Timothy Dance
9800 S Monroe St #900
Sandy, UT 84070
tdance@suncrestcare.com

February 2, 2026

Via Electronic Mail

Oregon Health Authority
Email: hcmo.info@oha.oregon.gov

Re: Incomplete Notice of Material Change Transaction — 068 Brighton-Comfort

Dear Ms. Bartelmann:

In response to your supplemental request for information contained in the Incomplete Notice letter dated January 21, 2026, Suncrest Health Services, LLC ("Suncrest") responds to Section B items 1 through 13 as follows:

Item B.1: The Oregon Health Authority's ("OHA's") pre-transaction notice requirement applies only to a "material change transaction." A transaction qualifies as a "material change transaction" only if both prongs of the revenue test are satisfied:

- at least one party had average annual revenue of $25 million or more in that party's three most recent fiscal years; and

- another party had average annual revenue of $10 million or more in that party's three most recent fiscal years.

In OHA's rulemaking materials, "revenue" is defined as net patient revenue and the gross amount of premiums received by a health care entity that are derived from health benefit plans. Suncrest's 2024 merger with Brighton G&B Holdings ("Brighton") was not subject to HCMO review because, based on the calculation of Suncrest's and Brighton's Oregon-based revenues, Brighton's Oregon operating entities did not meet the applicable revenue threshold. Specifically, Brighton's average annual net patient revenue for fiscal years 2021, 2022, and 2023 was less than $10 million. As a result, the transaction did not satisfy the statutory revenue criteria and, therefore, did not constitute a "material change transaction" subject to Oregon's pre-transaction notice requirements.

Item B.2: The company-wide staffing model, which is used for the Oregon operating entities, is based on the offer of five visits per week by a Certified Nursing Assistant ("CNA") and at least two days a week visits by a nurse. While not every patient will accept the full offered visits, each patient is offered the same and our Oregon operating entities maintain a high frequency of visits (e.g., patients receive in excess of four CNA visits per week on average. To offer such high visit frequency, recruiting of additional staff is made any time an operating entity has a deviation from the model. The model provides that a CNA should

have seven to eight assigned patients, a nurse should have 13 to 14 assigned patients, and each chaplain and social worker should have approximately 50 assigned patients. This model provides for optimal patient care. Please see the chart below.

Between 1/1/2025 and 12/31/2025	**Average Annual Full-Time Equivalent ("FTE")**	**% of Average FTE that is Contracted (not directly employed by Suncrest / Brighton)**	**% of Average FTE that is Full-Time**	**% of Average FTE that is less than Full-Time**	**Average Number of Visits Per Week**	**Average Daily Census per FTE**
Hospice Aide or CNA	25	0%	90%	10%	809	8
Licensed Practical Nurse ("LPN") / Licensed Vocational Nurse ("LVN")	9	0%	87%	13%	129	23
Medical Director / Assistant Medical Director	2	100%	0%	0%	5	104
Nurse Practitioner	2	0%	33%	67%	9	104
Physician (other than Medical Directors / Assistant Medical Directors)	N/A	N/A	N/A	N/A	N/A	N/A
Physician's Assistant / Associate	N/A	N/A	N/A	N/A	N/A	N/A
Registered Nurse ("RN") / Bachelor of Science in Nursing ("BSN")	26	0%	87%	13%	347	8
Social Worker / Counselor[1]	10	0%	94%	6%	169	20

Item B.3: HCMO-1 Question 6a and 17:

Part (a): The proposed transaction will provide the Company with enhanced capital resources, strategic guidance, and operational support that will be directly reinvested into improving the quality, stability, and sustainability of patient care

[1] This calculation includes Chaplains

and employee support.

Specifically, the additional capital will be used to strengthen and modernize our information technology and cybersecurity infrastructure, including electronic health record optimization, data security, interoperability, and compliance systems, to better support clinical teams and protect patient information. Suncrest intends to hire a chief technical officer and build out a robust IT team and add additional tools and resources for clinicians inside of our current electronic medical record software for better and more consistent charting and reporting, which will aid our planned improvements to our billing systems.

