

Health Care Market Oversight (HCMO) Program

HCMO-1: Notice of Material Change Transaction

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General Instructions

Pursuant to Oregon Revised Statute (ORS) 415.501, an entity to a material change transaction must submit a Notice to the Oregon Health Authority (OHA) notifying OHA of such transaction. This HCMO-1 Notice form must be used to comply with this statutory mandate.

You must file this HCMO-1 Notice form electronically with OHA, in a portable document form (pdf), by email to hcmo.info@oha.oregon.gov **no less than 180 days** before the expected closing date of your material change transaction. Please submit the completed HCMO-1 Notice form, other relevant HCMO forms, and any supplemental documents as separate files.

To avoid delays in OHA's review of your proposed transaction, due diligence is required to complete this HCMO-1 Notice form correctly. Please provide a public-facing response to each item. Pursuant to the requirements of OAR 409-070-0070(1), this form should not contain any information you intend to designate as confidential. All information you designate as confidential must be provided separately as one or more supplemental attachments to this form. To avoid unnecessary delays, do not redact content that is publicly available or without grounds for a claim of confidentiality under Oregon law. Please consistently apply Bates numbering to all documents submitted with this form and include the applicable Bates number sequence on all redaction logs.

The Notice is not complete until all required information is satisfactorily provided, and the review period will not run until OHA deems the Notice complete.

This HCMO-1 Notice form, along with any public supporting documents, will be published and serve as notice to the public. Contact program staff with any questions or to request technical assistance at hcmo.info@oha.oregon.gov.

Who must file a Notice

Under ORS 415.501, an entity entering into a transaction that constitutes a material change must submit written notice to OHA of such material change.

A material change transaction includes:

- A. A transaction in which at least one party had average revenue of \$25 million or more in the preceding three fiscal years and another party:

- i. Had an average revenue of at least \$10 million in the preceding three fiscal years; or
- ii. In the case of a new entity, is projected to have at least \$10 million in revenue in the first full year of operation at normal levels of utilization or operation as prescribed by the authority by rule.

Out-of-state entities

If a transaction involves a health care entity in this state and an out-of-state entity, a transaction that otherwise qualifies as a material change transaction must submit this Notice if the transaction may result in increases in the price of health care or limit access to health care services in this state. See [OHA Guidance on Out-of-State Entities](#).

Confidentiality

Information on this HCMO-1 Notice form shall be a public record and will be posted on OHA's website. Pursuant to ORS 415.501(13), OHA shall maintain the confidentiality of all confidential information and documents that are not publicly available that are obtained in relation to a material change transaction and may not disclose the information or documents to any person without the consent of the person who provided the information or document. Information and documents described in this paragraph are exempt from disclosure under Oregon Public Records Law (ORS 192.311 to 192.478).

Entities must follow the requirements of Oregon Administrative Rule (OAR) 409-070-0070 when designating portions of a Notice and any documents submitted by the applicant in support of the Notice as confidential. See [OHA Use of Confidential Information Guidance](#).

Definitions

"Acquisition" occurs when:

- a) Another person acquires control of the health care entity including acquiring a controlling interest as described in OAR 409-070-0025;
- b) Another person acquires, directly or indirectly, voting control of more than fifty percent (50%) of any class of voting securities of the health care entity other than a domestic insurer as described in OAR 409-070-0025(1)(c);
- c) Another person acquires all or substantially all of the health care entity's assets and operations;
- d) Another person undertakes to provide the health care entity with comprehensive management services; or
- e) The health care entity merges tax identification numbers or corporate governance with another entity.

"Legal entity name" means legal business name as reported with Internal Revenue Service.

“Merger” means a consolidation between two or more organizations, including two or more organizations joining through a common parent organization or two or more organizations forming a new organization.

“NPI” means 10-digit National Provider Identification number issued by the Centers for Medicare and Medicaid Services (CMS).

“Tax ID” means 9-digit federal tax identification number also known as an employer identification number (EIN) assigned by the Internal Revenue Service.

“Transaction” means:

- a) A merger of a health care entity with another entity;
- b) An acquisition of one or more health care entities by another entity;
- c) New contracts, new clinical affiliations and new contracting affiliations that will eliminate or significantly reduce, as defined by the authority by rule, essential services (see [Essential Services and Significant Reduction](#) guidance);
- d) A corporate affiliation involving at least one health care entity; or
- e) Transactions to form a new partnership, joint venture, accountable care organization, parent organization or management services organization.

