed transaction. OHA’s review analyzed the potential impact of the Transaction. The analysis followed guidelines and methods set out in the Health Care Market Oversight Analytic Framework (see <https://www.oregon.gov/oha/HPA/HP/HCMOPageDocs/OHA-HCMO-Analytic-Framework-FINAL.pdf>), which is grounded in the goals, standards, and criteria for transaction review and approval outlined in OAR 409-070-0000 through OAR 409-070-0085. OHA’s analysis will be posted to the HCMO website at www.oregon.gov/hcmo, and is incorporated herein by reference. A public comment period was open from July 18, 2025, through August 15, 2025. OHA received no comments.

Now, therefore, upon due consideration of the circumstances, including the Notice of Material Change Transaction, documentation filed in support of the Notice of Material Change Transaction, public comments, databases maintained by OHA, databases maintained by federal agencies, websites of the Entities, press reports, academic research articles, and other publicly available reports, OHA enters the following Proposed Findings of Fact, Conclusions of Law, and Order.

FINDINGS OF FACT

OHA FINDS that:

1. On or about June 16, 2025, Evernorth filed an incomplete Notice with OHA.
2. On or about June 27, 2025, OHA notified Evernorth that the Notice was incomplete, provided guidance about submission requirements, and requested additional information.
3. On or about July 9, 2025, Evernorth filed a revised Notice with OHA.
4. On or about July 11, 2025, OHA sent supplemental requests for information to Evernorth.
5. On or about July 18, 2025, OHA confirmed receipt of a complete Notice from Evernorth. OHA commenced the preliminary review pursuant to OAR 409-070-0055.
6. On or about July 29, 2025, OHA sent supplemental requests for information to Evernorth. The review period tolled pursuant to OAR 409-070-0045(6) while OHA awaited complete responses to these requests.
7. On or about July 31, 2025, OHA confirmed receipt of complete responses to the July 29, 2025, requests for information and communicated that the review would be completed on or before August 19, 2025, unless extended in accordance with applicable statutes and administrative rules.
8. OHA accepted public comments on the Transaction from July 18, 2025, through August 15, 2025, and received no public comments.
9. Evernorth is a Delaware corporation that provides mail order pharmacy, specialty pharmacy, pharmacy benefit management, and care delivery services nationwide, including in Oregon. Evernorth is a subsidiary of The Cigna Group ("Cigna"), a for-profit publicly traded company incorporated in Delaware and headquartered in Connecticut.
10. Cigna has two divisions: Cigna Healthcare and Evernorth. Cigna Healthcare provides employer medical plans, Medicare Advantage plans, Medicare Stand-Alone Prescription Drug Plans, and Medicare Supplement Plans. Cigna Healthcare also offers a variety of other products for behavioral health benefits, dental benefits, pharmacy management services, and stop-loss products.
11. Accredo Health Group, Inc. ("Accredo"), a Delaware corporation, is a subsidiary of Evernorth and provides specialty pharmacy services including medication infusion services.
12. Evernorth does not have any physical locations in Oregon. However, Evernorth provides mail-order pharmacy services to Oregon residents.
13. CHSS is the corporate parent three levels above CarepathRx Services, LLC ("CarepathRx"). CarepathRx is a privately held and private equity-backed company formed in Delaware and

headquartered in Washington. CarepathRx provides remote order processing and management services that support pharmacies, including specialty and infusion pharmacies that serve hospitals, health systems and health care providers.

14. CarepathRx is the corporate parent of Pipeline Health Holdings, LLC (dba PipelineRx). PipelineRx is a limited liability company formed in Delaware and operates as a non-dispensing pharmacy that provides services to Oregon residents via its hospital customers. PipelineRx services a small number of customers in Oregon that account for less than 1% of CHSS JV, LLC's overall operations.
15. On May 31, 2023, Evernorth entered into an Equity Purchase Agreement with CarepathRx Intermediate, LLC, a Delaware entity, and other definitive agreements, pursuant to which Evernorth acquired 49% of CHSS, the corporate parent of CarepathRx Holdco, LLC and CarepathRx Services, LLC (the "2023 transaction"). The definitive agreements underlying the 2023 transaction provided an option for Evernorth to acquire the remaining 51% of CHSS within a specific timeframe.
16. The Notice outlines that the proposed transaction is Evernorth exercising its option to acquire the remaining 51% equity ownership in CHSS.
17. Following the closing of the proposed transaction, Evernorth will wholly own CarepathRx and its subsidiary business PipelineRx.
18. The entities state that they do not anticipate material changes to health outcomes for Oregonians as a result of this transaction. The parties state that the transaction will not result in changes to investments, type or level staffing, type or level of services, number of locations, geographic areas served, or contractual arrangements. The entities state that Evernorth does not intend to alter PipelineRx's operations in any capacity, significant or otherwise.
19. Evernorth serves customers nationwide, accounting for 11.2% of prescription drug dispensing revenues nationwide in 2022, and its service area is geographically large. CarepathRx accounted for less than half a percent of pharmacy revenues nationwide in 2022. The Herfindahl-Hirshman Index for this transaction is only 9 points due to the small size of CarepathRx's market share. Evernorth's acquisition of CarepathRx does not materially increase Evernorth's national market share.