The Company also intends to expand education and training resources for clinicians and staff, including leadership development, clinical education, compliance training, and workforce development initiatives that support high-quality hospice care. In detail, the Company will use the resources to purchase and build out a first-class learning management system ("LMS") so that all of our clinicians can learn from the best possible resources. The LMS will track each clinician's progress as well as each entity's adoption to assess success and opportunities for improvement across the country.

In addition, the transaction will enable the Company to enhance employee health and wellness benefits, recruitment and retention programs, and workplace support resources, helping ensure a stable, engaged, and well-supported workforce. Suncrest intends to purchase a license for a health and wellness platform for employees, which will contribute to a healthy workplace which translates to better patient care.

The "guidance" noted in our previous response refers to access to centralized administrative and operational expertise, including finance, compliance, human resources, and revenue cycle management. This support is expected to: (i) reduce administrative burden on clinical leadership, (ii) improve consistency and accuracy in regulatory compliance and reporting, and (iii) allow local management to focus more fully on patient care and community relationships.

The resources in question will not change Suncrest's clinical decision-making, patient eligibility determinations, or scope of hospice services. Clinical care will continue to be directed by Suncrest's licensed clinicians in accordance with Oregon law and applicable Medicare and Medicaid requirements.

More broadly, the strategic partnership will provide operational expertise, best-practice sharing, and long-term financial stability, allowing the Company to continue investing in patient-centered services, regulatory compliance, and community-based hospice care while remaining focused on its mission and obligations to patients, families, and caregivers.

Part (b): The transaction is expected to support Suncrest providers' continued focus on patient needs and comfort by reducing administrative burden and

improving operational support, rather than by altering clinical practice or visit expectations.

Specifically, the transaction will provide centralized administrative and operational functions—such as billing, scheduling support, compliance monitoring, and human resources—which will allow Suncrest clinicians and local leadership to spend less time on non-clinical tasks. By relieving clinicians of these responsibilities, the transaction enables providers to continue dedicating appropriate time to direct patient care, family communication, and interdisciplinary coordination. In addition, increased operational stability following the transaction is expected to support workforce retention and staffing continuity, reducing turnover-related disruptions that can detract from patient experience and continuity of care. Suncrest does not anticipate changes to patient visit frequency, clinical staffing ratios, or care protocols as a result of the transaction.

Clinical decisions regarding patient eligibility, care plans, and visit duration will continue to be made by Suncrest's licensed clinicians based on individual patient needs and in accordance with applicable Oregon law and Medicare hospice requirements. The transaction does not introduce productivity targets or financial incentives that would limit time spent with patients.

Part (c): Suncrest does not currently have plans to materially expand its hospice services in Oregon as a result of the transaction, either through acquisitions or the addition of new service lines. The primary purpose of the transaction is to support the stability and quality of Suncrest's existing operations, rather than to pursue rapid growth or geographic expansion. Any organic growth that may occur would be incremental and patient-driven, reflecting normal fluctuations in referrals within Suncrest's existing service areas. Such growth would be consistent with Suncrest's historical patterns and would not involve changes to licensure, scope of services, or counties served.

The transaction is not expected to result in changes to Suncrest's service footprint, referral relationships, or competitive dynamics in the Oregon hospice market.

Item B.4: Following the closing of the proposed transaction, the Sellers will remain actively and meaningfully involved in the ongoing operations, performance, and strategic direction of the business, including holding seats on the board and board committees. Suncrest's existing executive leadership team, including the entire C-suite, will remain intact and will continue to manage the day-to-day operations of the Company in providing support to the operating entities. This includes oversight for regulatory compliance, quality and performance oversight, HR, staffing, and financial management. Likewise, the Oregon operating entities' current clinical leadership and clinical staff will remain in place, ensuring continuity of care, preservation of established care models, and uninterrupted relationships with patients, families, referral sources, and community partners.