Additional defined terms can be found at ORS 415.500 et seq. and OAR 409-070-0000 to -0085.

I. Parties to the proposed transaction

List the entity name for all parties to the proposed transaction. Add extra rows as needed for additional parties.

Party A (Applicant)	LucyRx OpCo, Inc. (“ LucyRx ”)
Party B:	Cerpass Holding Company (“ CerpassRx ”)

II. Contact information for the parties

Provide contact information for the proposed transaction, as requested below.

1. Provide information for Party A.

Legal entity name	LucyRx OpCo, Inc.
Assumed name	LucyRx
Tax ID	93-3447895
Mailing address	7373 Wisconsin Ave, Suite 910 Bethesda, MD 20814

Website	https://lucyrx.com/
Contact Name	Alexander Motola
Title	Vice President
Phone	(708) 712-0881
Cell Phone	(708) 712-0881
Email	amotola@lucyrx.com

Is Party A represented by legal counsel for this transaction?

☒ Yes

☐ No

Provide information regarding Party A's legal counsel, if applicable.

Name	Timothy Hatfield
Firm	Hatfield Knivila, LLC
Address	1120 SE Madison St, Portland, OR 97214
Phone	(503) 208-5037
Email Address	Tim@hkhealthlaw.com

2. Provide information for Party B.

Legal entity name	CerpassRx Holding Company
Assumed name	N/A
Tax ID	88-1595881
Mailing address	5904 Stone Creek Dr., Suite 120, The Colony, TX 75056
Website	https://cerpassrx.com/
Contact Name	Elisa Muller
Title	General Counsel
Phone	773-896-5681

Cell Phone	N/A
Email	elisa.muller@cerpassrx.com

Is Party B represented by legal counsel for this transaction?

☒ Yes

☐ No

Provide information regarding Party B's legal counsel, if applicable.

Name	Arindam Kar
Firm	Polsinelli PC
Address	7676 Forsyth Boulevard, Suite 800, Saint Louis, MO 63105
Phone	+1 314-552-6898
Email Address	akar@polsinelli.com

For any additional Parties, please provide a supplemental attachment describing the information requested in Section 2.

3. Provide a billing contact for payment of review fees.

Name	Alexander Motola
Address	7373 Wisconsin Ave, Suite 910 Bethesda, MD 20814
Phone	(708) 712-0881
Email Address	amotola@lucyrx.com

III. About the proposed transaction

4. Provide the type of material change transaction. (See OAR 409-070-0010 for definitions of transactions subject to review.)

☐ Merger

☒ Acquisition

- ☐ Affiliation
- ☐ Contract
- ☐ Other (specify)_____

5. What is the anticipated effective date of the proposed material change transaction?
The parties will close the proposed acquisition (the “Proposed Transaction”) as soon as possible, subject to the receipt of required approvals from governmental and regulatory authorities and the satisfaction of other customary closing conditions.
6. Briefly describe the proposed material change transaction, including:

a. Goals and objectives

The primary goal of the Proposed Transaction is to bring together two independent, non-vertically integrated pharmacy benefit managers (“PBMs”) – each with limited operations in Oregon – to form a more responsive alternative to the dominant players in the PBM market. This Proposed Transaction represents a strategic opportunity to introduce meaningful competition in a market that is currently highly concentrated, opaque, and costly.

Today, the PBM industry is dominated by three vertically integrated entities – CVS Caremark, Express Scripts, and OptumRx – which collectively manage approximately 80% of all prescriptions filled in the United States.¹ This level of concentration has raised bipartisan concern at federal and state levels, largely due to its impact on drug pricing, access, and transparency. The vertical integration of these PBMs has also attracted scrutiny as it allows these dominant players to tie together various insurance, benefit management, pharmacy, and clinical services, thereby making it more difficult for new PBMs to enter the market.

The Proposed Transaction will strategically grow the LucyRx platform – which is built on commitments of being conflict-free and radically transparent – to (i) increase competition in the PBM market, (ii) drive innovation, and (iii) ultimately reduce costs, improve access, and create better health outcomes for its customers and members.

The Proposed Transaction is structured as a stock purchase to provide operational continuity for CerpasRx while also allowing LucyRx to unlock efficiencies (e.g., streamline administrative functions) that will benefit customers and patients through improved transparency, flexibility, and cost effectiveness.

