

January 22, 2026

**VIA E-MAIL**

Sarah Bartelmann, MPH  
Cost Programs Manager  
Oregon Health Authority  
hcmo.info@oha.oregon.gov

Re: Updated Responses to 12/09/2025 Supplemental Requests for Information – 063 Ascension - AMSURG

Dear Ms. Bartelmann:

On behalf of Ascension Health Alliance (“Ascension”), AMSURG, LLC (“AMSURG”), and their affiliates (collectively, the “Parties”), below are updated responses to the Oregon Health Authority’s (“OHA”) Supplemental Requests for Information dated December 9, 2025 reflecting OHA’s redaction-related request in Attachment A of its correspondence dated January 14, 2026. The Parties incorporate by reference the Notice of Material Change Transaction Form and corresponding exhibits submitted to OHA on December 10, 2025 (“HCMO-1”). The Parties request confidential treatment of the questions and responses provided in the Confidential Appendix.

**1. Ascension stated in the HCMO-1 that they previously invested in and own a minority interest in Regent Surgical Health, LLC (“Regent”).**

**a. Please describe in detail the relationship between Ascension, Regent, and TowerBrook Capital Partners, L.P. (“TowerBrook”).**

In 2021, Ascension entered into a strategic partnership with Regent and concurrently, completed a strategic investment into Regent.<sup>1</sup>

Strategic Partnership with Regent. As stated in HCMO-1, in 2021, Ascension Health, a subsidiary of Ascension entered into an agreement with Regent for the co-development of ASCs in certain of Ascension’s Ministry Markets. In connection with such agreement, Ascension and Regent formed and currently jointly own, through subsidiaries, several holding companies for the purpose of investing in ASCs (the “Ascension-Regent Holdcos”).

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<sup>1</sup> <https://about.ascension.org/news/2021/03/ascension-chooses-regent-surgical-health-as-exclusive-national-ambulatory-surgery-center-partner>

The Ascension-Regent Holdcos have invested in six ASCs with physician partners in Florida, Illinois, Indiana, Texas, and Wisconsin, each of which are managed by Regent Surgical Management, LLC, an entity indirectly co-owned by a subsidiary of Ascension and affiliate of Regent.

Ascension, through a subsidiary, also indirectly owns equity interests in the following ASC in Illinois, which is not owned through an Ascension-Regent Holdco but is managed by Regent Management: Hoffman Estates Surgery Center, LLC. Collectively, the ASCs jointly-owned with Regent and/or managed by Regent Management are referred to herein as the “Ascension-Regent ASCs.” None of the Ascension-Regent ASCs are in Oregon.

Strategic Investment into Regent. Ascension and TowerBrook have a joint investment vehicle, Ascension TowerBrook Healthcare Opportunities, L.P. (“ATHO”), which is ultimately managed by TowerBrook, through which Ascension made an investment in Regent. Ascension has only a minority stake in Regent.

**b. Provide copies of all definitive agreements underlying the terms of the partnership between Ascension and TowerBrook.**

Ascension is bound by contractual confidentiality obligations preventing the disclosure of any applicable agreement.

**c. Please provide a copy of the Master Affiliation Agreement dated as of March 2, 2021, and any subsequent amendments, between Ascension and Regent.**

Ascension is bound by contractual confidentiality obligations preventing the disclosure of the Management Affiliation Agreement dated March 2, 2021 (“MAA”).

d. See Confidential Appendix.

**e. Please confirm that Regent does not currently manage any other ASCs in Oregon.**

None of the Ascension-Regent ASCs are located in or operate in Oregon. Solely based on Regent’s website, Regent has two ASCs in Oregon. See Regent’s locations at <https://regentsh.com/about/>.

f. See Confidential Appendix.

g. See Confidential Appendix.

