

Health Care Market Oversight

# Transaction 060

## CVR – Inovia

# Preliminary Review Report

April 24, 2026



# About this Report

This report summarizes analyses and findings from Oregon Health Authority’s preliminary review of the proposed material change transaction involving CVR Management, LLC and Inovia, LLC. It accompanies the Findings of Fact, Conclusions of Law, and Order (“Preliminary Review Order”)] issued by Oregon Health Authority on April 24, 2026. For legal requirements related to the proposed transaction, please reference the [Preliminary Review 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](mailto: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](mailto:hcmo.info@oha.oregon.gov).

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## 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 October 9, 2025 OHA accepted a complete [Notice of Material Change Transaction](#) (“Notice”) from CVR Management, LLC (“CVR”). The Notice describes plans for CVR to acquire Inovia, LLC (“Inovia”) and integrate Inovia’s clinical operations with a newly formed entity, Center for Vein Restoration (OR) (“CVR-OR”). CVR, CVR-OR, and Inovia are collectively referred to in this report as the “entities.”

Through the proposed transaction, CVR and CVR-OR seek to acquire Inovia’s clinical and non-clinical assets. Upon closing of the proposed transaction, CVR-OR will assume Inovia’s clinical assets and operations, while CVR will assume non-clinical and administrative functions. Inovia clinics will be rebranded as Center for Vein Restoration and Inovia physicians and staff will become employees of CVR-OR.

**CVR** is a management services organization (MSO) that provides non-clinical support services to vein care providers. CVR operates in more than 20 states and has no current operations in Oregon. CVR’s majority investor is Cortec Group, a private equity firm. CVR-OR is a new entity formed for the proposed transaction.

**Inovia** is a physician-led outpatient medical group focused on the diagnosis and treatment of venous and lymphatic disorders, with a specialty in managing chronic venous insufficiency. Inovia operates five clinics in Oregon (Bend, Tigard, Portland, Happy Valley, and Beaverton) and one in Vancouver, Washington.

## 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 in alignment with preliminary review criteria.

## Key Findings

**The transaction will not result in horizontal consolidation or changes to market share in Oregon.**

While Inovia has a substantial presence in Oregon, operating five locations in the state and holding a significant market share for services, CVR does not operate any locations in the state. As such, the transaction will not result in horizontal consolidation or increase market concentration in Oregon.

## The proposed transaction has the potential to affect care delivery in Oregon.

While the entities have stated that the transaction will not result in changes to the availability of care in Oregon, private equity ownership of health care practices has been associated with changes to care delivery and past CVR transactions have resulted in clinic closures in some cases. OHA has imposed conditions designed to mitigate those concerns and ensure that the transaction will not result in changes to locations, services offered, types of insurance accepted, and clinical decision-making.

## Conclusions and Decision

Based on preliminary review findings, **OHA approved the transaction with conditions on April 24, 2026.** (See [Preliminary Review Order](#)). OHA approved the proposed transaction based on the following criterion:

- 1. The transaction is not likely to substantially alter the delivery of health care in Oregon.**

The entities state that the transaction will not result in material changes to Inovia's clinical operations, type and level of services offered, type and level of staffing, and number and type of locations. The transaction will not increase consolidation in Inovia service areas. OHA has imposed approval conditions to address potential concerns related to changes in care delivery and access to care.

OHA has applied conditions to the approval of the transaction. The conditions:

1. Require the entities to adhere to commitments in the notice and submissions;
2. Require the entities to notify OHA about any changes to transaction agreements;
3. Require the entities to make efforts to maintain existing clinic locations and services;
4. Require the entities to continue to participate in public insurance programs; and
5. Require the entities to submit annual compliance reports demonstrating compliance with conditions and providing information about changes post-transaction.

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 compliance with approval conditions and whether the entity keeps the commitments included in the Notice.

# 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.

## The Preliminary Review Process

Health care entities planning a transaction that is subject to HCMO review must submit a Notice of Material Change Transaction ("Notice") to OHA. The Notice must comply with the requirements of OAR 409-070-0045 and be submitted to OHA no later than 180 days before the planned closing date of the transaction. OHA is required to complete a preliminary review of the proposed transaction, in accordance with OAR 409-070-0055, within 30 calendar days of confirming receipt of a complete Notice, unless the review period is tolled or extended in accordance with OAR 409-070-0085.

For OHA to approve a transaction following preliminary review, OHA must determine that the transaction meets at least one of the following criteria specified in OAR 409-070-0055(2):

- a) The material change transaction is in the interest of consumers and is urgently necessary to maintain the solvency of an entity involved in the transaction;
- b) The material change transaction is unlikely to substantially reduce access to affordable health care in Oregon;
- c) The material change transaction is likely to meet the criteria set forth in OAR 409-070-0060;
- d) The material change transaction is not likely to substantially alter the delivery of health care in Oregon; or
- e) Comprehensive review of the material change transaction is not warranted given the size and effects of the transaction.

