

Health Care Market Oversight (HCMO) Program HCMO-1: Notice of Material Change Transaction

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General Instructions

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

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

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

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

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

Who must file a Notice

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

A material change transaction includes:

- A. A transaction in which at least one party had average revenue of \$25 million or more in the preceding three fiscal years and another party:
 - i. Had an average revenue of at least \$10 million in the preceding three fiscal years; or
 - ii. In the case of a new entity, is projected to have at least \$10 million in revenue in the first full year of operation at normal levels of utilization or operation as prescribed by the authority by rule.

Out-of-state entities

If a transaction involves a health care entity in this state and an out-of-state entity, a transaction that otherwise qualifies as a material change transaction must submit this Notice if the transaction may result

in increases in the price of health care or limit access to health care services in this state. See [OHA Guidance on Out-of-State Entities](#).

Confidentiality

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

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

Definitions

“**Acquisition**” occurs when:

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

“**Legal entity name**” means legal business name as reported with Internal Revenue Service.

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

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

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

“**Transaction**” means:

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

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

I. Parties to the proposed transaction

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

Party A (Applicant)	Talkspace, Inc.
Party B:	Universal Health Services, Inc.

Click or tap here to enter text.

II. Contact information for the parties

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

1. Provide information for Party A.

Legal entity name	Talkspace, Inc.
Assumed name	N/A
Tax ID	84-4636604
Mailing address	P.O. Box 659, Portsmouth, NH 03802
Website	https://www.talkspace.com/
Contact Name	John Reilly
Title	Chief Legal Officer/EVP
Phone	212.518.7839
Cell Phone	212.518.7839
Email	john.reilly@talkspace.com

Is Party A represented by legal counsel for this transaction?

Yes

No

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

Name	Hal Katz
Firm	Husch Blackwell, LLP
Address	111 Congress Avenue, Suite 1400, Austin, TX 78701

Phone	<u>512.703.5715</u>
Email Address	<u>hal.katz@huschblackwell.com</u>

2. Provide information for Party B.

Legal entity name	Universal Health Services, Inc.
Assumed name	N/A
Tax ID	23-2077891
Mailing address	367 South Gulph Road, King of Prussia, PA 19406
Website	<u>www.uhs.com</u>
Contact Name	Matthew D. Klein
Title	Senior Vice President and General Counsel
Phone	610-768-3433
Cell Phone	954-816-7035
Email	<u>matthew.klein@uhsinc.com</u>

Is Party B represented by legal counsel for this transaction?

Yes

No

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

Name	Patrick Zanayed
Firm	McDermott Will & Schulte, LLP
Address	444 West Lake Street, Suite 4000, Chicago IL
Phone	312-984-2023
Email Address	pzanayed@mcdermottlaw.com

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

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

Name	Ian Harris
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Address	c/o Talkspace – 622 Third Avenue, 10 th Floor, New York, New York 10017
Phone	n/a – use accountspayable@talkspace.com
Email Address	Ian.harris@talkspace.com

III. About the proposed transaction

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

Merger

Acquisition

Affiliation

Contract

Other (specify) _____

5. What is the anticipated effective date of the proposed material change transaction?

Upon satisfaction of all closing conditions, including receipts of regulatory approvals and completion of all regulatory review processes. It is anticipated that this will be between 90-210 days after the date of signing.

6. Briefly describe the proposed material change transaction, including:

a. Goals and objectives

Talkspace's patient-centric, clinically driven virtual platform perfectly complements the high-quality services delivered at UHS facilities, enabling UHS to expand access and offer more flexible, stepped solutions to address the growing demand for behavioral healthcare and offering greater access to higher acuity care to patients using Talkspace's telebehavioral health platform. The goal of the acquisition aligns with UHS' core growth objectives by accelerating its outpatient and telehealth behavioral health strategies, diversifying our payor mix and delivering a comprehensive, technology-enabled continuum of care that supports innovative approaches to mental health services.

As stated in public interviews: "Over the past several years, Talkspace has transformed from a direct-to-consumer pioneer into a scaled, insurance-covered behavioral healthcare platform trusted by patients, providers, payors and employers," said Jon R. Cohen, MD, CEO of Talkspace. "This transaction reflects the next logical step in expanding access to affordable, high-quality mental healthcare by integrating outpatient virtual care into a modern behavioral health ecosystem."