**2. In response to Item 10a on the HCMO-1, Ascension states that it “has invested, as a minority investor, in the development and operation of ASCs (none in Oregon) with United Surgical Partners International (“USPI”) and SCA Health, respectively.” Regarding Ascension’s relationships with USPI and SCA Health:**

**a. Please describe in detail the nature of Ascension's relationship to each entity. In doing so, describe, at minimum, whether Ascension:**

- i. holds any ownership interest in either entity,**
- ii. is in a joint venture with either entity, or**
- iii. contracts with either entity to manage or operate any of Ascension's ASCs.**

(i) Ascension does not hold any ownership interest in USPI or SCA Health.

(ii) As stated in HCMO-1, Ascension has partnered with SCA Health ("SCA") to form and jointly own, through its subsidiaries, holding companies for the purpose of investing in ASCs: (the "Ascension-SCA Holdcos"). The Ascension-SCA Holdcos have invested in seven ASCs with physician partners in Florida and Texas (collectively, referred to herein as the "Ascension-SCA ASCs"), each of which are managed by an affiliate of SCA. None of the Ascension-SCA ASCs are located in or operate in Oregon.

As stated in HCMO-1, Ascension has partnered with United Surgical Partners International ("USPI") to form and jointly own, through its subsidiaries, holding companies for the purpose of investing in ASCs (the "Ascension-USPI Holdcos"). The Ascension-USPI Holdcos have invested in 21 ASCs with physician partners in Florida, Oklahoma, Tennessee and Texas, each of which are managed by an affiliate of USPI.

Ascension, through a subsidiary, also indirectly owns equity interests in two ASCs in Tennessee, which are not owned through an Ascension-USPI Holdco but are managed by and partially owned directly by USPI. Collectively, the ASCs jointly-owned with and/or managed by USPI are referred to herein as the "Ascension-USPI ASCs." None of the Ascension-USPI ASCs are located in or operate in Oregon.

(iii) Each Ascension-SCA ASC is managed by an affiliate of SCA and each Ascension-USPI ASC is managed by an affiliate of USPI. See Confidential Appendix for additional information.

**b. Please provide copies of all definitive agreements underlying the relationships between Ascension-USPI and Ascension-SCA Health.**

Ascension is bound by contractual confidentiality obligations preventing the disclosure of the operating agreements of the Ascension-SCA Holdcos and Ascension-USPI Holdcos.

**c. Explain whether Ascension contracts with either USPI or SCA Health to manage any of its ASCs. If yes, provide a copy of all agreements governing such arrangements.**

See Confidential Appendix for additional information.

**d. Explain whether either USPI or SCA Health operate or manage any other ASCs in Oregon and provide the name and address of such ASCs, if any.**

None of the Ascension-USPI or Ascension-SCA ASCs are located in or operate in Oregon. Solely based on USPI's website, USPI has four ASCs in Oregon. See USPI's locations at <https://regentsh.com/about/>. SCA does not list ASC locations on its website, and Ascension is not aware if SCA operates or manages any ASCs in Oregon.

**e. Do USPI and SCA Health directly contract with payers for any ASCs they manage on behalf of Ascension?**

See Confidential Appendix for additional information. Information regarding SCA and USPI's other ASCs operations are outside the control of Ascension.

**3. Explain any and all relationships between AMSURG and Regent, AMSURG and USPI, and AMSURG and SCA Health. In doing so, explain whether AMSURG utilizes any of these entities to operate or manage their ASCs.**

AMSURG does not have any relationships with Regent or SCA.

AMSURG holds a minority ownership interest in three ASCs that are majority-owned by USPI. One of these ASCs is located in Arizona (The Orthopedic Surgery Center of Arizona), and the other two ASCs are located in Missouri (Des Peres Square Surgery Center and Manchester Surgery Center). USPI is the controlling party and manages these ASCs. AMSURG is a passive partner with no decision-making authority and limited visibility into the operations of these ASCs.

Except as explained above, AMSURG does not utilize Regent, SCA, or USPI in the operation or management of its ASCs.

**4. Does Ascension intend to contract with another entity to operate or manage any of the Oregon ASCs? If so, whom and how were they identified?**

No material changes in the operations or management of the Oregon ASCs are contemplated.