If OHA is unable to determine that the proposed transaction meets at least one of the above criteria, OHA must conduct a comprehensive review pursuant to ORS 415.501(7)(a) and OAR 409-070-0055(3).

## Transaction Notice Submission

On October 9, 2025 OHA accepted a complete [Notice of Material Change Transaction](#) (“Notice”) from CVR Management, LLC (“CVR”). The Notice describes plans for CVR to acquire Inovia, LLC (“Inovia”) and integrate Inovia’s clinical operations with a newly formed entity, Center for Vein Restoration (OR) (“CVR-OR”). CVR, CVR-OR, and Inovia are sometimes collectively referred to in this report as the “entities.”

OHA reviewed the Notice 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.

## Public Input

OHA solicited public comments on the proposed transaction during the preliminary review. On October 9, 2025, OHA posted a comment form to the [Transaction Notices and Reviews](#) page of the HCMO website and emailed subscribers to HCMO program updates to inform them about the opportunity to provide comment. OHA accepted comments via the form, phone, and by email to [hcmo.info@oha.oregon.gov](mailto:hcmo.info@oha.oregon.gov). OHA received four public comments.

## Corporate Practice of Medicine

In 2025, the Oregon Legislature passed Oregon’s Corporate Practice of Medicine (CPOM) Law (Senate Bill 951, as amended by House Bill 3410). This law seeks to restrict management services organizations and other corporate entities from owning and directing medical practices. CPOM law does not provide OHA with additional enforcement or regulatory authority. OHA does not assess compliance with CPOM law as part of evaluating a proposed transaction under the preliminary review approval criteria.

## Proposed Transaction

Through the proposed transaction, CVR and CVR-OR seek to acquire certain clinical and non-clinical assets of Inovia. In addition to the purchased assets, CVR will assume certain contracts held by Inovia, including assuming leases for clinic operations in Oregon. The entities state that there will be no changes to clinical operations.<sup>1</sup> Following the closing of the transaction, CVR-OR will serve as the professional entity.<sup>2</sup>

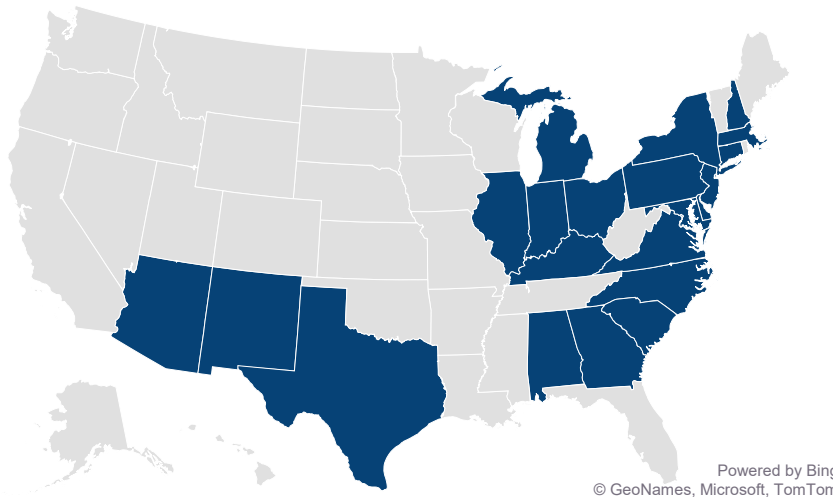
## Entities Involved

### CVR

CVR is a Delaware limited liability company that was formed in 2011. CVR operates as a management services organization (MSO), providing administrative and non-clinical support services to vein care providers. Clinics affiliated with CVR operate under the

brand “Center for Vein Restoration.” The company operates in 21 states and the District of Columbia and has no current operations in Oregon.<sup>3</sup>

### States with CVR locations



CVR employs 764 employees, with no current employees in Oregon.

CVR is ultimately majority-owned by an affiliate of Cortec Group. Cortec Group is a private equity (PE) firm that was founded in 1984 and had \$14 billion in transaction value as of December 2025.<sup>4</sup> The Cortec Group holds investments in multiple health care companies that provide mobility products, varicose and spider vein treatment, treatment of ophthalmic conditions, surrogacy and egg donation services, and staffing services for health care industries.<sup>5,6</sup> The Cortec Group added CVR to its portfolio in January 2016.<sup>7</sup>

### **CVR-OR**

CVR has formed a new professional entity, Center for Vein Restoration (OR) (“CVR-OR”) for the proposed transaction. CVR-OR will assume Inovia’s clinical assets and operations upon closing of the proposed transaction. The entities state that post-closing, the same Inovia physicians will provide professional medical services on behalf of CVR-OR using the same clinical equipment that they used prior to the transaction, and that there will be no changes to the clinical operations.<sup>8</sup>

### **Inovia**

Inovia is a physician-led outpatient medical group founded in 2006 that focuses on the diagnosis and treatment of venous and lymphatic disorders, with a specialty in managing chronic venous insufficiency. Inovia operates six outpatient clinics: five located in Oregon (Bend, Tigard, Portland, Happy Valley, and Beaverton) and one in Vancouver, Washington.<sup>9</sup> Inovia is governed by a board of directors of five physician partners.<sup>10</sup> Inovia has 62 full-time equivalent positions, including eight physicians and six advanced practice providers (such as physician assistants and nurse practitioners), 54 of which are based in Oregon.<sup>11 12</sup>