CONCLUSIONS OF LAW

1. The Notice is supported by the required documentation and meets the requirements of the Health Care Market Oversight Program rules for approval with respect to transactions involving health care Entities pursuant to ORS 415.500 through 415.900 and OAR 409-070-0000 through 409-070-0085.

2. OHA finds that:

- a. The transaction is not likely to substantially alter the delivery of health care in Oregon.
 - i. The transaction is not likely to significantly increase consolidation, as CarepathRx manages less than half a percent of pharmacy revenues nationwide. Although Evernorth's market share for their pharmacy benefit manager business is large, the acquisition of CarepathRx does not materially increase Evernorth's position in the market. Additionally, no changes to PipelineRx's operations or contracts with suppliers, partners, ancillary service providers, pharmacy benefit managers, or management service organizations are expected as a result of the transaction.

ORDER

Based on the foregoing Findings of Fact and Conclusions of Law it is hereby ORDERED that:

- 1. The transaction is hereby APPROVED upon the basis of the information contained in the Notice of Material Change Transaction to date.
- 2. The Entities shall notify OHA within one (1) business day following completion of the Transaction by email to hcmo.info@oha.oregon.gov.

This Order will be posted to the Health Care Market Oversight Program website at <https://www.oregon.gov/oha/HPA/HP/Pages/health-care-market-oversight.aspx>.

OHA is required to assess the impact of the Transaction under ORS 415.501(19) and (20). OHA is required to publish its analyses and conclusions. Per OAR 409-070-0080, OHA may require the Entities to provide any information, reports, analyses, and documentation needed to monitor and assess the impact of the Transaction.

NOTICE OF RIGHT TO REQUEST A HEARING

You are entitled to a hearing as provided by the Administrative Procedures Act (Chapter 183, Oregon Revised Statutes), ORS 415.019, and OAR 137-070-0075. You are entitled to be represented by an attorney at the hearing. Legal aid organizations may be able to assist a party with limited resources. The Oregon Health Authority will be represented by an Assistant Attorney General from the Oregon Department of Justice.

To request a contested case hearing, your request must be in writing and must be received within fifteen (15) days from the date this Final Order was personally served, mailed, or electronically transmitted to you, based on the date at the top of this document.

A request sent by U.S. mail is “received” on the date it is postmarked. Your request may also be emailed. Your request should be sent to:

hcmo.info@oha.oregon.gov

or

Health Care Market Oversight Program
421 SW Oak St
Suite 850
Portland, OR 97204

If you submit a request for a contested case hearing, you will be notified of the time place of the hearing. Information on the hearing process will be provided to you in accordance with ORS 183.413(2). Any hearing will be conducted by an administrative law judge from the Office of Administrative Hearings, assigned as required by ORS 183.635.

If you fail to request a hearing within the time allowed, if you request a hearing and subsequently withdraw your request for a hearing, if you request a hearing and fail to appear for the hearing, or if a hearing is scheduled and you later notify OHA that you will not appear at the specified time and place, you will have waived your right to a hearing, and this proposed order will become a final order by default. If OHA issues a final order by default, it designates its file on this matter, including all materials that you have submitted relating to this matter, as the record in this case for purposes of proving a prima facie case.

Dated this 15th day of August, 2025



Sarah Bartelmann, MPH
Health Care Market Oversight Program Manager
Oregon Health Authority

NOTICE TO ACTIVE DUTY SERVICEMEMBERS. Active-duty service members have a right to stay these proceedings under the federal service members Civil Relief Act. For more information contact the Oregon State Bar at 800-452-8260, the Oregon Military Department at 503-584-3571, or the nearest United States Armed Forces Legal Assistance Office through <http://legalassistance.law.af.mil>. The Oregon Military Department does not have a toll-free telephone number.