Talkspace's trusted virtual behavioral health platform and its relationship through management services agreements with professional entities with a network of nearly 6,000 providers will support the creation of the industry's first nationally scaled, end-to-end continuum in behavioral healthcare. These new

capabilities deliver a patient-centered virtual offering that facilitates seamless transitions across care settings and improves access for payors and consumers alike.

In short, the goal of the material change transaction is to provide UHS with a new line of business to better serve patients outside of UHS's facilities and to provide greater access to higher acuity care to patients currently receiving telebehavioral health services through Talkspace's virtual platform.

b. Summary of transaction terms

This is a reverse triangular merger in which Talkspace, Inc. is merging with UHS Merger Subsidiary, Inc., a subsidiary of UHS, with Talkspace continuing as the surviving entity. Consequentially, UHS Merger Subsidiary, Inc. will be merged out of existence following the closing of the transaction. At the closing of the transaction, (i) each stockholder of Talkspace will be eligible to receive merger consideration (in the form of cash at \$5.25 per share of Talkspace common stock) for each share of common stock held, and (ii) any equity awards of Talkspace that are or become vested at the closing of the transaction will be "cashed out" and the holders of those vested equity awards will be eligible to receive the same type of merger consideration. UHS will make payments to stockholders of Talkspace through a third party agent.

In response to the 5/13 Letter, note that UHS Merger Subsidiary was formed strictly for the purposes of merging into Talkspace, Inc., and will no longer exist following the consummation of the transaction.

c. Why the transaction is necessary or warranted

The transaction is warranted or necessary because each party provides services the other party lacks in order to provide patients with the full spectrum of medical and behavioral health services. UHS maintains sophisticated medical facilities without a meaningful digital health arm, while Talkspace is a digital health company without the ability to serve patients with higher levels of acuity.

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

There will be no exchange of funds directly between UHS and Talkspace in connection with the closing of the transaction. At the closing of the transaction, (i) each stockholder of Talkspace, Inc. will be eligible to receive merger consideration (in the form of cash at \$5.25 per share of Talkspace common stock) for each share of common stock held, and (ii) any equity awards of Talkspace that are or become vested at the closing of the transaction will be "cashed out" and the holders of those vested equity awards will be eligible to receive the same type of merger consideration. UHS will make payments to stockholders of Talkspace through a third party agent. No other compensation is contemplated.

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

This was a competitive bid process with multiple potential buyers. UHS went through multiple rounds of submitting indications of interest to acquire Talkspace. Talkspace engaged a financial advisor to assist in analyzing the proposed transaction and conducted comprehensive and customary business, financial, legal, operational, and cultural due diligence to ensure the proposed transaction

would achieve Talkspace’s strategic, financial, and operational goals. UHS performed extensive due diligence over the course of several months and engaged in various discussions and calls with Talkspace’s management team and third-party advisors. Talkspace ultimately selected UHS as the buyer, and the parties negotiated the terms of a definitive merger agreement over the course of several days and signed the definitive merger agreement on March 9, 2026. The negotiation of the definitive merger agreement involved the exchange of transaction documents and included various calls between UHS and Talkspace management and UHS’ and Talkspace’s external and internal legal counsel.

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

See above, it was a competitive bid process.

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

Buyer engaged outside legal counsel to perform a comprehensive legal due diligence review of Seller. All such legal diligence reports and work product are attorney work product and subject to attorney-client privilege. Buyer also engaged certain business advisors to conduct due diligence on Seller. Please see all such diligence reports attached as Appendix 7b.

Talkspace also engaged a financial advisor and outside legal counsel to assist in its due diligence review of prospective buyers. In October 2025, select members of Talkspace’s management team and Talkspace’s third-party financial advisors traveled to UHS’ headquarters in King of Prussia, PA for in-person meetings with UHS’ management team, and as noted above in Section III.7., numerous diligence discussions and calls occurred amongst the parties in the following months.

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

Yes

No

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

This transaction requires a Hart-Scott-Rodino filing with the Federal Trade Commission, and the additional filings listed on Appendix 9 with other states.

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

Attached as Appendix 9(a).

IV. About the entities involved in the proposed transaction

10. Describe Party A.

See responses below.

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

Talkspace, Inc., together with its subsidiaries, is a virtual behavioral health company. Talkspace is committed to helping people lead healthier, happier lives through access to high-quality mental healthcare. Talkspace pioneered the ability to text with a licensed therapist from anywhere and offers an easy-to-use, fully-encrypted web and mobile platform for delivering telebehavioral health and teletherapy services that meets HIPAA, federal, and state regulatory requirements. Talkspace's technology platform allows individuals to match with one of thousands of in-network licensed therapists within days and they can engage in live video, audio, or chat sessions, and/or unlimited asynchronous text messaging sessions with their chosen provider.