## Rationale for the Transaction

According to the Notice, Inovia is seeking to enter into the transaction due to financial and operational challenges, rising costs, low reimbursement, and increasing administrative complexity.<sup>13</sup> In the Notice, the entities provide the following goals for the proposed transaction:<sup>14</sup>

1. Enhance access to outpatient vein care in Oregon
2. Preserve clinical autonomy and local decision-making
3. Improve affordability through economies of scale
4. Support physician-led care models
5. Strengthen regulatory compliance and operational efficiency
6. Facilitate transition to a new electronic medical record system
7. Advance education, research, and quality improvement
8. Ensure continuity of care for Oregon patients

## Transaction Terms

Through the proposed transaction, CVR-OR and CVR seek acquire Inovia’s clinical and non-clinical assets.<sup>15</sup> Key terms are described in the table below.

<b>Asset purchase</b>	CVR has created a new professional entity, CVR-OR, to acquire Inovia’s clinical assets, while CVR will acquire Inovia’s non-clinical assets. <sup>16</sup>
<b>Financial consideration</b>	CVR will make three payments to purchase Inovia: <sup>17</sup> <ol style="list-style-type: none"> <li>1. Half of the purchase price on the day of closing;</li> <li>2. A quarter of the purchase price will be paid within 90 days of the first anniversary of closing; and</li> <li>3. The last quarter will be paid within 90 days of the second anniversary of closing.</li> </ol>
<b>Employment</b>	CVR will enter into employment agreements with Inovia physicians. Other key non-physician employees will be offered employment at a similar compensation level. <sup>18</sup>
<b>Transition of Services</b>	The parties will execute a Transition Services Agreement that will allow Inovia physicians to provide and bill for services through CVR-OR. <sup>19</sup>
<b>Definitive Agreements</b>	Entities will execute definitive agreements, including an Asset Purchase Agreement, Transition Services Agreements, Employment Agreements, and other relevant agreements, to effectuate the transaction. <sup>20</sup> (See section below for more information about agreements.)

## Post-Transaction Plans

Upon closing of the proposed transaction, CVR-OR will assume all of Inovia’s clinical assets and operations, while CVR will assume non-clinical and administrative functions.<sup>21</sup>

Inovia clinics will be rebranded as Center for Vein Restoration and Inovia physicians and staff will become employees of CVR-OR.<sup>22</sup>

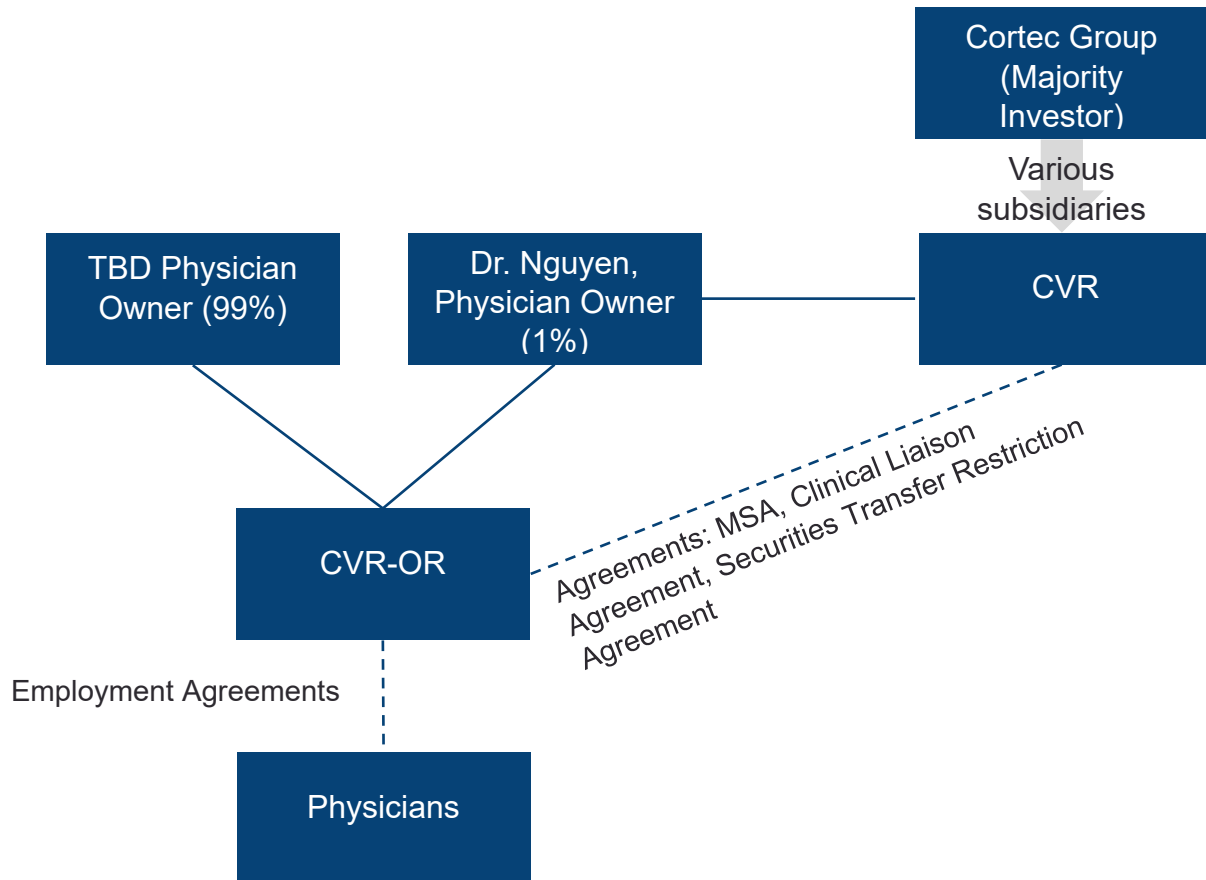
### Governance and Organizational Structure