Importantly, clinical decision-making authority and clinical autonomy will continue to reside with the licensed operating entities and their clinical leadership, consistent with Oregon law and regulatory expectations. Decisions related to patient eligibility, care planning, visit frequency, symptom management, and end-of-life comfort will remain guided by professional clinical judgment and patient needs, without interference from the equity transaction or financial considerations. Governance oversight will be exercised through a board structure that meets on a monthly basis and is designed to provide strategic guidance and accountability rather than day-to-day operational control. Through this structure, the Sellers will continue to influence long-term strategy and performance while maintaining local operational control, protecting clinical independence, and ensuring that the Company's mission, quality standards, and commitment to patient-centered hospice care in Oregon remain unchanged.

Item B.5: In accordance with the non-disclosure agreements entered into with bidders, Suncrest is unable to disclose the names of the parties that, in addition to CSC, submitted proposals to Suncrest as part of the competitive auction process. The chart below describes the reason(s) why Suncrest ultimately decided not to move forward with each of those bidders on an anonymized basis. Suncrest did not exclude any bidder based on competitive considerations related to market concentration or service overlap. CSC's proposal was selected because it offered a combination of transaction certainty, financial stability, and operational support that Suncrest believed best positioned the organization to continue providing high-quality hospice care to patients and families in Oregon with a high frequency of visits.

Party	Round 1 Bid Submission Date	Commentary
Bidder A	9/17/2025	Although Bidder A offered higher headline consideration, it appeared to lack substantive healthcare expertise, particularly lacking sufficient familiarity with hospice operations in Oregon and would, as a result, require a significantly longer time period to complete diligence. It was unclear that the core values of Bidder A aligned with the mission of Suncrest, including maintaining local operational continuity, clinical autonomy, and long-term stability.
Bidder B	9/17/2025	While Bidder B's healthcare experience is comparable to the winning bidder's level of expertise, Suncrest decided not to move forward further due to financing contingencies.
Bidder C	9/17/2025	Although Bidder C exhibited comparable healthcare experience to the winning bidder, it showed a general reluctance to engage in the negotiation and diligence process. Further, financing contingencies were not clear.
Bidder D	9/19/2025	Bidder D was removed from the auction process due to a relatively low headline valuation and lack of expertise in healthcare, particularly familiarity with hospice operations in Oregon.
Bidder E	9/17/2025	Bidder E was removed from the auction process due to relatively low headline valuation.

Item B.6: Suncrest values its employees and remains committed to ensuring their long-term satisfaction with the Company. Suncrest understands that healthcare professionals can work anywhere and, as with most healthcare industries, employees in the hospice industry can be transitory. However, Suncrest has less employee turnover than its competitors because of its patient-centered culture predicated on high-quality visits at a high frequency. The Company is committed to this model and values employee retention, which is due in large part to maintaining the locus of clinical decision-making.

In addition to the above, there are several structural safeguards in place to ensure that clinical decision-making continues to reside exclusively with local providers through a combination of governance structure, contractual safeguards, and operational practices that preserve clinical independence.

Governance and Organizational Structure: Suncrest will maintain local clinical leadership in each entity, including the medical director and interdisciplinary care teams, which will continue to be entrusted with all clinical decision-making. For the avoidance of doubt, the post-closing governance structure does not assign clinical authority to CSC or any other non-clinical affiliate, and clinical leadership will retain responsibility for oversight of patient care.

Contractual and Policy Safeguards: All post-closing agreements and internal policies will expressly reserve clinical decision-making authority to Suncrest's licensed clinicians. Non-clinical affiliates will not have authority over patient eligibility determinations, care plans, visit frequency or duration, discharge decisions, or other clinical judgments. Any management or administrative services provided will be limited to non-clinical functions and will not include direction or oversight of clinical care.