¹ See U. S. Federal Trade Commission, *Pharmacy Benefit Managers: The Powerful Middlemen Inflating Drug Costs and Squeezing Main Street Pharmacies* (July 9, 2024), <https://www.ftc.gov/news-events/news/press-releases/2024/07/ftc-releases-interim-staff-report-prescription-drug-middlemen>.

b. Summary of transaction terms

Pursuant to the terms and subject to the conditions of a Stock Purchase Agreement by and among (i) CerpasRx, (ii) Nomi Health, Inc. ("CerpasRx Parent"), and (iii) LucyRx (the "Agreement"), LucyRx intends to acquire 100% of CerpasRx's outstanding equity interests in exchange for a purchase price as set forth in the Appendix to HCMO-1.

The Proposed Transaction will not result in a change to the federal employee identification number ("FEIN") for CerpasRx or any of its wholly-owned subsidiaries.

c. Why the transaction is necessary or warranted

The Proposed Transaction is necessary to strengthen the competitive position of two independent, non-vertically integrated PBMs in a market that is currently dominated by a small number of vertically-integrated players. By combining resources, infrastructure, and expertise, the parties aim to create a best-in-class platform capable of delivering cost-effective, transparent, and flexible pharmacy benefit solutions across a broader range of clients and patients.

Closing of the Proposed Transaction will have a negligible impact in Oregon and on Oregon residents. Specifically, in the immediate, Oregon residents will have no changes to their pharmacy networks or formularies as a result of the Proposed Transaction. Ultimately, the Proposed Transaction is warranted because it supports a more competitive and dynamic PBM landscape – one that can better serve the needs of payers and patients, including those in Oregon, over the long term.

d. Any exchange of funds between the parties, including the nature, source and amount of funds or other consideration (such as any arrangement in which one party agrees to furnish the other party with a discount, rebate, or any other type of refund or remuneration in exchange for, or in any way related to, the provision of health care services).

LucyRx intends to acquire 100% of CerpasRx's outstanding equity interests for a purchase price set forth in the Appendix to HCMO-1. The parties do not anticipate any other exchange of funds between the parties in connection with the Proposed Transaction.

7. Describe the negotiation or transaction process that resulted in the entities entering into an agreement.

a. How the entities were identified (e.g., did one party approach the other, did one party engage in a bid/auction process, etc.)

Both parties regularly monitor the market for strategic opportunities. In this instance, CerpasRx Parent identified LucyRx as a potential acquirer and initiated contact. Following preliminary discussions, the parties quickly aligned on material terms and proceeded to execute a Letter of Intent.

- b. Any due diligence performed by any of the parties to the transaction. Provide any products, reports, or analyses resulting from due diligence processes.

LucyRx engaged counsel and various other vendors to conduct a due diligence review of CerpasRx. LucyRx has engaged Kirkland & Ellis LLP as corporate counsel and Mintz, Levin, Cohn, Ferris, Glovsky and Popeo as regulatory counsel. LucyRx has also engaged PwC to conduct financial due diligence, Pharmacy Healthcare Solutions, LLC to conduct a supply chain analysis, Brown & Brown for employee benefits consulting and Aon for insurance and risk management consulting. CerpasRx has engaged Polsinelli PC as corporate and regulatory counsel. Houlihan Lokey acted as the banker for CerpasRx.

8. Will the proposed material change transaction change control of a public benefit corporation or religious corporation?

☐ Yes

☒ No

9. List any applications, forms, notices, or other materials that have been submitted to any other state or federal agency regarding the proposed material change transaction. Include the data and nature of any submissions. This includes, but is not limited to, the Oregon Department of Consumer and Business Services, Oregon Public Health Division, Oregon Department of Justice, U.S. Department of Health and Human Services (e.g., Pioneer ACO or Medicare Shared Savings Program application), Federal Trade Commission, and U.S. Department of Justice.

Completion of the Proposed Transaction will be subject to the expiration or termination of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the “HSR Act”). LucyRx and CerpasRx will file, confidentially, notification and report forms in connection with the Proposed Transaction with the Federal Trade Commission and the U.S. Department of Justice (the “DOJ”) pursuant to the HSR Act. We will supplement this notice with those filings as soon as they are submitted.