Post-transaction, the governance structure of the entities will be set up in a manner typical for many transactions with private equity involvement.

In order to comply with Oregon corporate practice of medicine laws, CVR-OR will be majority (99%) owned by a physician licensed in Oregon. (As of this report, CVR has not identified who that physician will be, but has stated that a current Inovia physician will take that role.)<sup>23</sup> A physician employee of CVR will own 1% of CVR-OR. Aside from the 99% physician owner, Inovia physicians will not have contractual relationships with CVR or function as employees, shareholders, or contractors of CVR.<sup>24</sup>

CVR will operate as a management services organization and will maintain a management services agreement with CVR-OR. The organizational structure diagram below shows the simplified post-transaction structure.<sup>25</sup> (Dotted lines represent contractual relationships.)

**Management Services Organizations (MSOs)** are non-physician business entities that provide administrative, operational, technology, billing, and management services to physician practices.



## Agreements

Post-transaction, the Entities will have executed multiple agreements to effectuate the transaction:<sup>26</sup>

1. Transition Services Agreement: CVR and Inovia will enter into an agreement to integrate Inovia's operations into CVR-OR.
2. Management Services Agreement (MSA): CVR-OR and CVR will enter into an MSA whereby CVR-OR will pay a management fee in exchange for CVR to provide administrative and operational supports to CVR-OR.
3. Employment Agreement: CVR-OR will enter into Employment Agreements with Inovia physicians. The agreements will have two-year terms and include compensation terms and restrictive covenants.<sup>27</sup>
4. Clinical Liaison Agreement: This agreement between CVR, CVR-OR, and Dr. Nguyen defines the functions and role of Dr. Nguyen, the 1% physician owner, of CVR as Clinical Liaison.
5. Securities Transfer Restriction Agreements: These agreements define equity securities in CVR-OR and define the terms by which securities are held and transferred. CVR and CVR-OR will enter into separate agreements with the to-be-determined 99% physician owner and Dr. Nguyen, the 1% physician owner.<sup>28</sup>

## Investments and Initiatives

In the Notice, the entities state that, post transaction, Inovia clinics and providers will use CVR's electronic medical record (EMR) system, along with other standard administrative systems.<sup>29</sup> CVR also states that it is considering several investments and initiatives to improve Inovia's operations. While the transaction does not include a formal commitment to specific investments, the entities have identified the following potential investments and initiatives for further evaluation:<sup>30</sup>

1. CVR will evaluate areas for improvement, including the telephone system, computer hardware, and additional ultrasound machines.
2. Expansion of patient services.
3. Implementation of online patient scheduling and enhanced call center support.
4. Supplemental sales and marketing efforts.

# Findings & Potential Impacts

OHA compiled and analyzed data and information to understand and examine the potential impacts of the transaction in alignment with preliminary review criteria. For more information on OHA’s analysis, see **Appendix A: OHA’s Review**. The below sections summarize OHA’s findings from the preliminary review.

## Key Findings

### **The transaction will not result in horizontal consolidation or changes to market share in Oregon.**

While Inovia has a substantial presence in Oregon, operating five locations in the state and holding a significant market share for services, CVR does not operate any locations in the state. As such, the transaction will not result in horizontal consolidation or increase market concentration.

