

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

In the Matter of the Proposed)	Findings of Fact, Conclusions of Law, and
Material Change Transaction of TMS-CJ)	Final Order
Holdings, LLC and Therapy2000 Parent)	
Holdings, LP)	Transaction ID: 0074

This Order resolves the Notice of Material Change Transaction (the “Notice”) filed by TMS-CJ Holdings, LLC (“Seller”) on or about January 15, 2026, with respect to the proposed acquisition of Seller by Therapy2000 Acquisition, LLC (“Buyer”) (the “Transaction”). Seller filed the Notice with the Oregon Health Authority (“OHA”) under the Health Care Market Oversight (“HCMO”) Program pursuant to Oregon Revised Statutes (ORS) 415.500 through 415.900 and Oregon Administrative Rules (OAR) 409-070-0000 through 409-070-0085.

On March 20, 2026, OHA confirmed receipt of a complete Notice in compliance with OAR 409-070-0030 and 0045. Pursuant to ORS 415.501(5) and OAR 409-070-0055, OHA timely conducted a preliminary review of the Transaction. OHA’s review analyzed the potential impact of the Transaction. The analysis followed guidelines and methods set out in the HCMO Analytic Framework (see <https://www.oregon.gov/oha/HPA/HP/HCMOPageDocs/OHA-HCMO-Analytic-Framework-FINAL.pdf>), which is grounded in the goals, standards, and criteria for transaction review and approval outlined in OAR 409-070-0000 through OAR 409-070-0085. OHA’s analysis is presented in a Preliminary Review Report posted to the HCMO website at <https://www.oregon.gov/oha/HPA/HP/Pages/074-KidsCare-Therapy2000.aspx> and incorporated herein by reference. A public comment period was open from March 20, 2026, through May 21, 2026. OHA received no public comments.

On May 21, 2026, OHA issued a Proposed Order with Conditions to the Entities providing a fifteen (15) day period to request a contested case hearing under Oregon law. On May 26, 2026, the Entities waived their right to request a contested case hearing. This Final Order fully resolves this matter.

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

FINDINGS OF FACT

OHA FINDS that:

1. On or about January 15, 2026, Seller filed an incomplete Notice with OHA.
2. Between February 6, 2026, and March 11, 2026, OHA provided guidance to Seller about Notice submission requirements, and Seller filed revisions to the Notice.
3. On or about March 20, 2026, OHA confirmed receipt of a complete Notice and commenced the preliminary review pursuant to OAR 409-070-0055. OHA also solicited additional information from the Buyer and Seller.
4. Between March 27, 2026, and April 21, 2026, Seller submitted responses to OHA's request for additional information.
5. OHA accepted public comments on the Transaction from April 21, 2026, through May 21, 2026. OHA received 0 public comments.
6. Seller is a Texas limited liability company with nine wholly-owned subsidiaries in nine states: Colorado, Florida, Idaho, Maryland, Oregon, South Carolina, Texas, Washington DC, and Virginia.
7. Seller is the parent entity of TMS-CJ Intermediate, LLC ("TMS-CJ Intermediate"), a Texas limited liability company, which in turn wholly owns Therapy Management Services, LLC f/k/a Therapy Management Services, Inc. d/b/a KidsCare Home Health ("KidsCare")*, a privately owned Texas limited liability company. Therapy Management Services, Inc., was incorporated on February 18, 2003, and converted to a limited liability company on February 19, 2013.
8. Buyer is a Delaware limited liability company and indirect subsidiary of Therapy2000 Parent Holdings, L.P. ("Therapy2000"), a Delaware limited partnership headquartered in Texas.
9. Parent operates as a holding company for two healthcare subsidiaries: Green Apple, LLC ("Green Apple") and Therapy2000, LLC, both Texas limited liability companies. Together with Green Apple, Therapy2000, LLC operates 14 pediatric home health agencies in Texas, providing occupational therapy, physical therapy, and speech language pathology services to children at home and in daycare settings.
10. Therapy2000 has no physical locations or staff in Oregon and does not provide any services in Oregon.

* All references to "KidsCare" herein shall apply to KidsCare and all its subsidiaries.

11. KidsCare Home Health of Oregon LLC (“KidsCare Oregon”), a Texas limited liability company and subsidiary of KidsCare, operates in Oregon out of a location in Beaverton and provides home-based occupational therapy, physical therapy, speech language pathology, and private duty nursing to children in eight Oregon counties. In 2025, KidsCare Oregon had 91 staff and served over 1,000 patients.
12. The pediatric home health care market in Oregon is highly concentrated, with an estimated Herfindahl-Hirschman Index (HHI) of over 6,700.
13. KidsCare Oregon is the dominant provider of pediatric home health care services in Oregon. Between 2021 and 2024, KidsCare Oregon provided 81% of all pediatric home health episodes rendered statewide and 95% of all pediatric home health episodes rendered within its Primary Service Area (PSA).
14. A significant majority of KidsCare Oregon’s patients are enrolled in the Oregon Health Plan, Oregon’s Medicaid program.
15. On December 30, 2025, the Buyer and Seller, including Cortney Baker as the beneficiary of the transaction, entered into a Membership Interest Purchase Agreement (“Agreement”) to effectuate the Transaction. According to the Agreement and Notice, post-closing, Buyer will acquire a 100% membership interest in TMS-CJ Intermediate in exchange for cash and equity in Therapy2000. As a result of this equity, Buyer will own 95.2% of KidsCare with Seller retaining the remaining 4.8%.
16. The Transaction will not increase concentration in the pediatric home health care market in Oregon, because Therapy2000 does not operate in Oregon.