In addition to the filing to the DOJ pursuant to the HSR Act, the parties will provide pre-closing notice to the Indiana Office of the Attorney General and Oregon Department of Consumer & Business Services (“DCBS”), and make filings with the Texas Department of Insurance concerning the Proposed Transaction:

- **Indiana:** The confidential filing to the Indiana Office of the Attorney General is pursuant to IND CODE § 25-1-8.5-4, and requires notice of the

transaction, including the reporting of health care entities, their business address, Federal Tax Number, contact information, and a description of the transaction.

- **Texas:** CerpaxRx wholly-owns a Texas subsidiary entity, Healthcare Highways Rx, LLC, which holds a Third Party Administrator (“TPA”) license in the state. The parties are submitting a change of ownership application to the Department of Insurance to notify the DOI of a change to the indirect owner of Healthcare Highways Rx, LLC.
- **Oregon:** CerpaxRx’s wholly-owned subsidiary, Healthcare Highways Rx, holds a PBM license in Oregon. In connection with ORS 415.501, CerpaxRx emailed the Oregon Insurance Institutions Team within the Oregon DCBS on June 16, 2025, to notify them of the upcoming Proposed Transaction. CerpaxRx did not disclose the Buyer entity in that communication; however, DCBS informed CerpaxRx that the email notice will suffice as pre-closing notice and the parties may update DCBS within 30 days of closing.

In addition, given CerpaxRx’s subsidiary, Healthcare Highways Rx, LLC, holds numerous PBM and TPA licenses, there will be a number of post-closing notices sent to state departments of insurance to update them on the change of indirect owners and/or officers and directors of Healthcare Highways Rx, LLC.

- a. If a pre-merger notification was filed with the Federal Trade Commission or U.S. Department of Justice, please attach the pre-merger notification filing along with this notice submission.

The parties intend to submit the pre-merger notification filings upon signing, and will supplement this filing as soon as the filings are made.

IV. About the entities involved in the proposed transaction

10. Describe Party A.

- a. Describe Party A’s business, including business lines or segments

LucyRx is a Delaware corporation that directly owns and operates the PBM LucyRx Health Solutions Ohio, LLC; and indirectly owns and operates the PBMs: LucyRx Health Solutions, Inc. and PharmaAvail Benefit Management, Inc. (collectively, the “LucyRx Entities”). The LucyRx Entities are full-service PBMs that provide pharmacy benefit management services primarily to ERISA self-funded employer groups. LucyRx Health Solutions Inc. is currently licensed and operates in 14 states; LucyRx Health Solutions Ohio, LLC is currently licensed and operates in 21 states. PharmaAvail operates primarily in North Carolina and Georgia.

- b. Describe Party A's governance and operational structure (including ownership of or by a health care entity)

LucyRx is a privately held entity and currently governed by its sole director and officers listed below:

Directors/Managers

David Blair

Officers

David Blair (President)

Martin Payne (Secretary)

Alexander Motola (Vice President)

Lankford Wade (CFO & Treasurer)

Paul Brown (Chief Legal Officer & General Counsel)

Caleb Goings (Vice President)

Please see Exhibit 10b for LucyRx Governance Documents, attached.

- c. Provide a diagram or chart showing the organizational structural and relationships between business entities.

Please see Exhibit 10c, attached.

- d. List all of Party A's business entities currently licensed to operate in Oregon using [HCMO-1b: Business Entities form](#). Provide the business name, assumed business name, business structure, date of incorporation, jurisdiction, principal place of business, and FEIN for each entity.

Not applicable.

- e. Provide financial statements for the most recent three fiscal years. If Party A also operates outside of Oregon, provide financial statements both for Party A nationally and for Party A's Oregon business.

Please see Exhibit 10e, attached.

- f. Describe and identify Party A's health care business. Provide responses to i-ix as applicable:

- i. Provider type (hospital, physician group, etc.)

The LucyRx Entities are full-service PBMs.