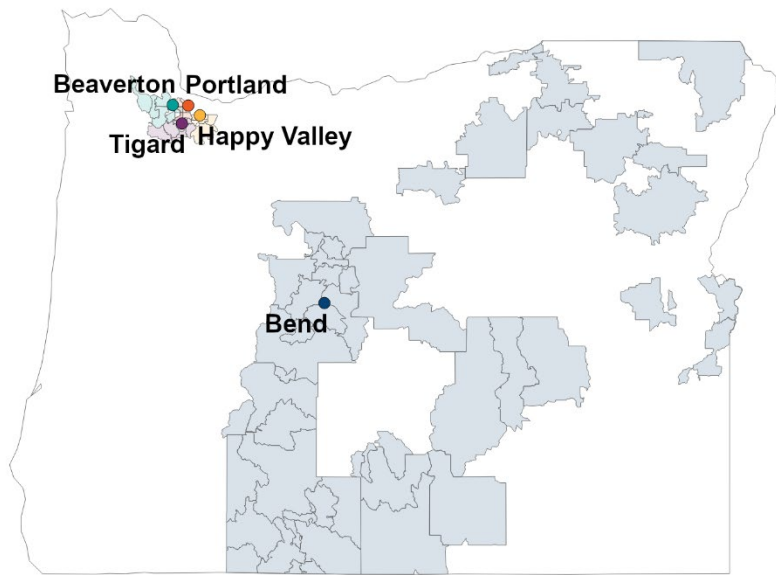
**Horizontal consolidation** is the combination of two or more business entities that formerly competed with one another to provide similar products or services.

### **CVR does not operate in Oregon.**

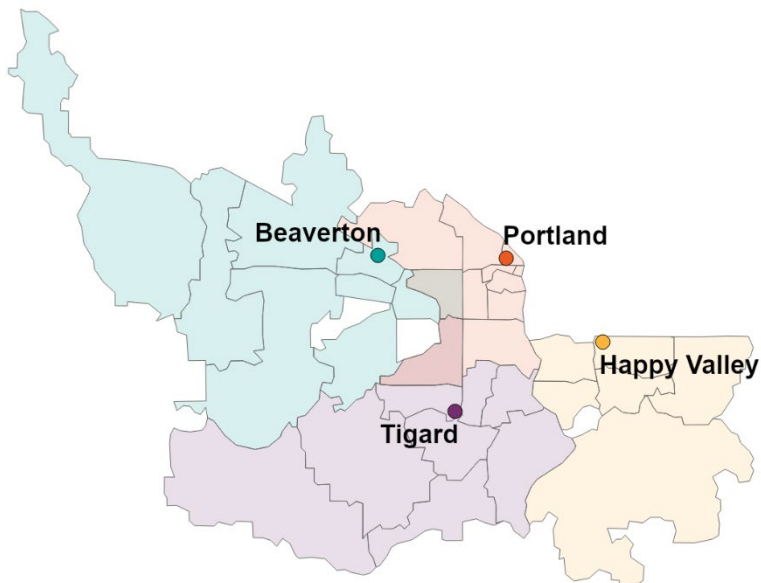
CVR does not have any business entities registered or licensed to do business in Oregon and does not have any products, services, or operations in the state.<sup>31</sup> As such, it does not provide supports to any clinics or practices that compete with or provide similar services to those offered by Inovia.

### **Inovia operates five locations in Oregon, serving Portland Metro, Central Oregon, and parts of Eastern Oregon.**

Inovia operates five locations in Oregon, located in the following areas: Beaverton, Bend, Happy Valley, Portland, and Tigard. The map below shows the locations of Inovia clinics, with zip codes shaded to show each clinic’s primary service areas, based on information provided with the Notice submission.<sup>32</sup>



The map below provides more detail about Portland metro clinics and service areas.



**Inovia has a substantial market presence in its service areas.**

OHA used Oregon All Payer All Claims (APAC) data to calculate Inovia’s service volume and market share in its service areas. The table below shows the volume of patients, visits, and claims provided in Oregon in 2022, 2023, and 2024.<sup>33</sup>

Year	Count of Patients	Count of Visits	Count of Claims
2022	1,966	5,457	9,186
2023	2,258	6,285	11,057
2024	2,544	7,385	11,872

OHA also calculated Inovia’s market share in each of its service areas for calendar years 2022 through 2024.<sup>34</sup> When looking across all services, Inovia had a 4.8% to 8.1% market share in its service areas. When focusing specifically on varicose vein treatments, Inovia is a dominant provider and had the largest market share among its competitors in each service area. The table below shows Inovia’s market share for all services (including varicose vein treatment) and just varicose vein treatment, broken out by service area.

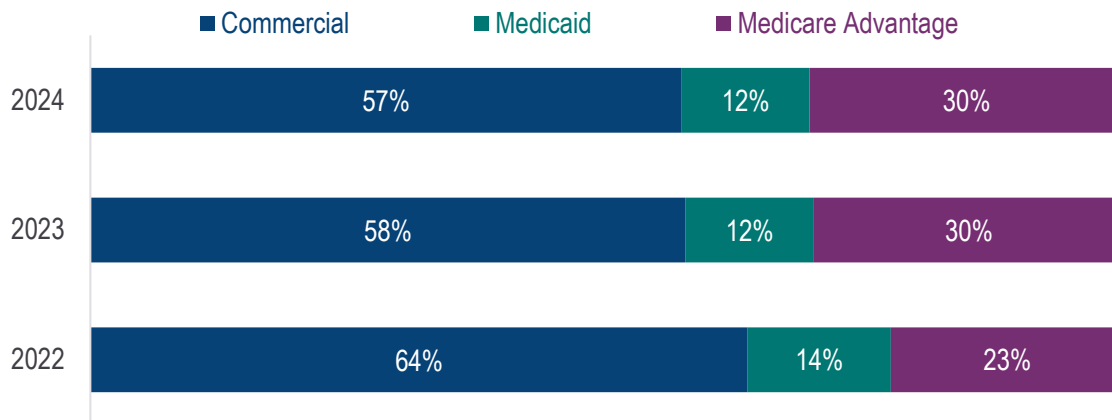
Service Area	Market Share: All Inovia Services	Market Share: Varicose Vein Treatments
Bend	8.1%	58.0%
Beaverton	4.8%	79.4%
Happy Valley	6.6%	82.3%
Portland	5.1%	76.7%
Tigard	6.2%	78.8%