CONCLUSIONS OF LAW

1. The Notice is supported by the required documentation and meets the requirements of the HCMO Program rules for approval with respect to transactions involving health care entities pursuant to ORS 415.500 through 415.900 and OAR 409-070-0000 through 409-070-0085.
2. OHA finds that:
 - a. The Transaction is not likely to substantially alter the delivery of health care in Oregon.
 - i. While KidsCare has a dominant share of the pediatric home health care market in Oregon, Therapy2000 has no presence, and this transaction will not result in any further market concentration. Buyer and Seller have stated that they do not have plans to reduce staffing levels, geographic availability, type, or scope of services. Given KidsCare’s existing market share and their importance as an access point for youth enrolled in Medicaid, the transaction does have the potential to negatively impact access to care if any reductions are made in service availability

or Medicaid participation. OHA has therefore applied approval conditions to ensure continued access to care.

ORDER AND CONDITIONS

1. The Transaction shall be approved with conditions upon the basis of the information contained in the Notice and supplemental filings submitted to date.
2. Buyer and Seller and their subsidiaries, including Therapy2000, TMS-CJ Intermediate and KidsCare, shall not make any material modifications to the terms of the definitive agreements pursuant to which this proposed transaction will be effectuated and closed without the prior consent of OHA. (Collectively, Buyer, Seller, and their subsidiaries, including Therapy2000, KidsCare, and TMS-CJ Intermediate are referred to in these Conditions as the “Entities”). Such modifications 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. If any such modifications to the definitive agreements have or will occur, it shall be presented to OHA no later than fifteen (15) days before the scheduled closing of the Transaction.
3. 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 throughout the Notice and subsequent filings with OHA.
 - b. Therapy2000 shall maintain current and active enrollment in the Oregon Health Plan, Oregon’s Medicaid program, in accordance with OAR 410-120-1260.
 - c. Therapy2000 shall make commercially reasonable and good faith efforts to maintain participating provider agreements with those Oregon Coordinated Care Organizations (“CCOs”) that KidsCare contracted with as of the date the Notice was submitted to OHA.
 - d. Therapy2000 shall provide an annual report to OHA demonstrating compliance with conditions (“Compliance Report”). The first Compliance Report shall be due no later than twelve (12) months following the closing date of the Transaction, and subsequent reports shall be due every 12 months thereafter for a period of five (5) years. Therapy2000 shall provide a public-facing version of the Compliance Report to OHA consistent with the requirements of OAR 409-070-0070. Each Compliance Report must be verified under oath and must include:
 - i. Certification of compliance with each Condition 2a through 2c of this Order.
 - ii. Information demonstrating compliance with each Condition 2b through 2c of this Order. For each Condition, Therapy2000 must provide:

1. A detailed narrative description of all progress toward meeting the Condition requirements, including timelines, milestones, and outcomes, as relevant and/or applicable; and
 2. Supporting documentation, if applicable, reflecting compliance with each Condition.
- iii. An updated version of the staffing table that was provided in the March 27, 2026, RFI responses:

Most Recent Calendar Year	Average # of staff persons	FTE reflected in # of staff	Average number of visits per week
Speech therapist			
Occupational therapist			
Physical therapist			
Registered nurse			
Licensed vocational nurse			

- iv. Information about all payer contracts in effect between Therapy2000 and any issuer of a health benefit plan (as such term is defined in ORS 743B.005(16)) licensed in the state of Oregon or a CCO as of the date the Notice was submitted to OHA. The information provided shall consist of a list of all such payer contracts in effect as of the date the Notice was submitted to OHA, which will identify:
1. Title of the payer contract;
 2. Parties to the contract;
 3. Services covered by the contract;
 4. Execution date;
 5. Termination date (if applicable);
 6. For the first Compliance Report, a summary of any material changes and/or amendments to the contract since the Closing Date.
 7. For subsequent Compliance Reports, a summary of any material changes and/or amendments to the contract since the last Compliance Report.

4. The Entities shall notify OHA within one (1) business day following completion of the Transaction by email to hcmo.info@oha.oregon.gov.

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

OHA reserves the right to enforce the Conditions set forth herein to the fullest extent provided by the law. In addition to civil penalties and any legal remedies available, OHA shall be entitled to specific

performance, injunctive relief, and such other equitable remedies as a court may deem appropriate for breach of these Conditions.

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

Dated this 21st day of May, 2026



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

APPEAL RIGHTS

You have the right to appeal this order to the Oregon Court of Appeals pursuant to ORS 183.482. To appeal you must file a petition for judicial review with the Court of Appeals within 60 days from the day this order was served on you. If you do not file a petition for judicial review within the 60-day time period, you will lose your right to appeal.