- ii. Service lines, both overall and in Oregon

The LucyRx Entities provide PBM services nationally, including limited service in Oregon as described below.

iii. Products and services, both overall and in Oregon

LucyRx Entities contract primarily with employee benefit plans to provide pharmacy benefit management services such as claims processing, rebate aggregation, and pharmacy network contracting. No LucyRx Entity holds a direct contract with an employer group that is located in Oregon; however, LucyRx Health Solutions, Inc. holds a contract with a TPA, and that TPA contracts with three small employers in Oregon.

iv. Number of staff and FTE, both overall and in Oregon

LucyRx employs approximately 175 individuals on a full-time basis overall; one employee resides in Oregon.

v. Geographic areas served, both overall and in Oregon

LucyRx Entities adjudicate claims and provide services on behalf of employers or other health plans with individuals in all 50 states and the District of Columbia.

vi. Addresses of all facilities owned or operated using [HCMO-1c: Facilities and Locations form](#)

Not applicable.

vii. Annual number of people served in Oregon, for all business, not just business related to transaction

LucyRx Entities served the following number of Oregon residents annually since 2022:

Year	Oregon	National
2022	894	285,424
2023	1,002	378,663
2024	946	454,541
2025 YTD	454	782,602

viii. Annual number of services provided in Oregon

Please find the number of prescriptions from Oregon residents that were managed by LucyRx for the past 3 years, compared to the number of services provided on a national level below.

Year	Oregon	Nationally
2022	696	1,273,566
2023	531	1,268,574
2024	615	1,490,952

The annual number of Oregon prescriptions managed by LucyRx for 2022, 2023, and 2024 constitute 0.05%, 0.04%, and 0.04%, respectively, of the prescriptions managed by LucyRx nationwide.

ix. For hospitals, number of licensed beds

Not applicable.

11. Describe Party B.

a. Describe Party B's business, including business lines or segments

CerpassRx, through its wholly owned subsidiary, Healthcare Highways Rx, LLC, provides pharmacy benefit management services and other related services. CerpassRx primarily works with employer groups and third-party administrators.

b. Describe Party B's governance and operational structure (including ownership of or by a health care entity)

CerpassRx Holding Company is a Delaware corporation that oversees CerpassRx's operations through its executive team, specifically the President and Chief Financial Officer, whom are also responsible for key decision-making and strategy.

Nomi Health, Inc. is a holding company whose subsidiaries operate non-clinical health care network, analytics, and financial services programs. Cerpass Rx is just one of Nomi Health Inc.'s subsidiaries. Post-closing, all of Nomi Health Inc.'s other subsidiaries will continue operating under Nomi Health, Inc. in the ordinary course of business.

See attached Exhibit 11b for each entity's governance documents and a list of shareholders of Nomi Health, Inc.

c. Provide a diagram or chart showing the organizational structural and relationships between business entities.

Please find an organizational chart of the entities as of April 2025 on Exhibit 11c.

- d. List all of Party B's business entities currently licensed to operate in Oregon using [HCMO-1b: Business Entities form](#). Provide the business name, assumed business name, business structure, date of incorporation, jurisdiction, principal place of business, and FEIN for each entity.

See HCMO-1b Form (Exhibit 11d) attached.

- e. Provide financial statements for the most recent three fiscal years. If Party B operates outside of Oregon, provide financial statements both for Party B nationally and for Party B's Oregon business.

CerpassRx does not track Oregon-specific financials. However, Healthcare Highways Rx, LLC national financial statements for the most recent two fiscal years — (2023 and 2024) are attached as Exhibit 11e.1. We have not provided financial statements for 2022, as Nomi Health Inc. did not own or control CerpassRx at that time. We have also provided Nomi Health Inc.'s financial statements for the most recent three fiscal years—2022, 2023, and 2024. See attached as Exhibits 11e.2, 11e.3.

- f. Describe and identify Party B's health care business. Provide responses to i-ix as applicable.

The responses below are specific to CerpassRx, as CerpassRx is the party undergoing a change of control. CerpassRx is the only affiliate of Nomi Health Inc. that provides clinical health care services.

- i. Provider type (hospital, physician group, etc.)

CerpassRx is a PBM.

- ii. Service lines, both overall and in Oregon

CerpassRx, the PBM, provides PBM services via relationships with employer groups and third-party administrators ("TPAs"). CerpassRx Holding Company does not provide any services.

- iii. Products and services, both overall and in Oregon

CerpassRx provides PBM services to employer-sponsored health plans and TPAs, some of which have members who reside in Oregon.

- iv. Number of staff and FTE, both overall and in Oregon

CerpassRx has approximately 156 full time equivalent employees; None of CerpassRx's employees reside in Oregon.