**Inovia receives a substantial share of its payments from Medicaid and Medicare Advantage.**

OHA used APAC data to calculate Inovia’s payer mix, which is the percent of payments received from commercial, Medicaid, and Medicare (both Original and Medicare Advantage) payers. In calculating payer mix, OHA included payments from commercial, Medicare Advantage, and Medicaid payers. The analysis did not include payments for uninsured or self-pay patients, patients with some self-insured plans, or patients with Original Medicare or other types of coverage.

In 2024, 57% of Inovia’s payments were for patients with commercial insurance, 30% from Medicare Advantage, and 12% from Medicaid.<sup>35</sup> About 42% of Inovia’s payments are from public insurance programs (Medicare Advantage and Medicaid). The chart below shows Inovia’s payer mix in 2022, 2023, and 2024.<sup>36</sup>

The majority of Inovia's payments in 2022-2024 were from **commercial** insurance. **Medicare Advantage** payments increased from 2022 to 2023, while **Medicaid** decreased slightly.



### The proposed transaction has the potential to affect care delivery in Oregon.

While the entities have stated that the transaction will not result in changes to the availability of care in Oregon, private equity ownership of health care practices has been associated with changes to care delivery and past CVR transactions have resulted in clinic closures in some cases. OHA has imposed conditions designed to mitigate those concerns and ensure that the transaction will not result in changes to locations, services offered, types of insurance accepted, and clinical decision-making. (See **Conclusions** section for more information about approval conditions.)

### Entities have stated that the transaction will not result in material changes to care delivery for Inovia patients.

In the Notice, the entities state:<sup>37</sup>

“The proposed transaction has been carefully structured to ensure that there will be no disruption in service or Inovia Vein clinical autonomy, no reduction in access, and no adverse effects on equity or quality of care. On the contrary, it is designed to strengthen Inovia Vein’s ability to sustainably deliver high-quality, affordable, and equitable outpatient vein care across the state, and facilitate administrative efficiencies including adoption and implementation of next-generation EMR and operational tools”

Inovia’s existing organizational structure will remain materially intact, with clinical leadership and reporting structures remaining as they were pre-transaction.<sup>38</sup> There are no plans to change the type or level of staffing or the type or level of services offered. Current Inovia clinics will continue to operate and will continue to serve the same geographic areas.<sup>39</sup>

The entities do not plan to make changes to insurance carriers or networks, and CVR-OR plans to enter into new contracts with Inovia's current payers.<sup>40</sup> The entities state that there are no plans to change Inovia's payer mix.<sup>41</sup> The entities state that they will preserve existing partnerships with primary care, specialty care, and tertiary care providers to support timely diagnosis, coordinated care, and appropriate referrals.<sup>42</sup>

The entities anticipate that the transaction will not negatively affect the quality of care or health equity and will not reduce access to affordable care.<sup>43</sup>

### **Following past CVR transactions, some clinics closed.**

Prior to the proposed transaction, CVR acquired the non-clinical assets of 23 medical practices comprising 46 individual clinics (all located outside of Oregon). Of those 46 clinics, 11 have since closed.<sup>44</sup> CVR states that the closures were due to strategic reasons, such as:<sup>45</sup>

- Consolidating acquired clinics with existing CVR locations in close proximity;
- Physician retirement; and
- Exiting the market due to limited physician availability.

CVR states that continuity of care was maintained for all patients following the closure of each location.<sup>46</sup> That said, these closures represent roughly a quarter of the acquired clinic locations. OHA has therefore included an approval condition requiring the entities to continue to operate the current Inovia clinic locations for a period of five years.