**5.** See Confidential Appendix.

**6. For each of Ascension's 15 ASC transactions included in the HCMO-1, please provide a detailed explanation of any closures, reductions in clinical staff, or other reductions in the availability of care or services provided since they were acquired.**

- (i) The Ascension Saint Thomas Lebanon Surgery Center closed due to poor performance.
- (ii) The SurgCenter of Battle Creek Endoscopy & Surgery Center closed due to poor performance.
- (iii) The Orthopedic Associates of Central Texas closed due to poor performance.
- (iv) Woodbridge Center was sold when Ascension exited the state of Michigan.
- (v) Acquisition of Saginaw Valley Endoscopy was sold when Ascension exited the state of Michigan.
- (vi) Ascension did not otherwise make meaningful changes to the operations of the ASCs it acquired.

**7. Please explain how payer contracting and billing currently works for the six Oregon AMSURG ASCs.**

See Confidential Appendix.

**a. Which entity contracts with payers for the technical/facility component of operations?**

See Confidential Appendix.

**b. Do the six Oregon ASCs contract or negotiate jointly with payers?**

See Confidential Appendix.

**c. Does AMSURG contract or negotiate on behalf of the six Oregon ASCs?**

See Confidential Appendix.

**d. Which entity contracts with payers for professional fees?**

See Confidential Appendix.

**e. Do the physician/provider groups that perform surgeries at the six Oregon ASCs contract separately with payers?**

See Confidential Appendix.

**f. Do the physician/provider groups that perform surgeries at the six Oregon ASCs bill separately?**

See Confidential Appendix.

**g. Please identify any anticipated changes to payer contracting and negotiations post-transaction for both facility and professional fee contracts.**

No material changes are anticipated.

**h. Please provide copies of the current payer contracts for each of the six Oregon ASCs.**

See Confidential Appendix.

**8. What plans are there, if any, to make any clinical staffing changes or clinical oversight at any of the Oregon ASCs after the transaction closes? Please provide copies of all notes, draft agreements, and any other data, analyses or documentation that addresses these plans.**

No material changes are anticipated to the clinical staffing or oversight of the Oregon ASCs. Ascension intends to continue the existing model of physician partnership, to ensure that clinical leadership remains central to the facilities' success, and that physicians are empowered to shape the delivery of care in their communities. Integration efforts will focus on upholding and enhancing the quality, safety and operational excellence that both organizations are known for, while also ensuring a seamless experience for patients and providers.

Ascension's commitment to operate the Oregon ASCs post-closing is anchored in the structure of this transaction and the Oregon ASCs' existing governance. This is an upstream ownership change at the ultimate parent level; it does not grant Ascension day-to-day control of the facilities. Clinical decision-making remains with the medical staff, and the ASCs continue under their physician joint-venture model and Advisory Board, which has substantial authority over budgets, capital expenditures, policies, and facility leadership. In other words, the same local, physician-led governance that has kept the Oregon ASCs stable and focused on patient care will continue after closing.

**9. Describe any anticipated changes to planned service lines, days of activity, or the types of procedures performed at the Oregon ASCs after the transaction closes? Please provide copies of all notes, draft agreements, or any other data, analyses or documentation that addresses possible future changes.**

No material changes are anticipated to planned service lines, days of activity, or the types of procedures performed at the Oregon ASCs. See response to 8 above.

**10. Please describe in detail any anticipated changes post-closing to non-clinical staff currently employed or contracted by AMSURG at the Oregon ASCs in positions such as front office, finance, and/or management.**

No material changes are anticipated to non-clinical staff at the Oregon ASCs. See response to 8 above.

**11. For each of the six ASCs in Oregon, please identify the surgeons that currently perform surgeries. Please include their name and any NPIs under which they currently bill.**

Please see Confidential Appendix for a list of physicians credentialed to perform surgeries at the ASCs and their NPI numbers.