- v. Geographic areas served, both overall and in Oregon

CerpassRx operates in the following states: Alabama, Arkansas, Connecticut, Delaware, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Massachusetts, Michigan, Minnesota, Missouri,

Nebraska, Nevada, New Jersey, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, West Virginia, Wisconsin, and Wyoming. Of these states, Michigan, Nevada, and Oklahoma are served the greatest.

CerpassRx provides services to residents in the following counties in the state of Oregon: Baker, Benton, Clackamas, Clatsop, Columbia, Coos, Crook, Deschutes, Douglas, Jackson, Jefferson, Klamath, Lane, Lincoln, Linn, Malheur, Marion, Morrow, Multnomah, Polk, Tillamook, Umatilla, Washington, and Yamhill.

- vi. Addresses of all facilities owned or operated using [HCMO-1c: Facilities and Locations form](#)

Not applicable.

- vii. Annual number people served in Oregon, for all business, not just business related to transaction

Please find the number of residents served by CerpassRx for the past 3 years, compared to the number of individuals served on a national level.

Year	Oregon	Nationally
2022	527	191,795
2023	428	178,801
2024	562	233,706
2025 YTD	375	166,822

The annual number of people served in Oregon varies – in 2022, 2023, and 2024, the people in Oregon constitute 0.27%, 0.24%, and 0.24%, respectively, of people served nationwide. The number of people provided in the table below is based on services actually provided (i.e., PBM-related services, such as prescription claim adjudication in the state of Oregon).

Annual number of services provided in Oregon

Please find the number of prescriptions managed by CerpassRx for the past 3 years, compared to the number of services provided on a national level.

Year	Oregon	Nationally
2022	3,277	2,125,288
2023	2,849	2,137,651
2024	3,909	2,877,681

The annual number of services served in Oregon varies – in 2022, 2023, and 2024, the number of services in Oregon constitute 0.15%, 0.13%, and 0.14%, respectively, of people served nationwide.

viii. For hospitals, number of licensed beds

Not applicable.

For any additional Parties, please provide a supplemental attachment describing the information requested in Section 11 (a) – (f).

12. Describe all mergers, acquisitions, and joint ventures that closed in the ten (10) years prior to filing this notice of material change transaction involving any entities party to the current proposed transaction, the same or related services, and health care entities. For each previous transaction, include:

- a. Legal names of all entities party to the transaction
- b. Type of transaction
- c. Description of the transaction
- d. Date the transaction closed

(1) On June 28, 2024, HealthSmart Preferred Network II, Inc., a Delaware corporation, the direct parent company of HealthSmart Rx Solutions, LLC (“HealthSmart”) transferred 100% of its outstanding shares of capital stock to LucyRx OpCo, Inc. As a result, LucyRx OpCo, Inc. became the direct parent of HealthSmart. On August 14, 2024, HealthSmart underwent a name change, becoming LucyRx Health Solutions Ohio, LLC.

(2) On July 2, 2024, LucyRx Holdings, L.P., a Delaware limited partnership, and indirect owner of LucyRx OpCo, Inc., acquired 100% of the outstanding shares of capital stock CSC IPM Holdings, Inc. (“CSC”), a Delaware corporation, and the indirect owner and ultimate parent company of Integrated Prescription Management, Inc. (“IPM”), and PharmAvail Benefit Management, Inc. (“PharmAvail”). On August 14, 2024, IPM underwent a name change, becoming LucyRx Health Solutions, Inc.

(3) By July 31, 2023, Nomi Health, Inc., a Delaware corporation, acquired 100% of the outstanding shares of capital stock of CerpaxRx Holding Company, a Delaware corporation. On December 27, 2022, Nomi Health, Inc. acquired 49% of the outstanding shares of capital stock of CerpaxRx Holding Company. Later, on July 31, 2023, Nomi Health, Inc. acquired 51% of the outstanding shares of capital stock of CerpaxRx Holding Company. In addition to CerpaxRx Holding Company, the following subsidiaries of CerpaxRx were acquired: HCH Holdco, Inc., a Delaware corporation, Healthcare Highways RX, LLC, a Texas limited liability company, FPB, LLC, a Texas limited liability company, and Nevada True Choice RX LLC, a Nevada limited liability company,

(4) On October 1, 2021, National Pharmacy Exchange, LLC, a Nevada limited liability company, transferred 100% of its outstanding membership interests of Nevada

True Choice Rx LLC, a Nevada limited liability company, to FPB, LLC, a Texas limited liability company. As a result, FPB, LLC replaced National Pharmacy Exchange, LLC as the direct parent of Nevada True Choice Rx LLC.