### **Research has linked private equity affiliation to worsening access, workforce challenges, increased costs, and quality of care concerns.**

A growing body of research has highlighted how PE affiliation with health care practices can impact access to care and health care costs. In PE acquisitions of health care practices, the private equity firms often use debt to finance the transaction – with the target practice as collateral. This can result in pressure for PE-affiliated practices to generate high returns on investment over short timelines in order to pay back debt used to finance the transaction.<sup>47 48</sup>

Research has also shown how private equity involvement in health care can raise other key concerns, including:

- **Staffing and workforce:** PE acquisitions may reduce staffing and labor costs by seeking to shifting more care provision to unlicensed or lower-level staff. For example, one study found an increase in advance practice providers (physician assistants and nurse practitioners) at PE-affiliated clinics, compared to non-PE affiliated clinics.<sup>49</sup> Other research has found higher rates of turnover for clinicians at PE-affiliated practices.<sup>50 51</sup>
- **Access to care for patients with Medicare and Medicaid coverage:** PE-affiliated providers may shift their payer mix to prioritize commercial payers, which generally have higher reimbursement rates.<sup>5253</sup> This may create access barriers for patients with public insurance coverage, such as Medicaid. One study found that PE-

affiliated clinics offered fewer appointments for patients with Medicaid coverage, compared with clinics that were not PE-affiliated.<sup>54</sup>

- **Price and utilization:** PE ownership of health care practices is associated with higher charges per claim, higher volume of visits, and higher proportions of new patients.<sup>55</sup> Research has also shown that private equity ownership of health care practices is consistently associated with increased spending and higher costs for patients and payers.<sup>56 57</sup> For example, a 2025 study found that private equity-affiliated practices negotiated prices that were 6% - 10% higher than prices for independent practices.<sup>58</sup>

To mitigate these potential concerns, OHA has included approval conditions in its order. (See **Conclusions** section for more information about approval conditions.)

# Conclusions

Based on preliminary review findings, OHA approved the transaction with conditions on April 24, 2026. See [Findings of Fact, Conclusions of Law, and Order](#), dated April 24, 2026.

The transaction was approved per ORS 415.501(6)(b) and OAR 409-070-0055(2)(d), because OHA determined the transaction is not likely to substantially alter the delivery of 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.

### **The transaction is not likely to substantially alter the delivery of health care in Oregon.**

The entities state that the transaction will not result in material changes to Inovia's clinical operations, type and level of services offered, type and level of staffing, and number and type of locations. The transaction will not increase consolidation in Inovia service areas. OHA has imposed approval conditions to address potential concerns related to changes in care delivery and access to care.

## Approval Conditions

Conditions for approval of the proposed transaction are as follows:

1. No later than three (3) business days post-closing, Entities shall provide final executed copies of all definitive agreements, including the following:
  - a. Asset Purchase Agreement;
  - b. Management Services Agreement;
  - c. Employment Agreements;
  - d. Clinical Liaison Agreement;
  - e. Securities Transfer Restriction Agreements; and
  - f. Transition Services Agreement.
2. For a period of five (5) years following the close of the transaction, this Order shall be conditioned upon and subject to the following:
  - a. The Entities shall adhere to the representations made in the Notice and any subsequent filings with OHA.
  - b. All decisions pertaining to the diagnosis, treatment, and care of patients shall be made by licensed clinicians, in accordance with applicable Oregon and federal law.

- c. Entities shall maintain CVR-OR's and Inovia's participation in all public health insurance programs (or any successor programs providing similar benefits to similar populations) in which Inovia is a participant as of the closing date of the transaction.
- d. Entities shall use commercially reasonable and good faith efforts to maintain existing Inovia clinic locations, services, and programs at or above current levels, and not close any locations, services or programs unless there is reasonable cause or an emergency circumstance necessitating such action. If Inovia finds there is reasonable cause or an emergency circumstance, Inovia must seek approval by OHA no less than thirty (30) calendar days prior to the date of the proposed action. This request for approval must include a detailed description of the relevant circumstances and rationale for the action. Inovia's request for approval will be deemed approved unless within twenty (20) calendar days after OHA confirms receipt of Inovia's request for approval OHA notifies Inovia in writing that it requires additional information or disapproves Inovia's request for approval.
- e. Entities shall provide OHA written notification of any changes to the ownership and management of CVR-OR no less than thirty (30) calendar days prior to any changes occurring. Such notification shall include a detailed summary of all changes and the reasoning behind such changes.
- f. Entities shall provide OHA written notification of any material changes to the following agreements no later than fifteen (15) calendar days prior to execution. Such material changes do not include scrivener's errors such as typos, incorrect numbers, or omitted words or other modifications that do not materially change the terms of the proposed transaction as presented to OHA in the Notice, attachments and subsequent filings to date. Such notification must include a detailed description of all material changes and updated copies of the following agreements.
  - i. Management Services Agreement between CVR-OR Oregon and CVR
  - ii. Securities Transfer Restriction Agreement
  - iii. Clinical Liaison Agreement
  - iv. Employment Agreements
- g. Entities shall provide an Annual Compliance Report to OHA . The first such report shall be due no later than twelve (12) months following the closing date of the transaction, and subsequent reports shall be due every twelve (12) months thereafter. The Annual Compliance Report shall include:
  - i. Information demonstrating compliance with each condition in this order. For each condition:

1. Provide a detailed narrative description of all progress toward meeting the condition, including timelines, milestones, and outcome, as applicable;
  2. Provide supporting documentation and data, if any, reflecting compliance with each condition.
- ii. Information about the payer mix for Inovia and CVR-OR clinics prior to the close of the transaction and for the most recent 12-month period. Information shall include the amount and percentage of payments received from commercial, Medicare Advantage, Original Medicare, Medicaid, self-pay, and other payers.
- iii. A detailed description of any changes to the locations and services available in Oregon, including changes to:
  1. The number and type of clinical locations (including whether any locations have closed, newly opened, or expanded);
  2. The hours of operations; or
  3. The type and level of services offered.
- iv. A detailed description of any investments or initiatives in Inovia clinics and operations following the close of the transaction.
- v. Information about contracts between Inovia or CVR-OR and insurance carriers operating in Oregon, including:
  1. For the initial annual compliance report, provide a list of insurance carriers with contracts as of the closing date of the transaction and as of the date of the compliance report,, including the name of the insurance carrier, and the start and end dates of the contract;
  2. For all subsequent annual compliance reports, provide a list of insurance carriers with contracts in effect as of the date of the compliance report, including the name of the insurance carrier, the start and end dates of the contract, and a summary of any material changes to the contract; and
  3. Information about any terminated or transferred contracts with insurance carriers, including the name of the insurance carrier, the start and end dates of the contract, and a detailed description of the reasons for contract termination.
- vi. An annual staffing report that includes a description of any changes to the type and level staffing at Inovia following the close of the transaction, including:

1. The number of Inovia physicians, advanced practice providers, other clinical staff, and non-clinical staff for the following time periods:
  - a. One day prior to the close of the transaction; and
  - b. Most recent data as of the date of the annual compliance report.
2. The number of Inovia staff departures following the close of the transaction, including the type of staff (physician, advanced practice providers, other clinical, non-clinical), dates of departures, and the reason for departures, if known.

## 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 compliance with approval conditions whether the entities keep the commitments included in the Notice. 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.

## Acronyms & Abbreviations

APAC	Oregon's All Payer All Claims Database
CPOM	Corporate Practice of Medicine
CVR	Center for Vein Restoration
CVR-OR	Center for Vein Restoration – Oregon
EMR	Electronic Medical Records
HCMO	Health Care Market Oversight
MSA	Management Services Agreement
MSO	Management Services Organization
OHA	Oregon Health Authority
PE	Private Equity
PSA	Primary Service Area
RFI	Request for Information

# 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.<sup>59</sup> 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; business filings with the Secretary of State in Oregon and other states; entity websites; and state agency, professional association, and third party entity reports.

## Request for Information

OHA issued one request for information (RFI) to inform its preliminary review, to which the entities responded. Through this RFI, OHA sought more information about contracts, how Inovia will operate post-closing, and the future ownership stakes of CVR and CVR-OR.

## Data Sources

### All Payers All Claims Data

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. Information about APAC is available on OHA's [website](#). OHA used APAC medical claims data for market share analysis.

## Analytic Methods

### Primary Service Area (PSA) Definition

When filing a Notice, entities must submit [HCMO-1c: Business Entities & Locations](#), providing information about location, including the location or facility name, street address, services provided at the location, and service area zip codes. Service area is defined as smallest number of zip codes from which the location or facility draws at least 75% of its patients, based on home zip codes of patients. For this analysis, OHA used service area zip codes provided in the transaction materials [HCMO-1c](#) submitted for this transaction.

## Market Share

Market share is the percentage of total revenue, products, or services controlled by an entity, compared with competitors who offer similar products or services. A high market share can indicate a competitive advantage in a market.

Competing providers were identified as provider organizations with a physical address in an Inovia service area zip code and which provided varicose vein treatment procedures or other services similar to Inovia. Market share between Inovia and competitors was calculated as the proportion of visits at each provider among all visits in each service area.

CPT codes used in the market share analysis to identify varicose vein treatment and other procedures provided by Inovia are below

Procedure type	CPT code	Procedure description
Treatment for varicose veins	36465	NJX NONCMPND SCLRSNT 1 VEIN
	36466	NJX NONCMPND SCLRSNT MLT VN
	36468	NJX SCLRSNT SPIDER VEINS
	36471	NJX SCLRSNT MLT INCMPTNT VN
	36475	ENDOVENOUS RF 1ST VEIN
	36476	ENDOVENOUS RF VEIN ADD-ON
	36482	ENDOVEN THER CHEM ADHES 1ST
	36483	ENDOVEN THER CHEM ADHES SBSQ
	37765	STAB PHLEB VEINS XTR 10-20
	37766	PHLEB VEINS - EXTREM 20+
	37799	UNLISTED PX VASCULAR SURGERY
Non-invasive vascular study	93880	EXTRACRANIAL BILAT STUDY
	93922	UPR/L XTREMITY ART 2 LEVELS
	93923	UPR/LXTR ART STDY 3+ LVLS
	93925	LOWER EXTREMITY STUDY
	93926	LOWER EXTREMITY STUDY
	93931	UPPER EXTREMITY STUDY
	93970	EXTREMITY STUDY
	93971	EXTREMITY STUDY
	93975	VASCULAR STUDY
	93976	VASCULAR STUDY
	93978	VASCULAR STUDY
93979	VASCULAR STUDY	

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