Operational Separation: Clinical protocols and care delivery will continue to be determined locally by clinical leadership in accordance with Oregon law and Medicare hospice Conditions of Participation. Clinical performance will be evaluated using quality and compliance metrics rather than financial or productivity-based targets that could influence clinical judgment. Local clinicians will continue to exercise independent professional judgment in responding to individual patient needs. Workforce management for Suncrest's clinical and support staff will continue to be directed at the local level following the transaction. Suncrest will retain authority over the hiring, supervision, evaluation, and, where necessary, discipline of its employees, including licensed clinicians and direct care staff. Local leadership will continue to determine staffing levels, clinical assignments, schedules, and caseloads based on patient acuity, census, and applicable regulatory requirements. To the extent that CSC or affiliated entities provide administrative support services—such as payroll processing, benefits administration, recruiting support, or training resources—those services will be limited to non-clinical, administrative functions and will not include authority to direct or control Suncrest's workforce. CSC will not set staffing ratios, impose productivity targets, or make decisions regarding clinical personnel actions. Suncrest will remain the employer of record for its workforce, and

employment relationships, compensation decisions, and performance evaluations will continue to be managed locally. Any shared services or standardized policies will be designed to support compliance and workforce stability, not to influence clinical judgment or reduce time spent with patients.

Item B.7: For purposes of the proposed transaction, "medically underserved populations" refers to patient populations that historically face barriers to accessing hospice and end-of-life care in Oregon. These include, among others: unhoused or alternatively housed patients in Eugene; patients residing in rural or geographically isolated areas; patients with limited English proficiency or from culturally and linguistically diverse communities; and patients with lower incomes or who are dual-eligible for Medicare and Medicaid.

Suncrest's operating entities in Oregon currently serve patients from these populations within its existing service areas, and the proposed transaction is not expected to alter Suncrest's mission, service model, or payer mix in a manner that would result in disproportionate reductions in access for any of these groups. The entities do not anticipate changes to eligibility criteria, referral acceptance, or service availability that would differentially affect underserved populations. Suncrest will continue to monitor service patterns and quality indicators to ensure that patient access and care experience remain consistent across populations. Suncrest's existing quality assurance and compliance processes will continue to include review of admission patterns, census, and patient demographics, which can be used to identify any unintended disparities in service delivery.

Item B.8: The statements in response to Question 17 of the HCMO-1 and the post-closing board composition described in Attachment 13(b) address different aspects of the organization and are not intended to be inconsistent.

The statement that "the operating entities will continue to be led by the same leaders and staff in all areas including clinical, administrative, and corporate" refers to the operating entity's day-to-day management and operations. For clarity, following closing, the operating entities will continue to be managed by the same executive leadership team, clinical leadership, and administrative staff responsible for daily operations, patient care, staffing, and regulatory compliance.

Attachment 13(b), by contrast, describes the post-closing governance structure at the board level. While the composition of the governing board will change following the transaction to reflect the new ownership structure, the board's role will be limited to customary oversight and fiduciary functions. For clarity, the board will not be involved in day-to-day operations or clinical decision-making.

Accordingly, although there is a change at the governance level, there is no anticipated change in operational leadership, clinical management, or administrative staffing as a result of the transaction. Day-to-day control of Suncrest's operations will continue to reside with existing local leadership, consistent with the description provided in the HCMO-1.

Item B.9: Suncrest will add a chief technical officer and bring additional information technology resources onboard as described above. The Company does not anticipate any other changes beyond scaling operations to match staffing models.

Item B.10: No.

Item B.11: No.

Item B.12: No review has been done.

Item B.13: At present, Suncrest does not anticipate amending its operating agreement. Enclosed with this letter is a form of membership transfer that will be used to transfer membership interest. The limited partnership agreement ("LPA") of Sun Comfort Parent, L.P. continues to be negotiated by the parties but will generally follow the Governance Term Sheet attached to the Securities Purchase Agreement. A draft version of the LPA is enclosed.

Sincerely,

Timothy Dance

Enclosure: Draft LPA