**a. For each surgeon, please describe whether they are a physician owner or employed by the physician group owners.**

Please see Confidential Appendix, which also identifies physicians that hold ownership interest in the ASCs. AMSURG does not have insight into the employment relationships maintained by these physicians or their physician groups and is unable to identify employed physicians as requested. All physicians listed in the Confidential Appendix are credentialed to perform surgeries at the ASCs and are often affiliated with or employed by local physician groups or health systems.

- b. Explain whether there be any changes resulting from this transaction with regards to which surgeons will perform procedures at the ASC. If yes, please describe in detail.**

No material changes are anticipated with regards to which surgeons will perform procedures at the Oregon ASCs.

- 12. Explain how the Ethical and Religious Directives (ERDs) will apply to the Oregon ASCs after the transaction closes. In doing so, describe whether there are any procedures currently offered at the Oregon ASCs that would not be permitted under the ERDs.**

See Confidential Appendix.

- 13. In response to Item 15d on the HCMO-1, Ascension wrote: “The Proposed Transaction will allow Ascension to expand access to compassionate, high-quality outpatient care in a way that is more affordable, more local, and more centered around the dignity and well-being of patients.” Please explain in detail how access will be expanded, and how care will become more affordable as a result of this transaction. In doing so, address whether there are:**

- a. specific initiatives that Ascension plans to undertake to achieve these goals of increased access and affordability; and**
- b. specific quality, affordability, or accessibility benchmarks that Ascension plans to target in order to achieve these goals.**

Ascension brings a substantial amount of experience and success in owning in ASCs around the country. All of the ASCs that Ascension owns in are accredited by the Accreditation Association for Ambulatory Health Care or the Joint Commission. The ASCs within Ascension’s network operate within quality and compliance frameworks designed to meet or exceed all federal and state regulatory requirements. The ASCs maintain structured oversight processes, including credentialing, infection control, and continuous quality improvement, to help ensure safe, reliable, and high-quality outpatient care delivery.

Ascension is committed to maintaining and improving quality and access. Post-closing, the Oregon ASCs will: (i) continue to provide high-quality care in a lower-cost ambulatory setting; (ii) maintain participation in Medicare and Medicaid; and (iii) uphold robust language access and financial assistance practices. These commitments ensure continuity of services for patients, protect affordability, and advance health equity.

Oregon residents will benefit from continuity of services, physician-led clinical governance, and platform stability, reducing delays, improving throughput, and lowering the total cost of care for routine and preventive procedures. The ASCs’ commitment to Medicare and Medicaid participation, language access, and financial assistance ensures that low-income and historically underserved patients can access timely care without financial or linguistic barriers.

As a result of the Proposed Transaction, Ascension will:

- Maintain Medicare and Medicaid participation, with no reduction in covered services.
- Preserve language access and interpretation services, ensuring culturally and linguistically appropriate care.
- Uphold financial assistance policies so cost is not a barrier to necessary preventive and diagnostic procedures.
- Continue physician-led quality oversight, including credentialing, infection control, and continuous performance improvement.
- Sustain the current scope of services and ambulatory setting to protect affordability and convenience for patients.

Scale, stability, and investment: Integration with Ascension provides platform stability and access to system-level investments that support quality and efficiency, without disrupting local governance. Ascension's scale enables consistent standards, data-driven quality improvement, and capital planning that reinforce the ASCs' long-term viability, reduce per-procedure costs, and strengthen care continuity for Oregon residents.

With this Proposed Transaction, Ascension continues to further its non-profit and charitable mission to deliver care that meets individuals where they are, in settings that are more accessible, more efficient, and more responsive to patients' evolving preferences and needs.

The proposed transaction advances Ascension's charitable mission by strengthening access to high-quality, lower-cost ambulatory surgical care. Integrating AMSURG's ASC platform supports care delivery closer to where patients live.

Sincerely,



Jared P. Nagley  
for SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

Attachments

cc: Elaine Naughton (Bass, Berry & Sims, PLC)  
Danielle Sloane (Bass, Berry & Sims, PLC)  
Tim Hatfield (Hatfield Knivila LLC)