- (5) On October 27, 2023, FPB, LLC, a Texas limited liability company, transferred 100% of its outstanding membership interests of Nevada True Choice Rx LLC, a Nevada limited liability company, to HRGi Holdings, Inc., a Delaware corporation. As a result, HRGi Holdings, Inc. replaced FPB, LLC as the direct parent of Nevada True Choice Rx LLC.

13. Describe any anticipated changes resulting from the proposed material change transaction, including:

In the immediate and anticipated period following the closing of the Proposed Transaction, the parties do not expect any material changes to CerpessRx's operational structure, staffing, service offerings, or geographic footprint. Given that LucyRx will acquire the equity of CerpessRx, all current contracts will remain in effect, and current staffing will remain in place to operate the business. CerpessRx is expected to continue day-to-day operations under its current model, with no disruption to existing client relationships or contractual obligations. There are no plans to reduce the availability of products or services to either LucyRx's or CerpessRx's current or prospective clients.

a. Operational structure

- i. Provide a chart or diagram showing the pre- and post-transaction organizational structure and relationships between entities.

Please see Exhibits 10c, 11c, and 13a, attached.

b. Corporate governance and management

Following closing of the Proposed Transaction, CerpessRx will become a wholly-owned subsidiary of LucyRx. LucyRx anticipates certain updates to CerpessRx's directors and officers, but does not otherwise anticipate any material changes to CerpessRx's management structure.

c. Investments or initiatives

The Proposed Transaction aligns with LucyRx's fundamental initiatives to increase price transparency, reduce costs for payers and patients, and ultimately improve access and create better health outcomes nationwide. Other than to integrate CerpessRx's operations, there are no specific investments or initiatives tied to this transaction.

d. Type and level of staffing

- e. The parties do not expect any material changes to CerpessRx's type or level of staffing as a result of the Proposed Transaction. Type and level of services provided

In the immediate and anticipated period following the closing of the Proposed Transaction, the parties do not expect any material changes to CerpessRx's

service offerings. There are no plans to reduce the availability of products or services to either LucyRx's or CerpessRx's current or prospective clients.

f. Number and type of locations

Neither party has any physical footprint in Oregon and there will be no change to the number and types of locations currently operated by either party.

g. Geographic areas served

Neither party has any physical footprint in Oregon and there will be no change to the number and types of locations currently operated by either party.

h. For providers, payer contracts and payer mix

Not applicable.

i. For insurance carriers, provider contracts and networks

Not applicable.

j. Other contractual arrangements, including contracts with suppliers, partners, ancillary service providers, PBMs, or management services organizations

CerpessRx is expected to continue day-to-day operations under its current model with no disruption to existing client relationships or contractual obligations. There are no plans to change CerpessRx's network vendor or current formularies at closing – meaning no Oregon resident will have to change drugs or pharmacies as a result of the Proposed Transaction.

V. Impacts from the proposed material change transaction

14. Describe how the proposed material change transaction will impact the public and people served by the entities in Oregon.

The parties have minimal operations in Oregon (see, Section IV above for further details) and the parties expect to continue to operate in substantially the same manner after the Proposed Transaction is closed. Accordingly, the parties do not expect the Proposed Transaction to have any material impacts to the public or Oregon residents currently served by either CerpessRx or LucyRx.

a. If there are any anticipated negative effects, describe how the entities will seek to mitigate negative impacts.

There are no anticipated negative impacts of the Proposed Transaction on cost, quality, access, health equity, or competition.

15. Explain how the proposed material change transaction will:

a. Impact health outcomes for people in Oregon. Provide applicable data, metrics, or documentation to support your statements.

This Proposed Transaction represents a strategic opportunity to introduce meaningful competition in a PBM market that is currently highly concentrated, opaque, and costly. By combining, LucyRx and CerpasRx can provide more consumers with a high-quality, transparent, lower-cost option for PBM services.

Today, the PBM industry is dominated by three vertically integrated entities – CVS Caremark, Express Scripts, and OptumRx – which collectively control approximately 80% of the national prescription drug market. The Proposed Transaction will strategically grow the LucyRx platform, thereby making the PBM market more competitive, transparent and affordable. The Proposed Transaction would thus benefit the public because it will (i) increase competition in the PBM market, (ii) drive innovation, and (iii) ultimately reduce costs, improve access, and create better health outcomes for its customers and members.