Talkspace, Inc. offers a sophisticated technology platform that: (i) uses machine learning to match individuals to prospective in-network therapists; and (ii) includes a telehealth platform with multiple modalities (live video, private messaging, and audio) for in-network psychiatrists, therapists, and other health professionals to deliver telebehavioral health and teletherapy services to their patients/clients in a manner that removes barriers to starting and staying in care.

Talkspace LLC, a wholly-owned subsidiary of Talkspace, Inc., is a Management Services Organization ("MSO") offering administrative and back-office services to professional entities pursuant to Management Services Agreements ("MSAs") with professional entities that employ or contract with physicians, mid-level providers, and therapists.

Talkspace Provider Network OR, P.C. is a newly formed entity owned by an individual Oregon-licensed healthcare provider that intends to employ or contract with mid-level providers (e.g., APRNs) and therapists who offer telebehavioral health services.

Talkspace Provider Network, P.A. is a Texas professional association owned by an individual healthcare provider (who is licensed in Oregon), which employs or contracts with mid-level providers (e.g., APRNs) and therapists who offer telebehavioral health services.

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

Talkspace, Inc. wholly owns Talkspace, LLC, which is an MSO that is party to MSAs with professional entities, whereby Talkspace, LLC provides certain administrative and back-office services to support the professional entities' operating needs.

Talkspace Provider Network OR, P.C. is a newly formed entity owned by an individual Oregon-licensed healthcare provider. The licensed healthcare provider shareholder controls the governance and operations of Talkspace Provider Network OR, P.C.

Talkspace Provider Network, P.A. is owned by a single, licensed physician shareholder who controls the governance and operations of Talkspace Provider Network, P.A.

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

Appendix 10(c) reflects the organizational structure of the entities involved in this transaction.

Talkspace Provider Network OR, P.C. will receive management services from Talkspace LLC pursuant to a Management Services Agreement between the parties.

There is no relationship between Talkspace Provider Network OR, P.C. and Talkspace Network LLC. Talkspace Network LLC does not operate in Oregon.

Talkspace Provider Network, P.A. receives management services from Talkspace LLC pursuant to a Management Services Agreement between the parties.

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

See Business Entities Form attached hereto.

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

See consolidated financials for Talkspace, Inc. for the most recent three fiscal years, attached as Appendix 11(e). The following total revenue amounts are apportioned to services provided in Oregon for the past three fiscal years:

Fiscal year 2025 = \$4,584,554

Fiscal year 2024 = \$4,254,836

Fiscal year 2023 = \$2,824,697

Talkspace Provider Network OR, P.C. is a newly formed entity and has not yet commenced operations.

Talkspace Provider Network, P.A. apportions the following revenue amounts to services provided in Oregon over the previous three fiscal years:

2025: \$3,978,415.64

2024: \$2,823,047.57

2023: \$1,166,579.73

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

Click or tap here to enter text.

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

Talkspace, Inc. offers a telebehavioral health technology platform and wholly owns Talkspace, LLC, which is an MSO that is party to MSAs with professional entities, whereby Talkspace, LLC provides certain administrative and back-office services to support the professional entities' operating needs. These professional entities include professional corporations and professional associations that are owned by a physician. These professional corporations and professional associations employ or engage as independent contractors providers that include physicians, mid-level providers, and therapists.

Talkspace Provider Network OR, P.C. is a behavioral health group.

Talkspace Provider Network, P.A. is a behavioral health group.

ii. Service lines, both overall and in Oregon

Talkspace, Inc.'s technology nationally and within Oregon: (i) uses machine learning to match individuals to prospective in-network therapists; and (ii) includes a telehealth platform with multiple modalities (live video, private messaging, and audio) for in-network psychiatrists, therapists, and other health professionals to deliver telebehavioral health and teletherapy services to their patients/clients.

Talkspace, LLC is an MSO that is party to MSAs with professional entities operating nationally, whereby Talkspace, LLC provides certain administrative and back-office services to support the professional entities' operating needs. Within Oregon, Talkspace, LLC provides administrative and back-office services to support Talkspace Provider Network OR, P.C.

Talkspace Provider Network OR, P.C. intends to employ or engage as independent contractors providers who include mid-level providers (e.g., APRNs) and therapists. These providers would offer telebehavioral health services.