Outside the long-term benefits associated with increasing access to the LucyRx platform, the parties do not expect the Proposed Transaction to have any material impact on health outcomes for Oregonians.

- b. Benefit the public good by reducing the growth in health care costs. Provide applicable data, metrics, or documentation to support your statements.

This Proposed Transaction will enable LucyRx to better compete with the vertically-integrated PBMs that currently dominate the market. These incumbents use opaque pricing methodologies that often result in higher costs for both clients and members. By combining resources, infrastructure, and expertise, the parties aim to create a best-in-class platform capable of delivering cost-effective, transparent, and flexible pharmacy benefit solutions across a broader range of clients and members. Lower PBM costs will reduce health care costs generally for LucyRx's clients and members, including those that might operate or reside in Oregon.

- c. Benefit the public good by increasing access to services for medically underserved populations. Provide applicable data, metrics, or documentation to support your statements.

As noted above, the dominant three PBMs hurt access to pharmacy services through narrow network and opaque drug pricing. LucyRx's PBM platform makes pharmacy services more accessible for members of health plan clients. This transaction will help LucyRx expand the platform.

- d. Benefit the public good by rectifying historical and contemporary factors contributing to health inequities or access to services. Provide applicable data, metrics, or documentation to support your statements.

Please see the response to Inquiry #15b.

- e. If the transaction will not benefit the public good as described in b-d, explain why this proposed material change transaction is in the best interest of the public.

Not applicable.

16. Describe any competitive effects that may result from the proposed material change transaction.

The Proposed Transaction is expected to enhance competition in the PBM market by combining two independent, non-vertically-integrated PBMs to form a stronger alternative to the dominant vertically-integrated entities that currently control approximately 80% of the national market. Neither party has significant operations in Oregon, so the Proposed Transaction will not reduce existing competition in the state. Instead, the Proposed Transaction introduces the potential for greater market diversity and innovation. The Proposed Transaction is intended to expand access to more transparent, flexible, and cost-effective PBM services, ultimately benefiting payers and patients.

a. Will the proposed material change transaction result in a decrease in competition?

No, please see responses above.

i. If yes, describe any anticompetitive effects that will result from the proposed transaction.

Not applicable.

ii. If yes, describe any plans to mitigate potential anticompetitive effects, including any divestiture plans.

No anticompetitive effects are anticipated, and as such, no mitigation measures are currently necessary.

b. Provide applicable data, metrics, or documentation to support your statements.

Not applicable.

17. Describe the proposed material change transaction's impact on the financial stability of any entity involved in the transaction.

Not applicable.

VI. Supplemental materials

Submit the following materials, if applicable, with your submission. Apply Bates numbering to all confidential documents submitted with the Notice and include the applicable Bates number sequence on all redaction logs.

☐ [HCMO-1a: NPI form](#) (required for health care provider entities)

☒ [HCMO-1b: Business Entities form](#) (required parties with multiple business entities licensed to operate in Oregon)

☐ [HCMO-1c: Facilities and Locations form](#)

☒ Pre- and post-transaction organizational structure diagram

- ☒ Copies of all current agreements or term sheets for the proposed transaction
- ☒ Financial statements for all entities for the most recent three fiscal years
- ☒ Copies of current governance documents for all entities (for examples, bylaws, articles of incorporation, corporate charter, etc.)
- ☒ Documentation or analytic support for your responses, as applicable
- ☒ Redaction log

VII. Certification

I, the undersigned, being first duly sworn, do say:

1. I have read ORS 415.500 et seq. and OARs 409-070-0000 to 409-070-0085.
2. I have read this Notice of Material Change Transaction and the information contained therein is accurate and true.

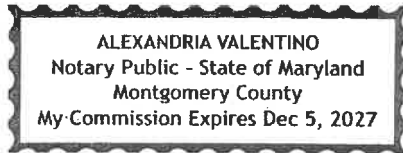
Signed on the 28 day of July, 2025.



SUBSCRIBED AND SWORN TO before me, this 28 day of July, 2025



Notary Public in and for Montgomery County, MD



My Commission Expires: December 5, 2027
Alexandria Allen
Commissioned As: Alexandria
Valentino