Talkspace Provider Network, P.A. employs or engages as independent contractors providers that include mid-level providers (e.g., APRNs) and therapists, who offer telebehavioral health services.

iii. Products and services, both overall and in Oregon

See above response to 10.f.ii. Talkspace does not sell retail products nationally or in Oregon.

Talkspace Provider Network OR, P.C. intends to employ or engage as independent contractors providers who include mid-level providers (e.g., APRNs) and therapists. These providers would offer telebehavioral health services in Oregon.

Talkspace Provider Network, P.A. employs or engages as independent contractors providers that include mid-level providers (e.g., APRNs) and therapists, who offer telebehavioral health services in Oregon and certain other states within the United States.

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

Talkspace, Inc. does not directly contract with or employ any individuals. Talkspace, LLC has a total of 334 employees and independent contractors in the U.S. and Israel, 250 of which are full-time employees. Talkspace, LLC has 2 employees and independent contractors in Oregon.

The professional entities that are party to MSAs with Talkspace LLC employ 324 providers nationwide, 316 of which are full-time employees, and 5 of these employed providers reside in Oregon. As of December 2025, the professional entities that are party to MSAs with Talkspace LLC engaged approximately 4,836 independent contractor providers nationally. Approximately 119 of these independent contractor providers are licensed in Oregon.

Talkspace Provider Network OR, P.C. is a newly formed entity and does not currently employ or contract with any individuals. The entity intends to employ or engage as independent contractors providers who include mid-level providers (e.g., APRNs) and therapists.

Talkspace Provider Network, P.A. employs 5 providers in Oregon. Talkspace Provider

Network, P.A. is party to independent contractor agreements with 119 providers in Oregon.

v. Geographic areas served, both overall and in Oregon

Talkspace, Inc.'s telebehavioral health platform serves providers and their patients/clients in all 50 U.S. states, Washington, D.C., and Puerto Rico.

Talkspace Provider Network OR, P.C. intends to offer telebehavioral health services to individuals residing throughout the state of Oregon.

Talkspace Provider Network, P.A.'s employed and contracted providers serve clients located in states where the individual providers are licensed. Providers licensed in Oregon serve clients residing in Oregon via telebehavioral health.

vi. Addresses of all facilities owned or operated using HCMO-1c: Facilities and Locations form

Talkspace, Inc. does not own or operate any facilities or physical locations.

Talkspace Provider Network OR, P.C. does not own or operate any facilities or physical locations.

Talkspace Provider Network, P.A. does not own or operate any facilities or physical locations.

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

The professional entities that are party to Management Services Agreements with Talkspace LLC served approximately 1,995 individuals in the state of Oregon as of March 9, 2026. This was a point-in-time count as of the date March 9, 2026, not an annual total. See below for the annual number from calendar year 2025 for Talkspace Provider Network, P.A.

Talkspace Provider Network OR, P.C. is a newly formed entity and it has not yet served any people in the state of Oregon.

Talkspace Provider Network, P.A. served 5,261 individuals in the state of Oregon in calendar year 2025.

viii. Annual number of services provided in Oregon

39,640 total sessions occurred on Talkspace, Inc.'s telebehavioral health platform in calendar year 2025 between providers and their clients residing or located in Oregon.

Talkspace Provider Network OR, P.C. is a newly formed entity and it has not yet provided services in the state of Oregon.

Talkspace Provider Network, P.A.'s providers rendered 39,640 telehealth sessions with clients located in Oregon.

ix. For hospitals, number of licensed beds

N/A.

11. Describe Party B.

See responses below.

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

UHS's principal business is owning and operating, through its subsidiaries, acute care hospitals and outpatient facilities and behavioral health care facilities. The services provided at these facilities are representative of those offered at most tertiary health systems, and include general and specialty surgery, internal medicine, obstetrics, emergency room care, radiology, oncology, diagnostic care, coronary care, pediatric services, pharmacy services and in-person behavioral health services.

UHS Merger Subsidiary, Inc. is strictly a subsidiary created for the purpose of this transaction, and will be merged out of existence following the consummation of the transaction. It does not have any business operations.

UBH of Oregon, LLC holds Cedar Hills Hospital, Branches Salem, and Branches Portland. Cedar Hills Hospital is a behavioral health center providing inpatient and outpatient treatment for a wide range of mental health concerns. Branches Salem and Branches Portland are affiliated with Cedar Hills Hospital and offer intensive outpatient programs (IOP), partial hospitalization programs (PHP), medication management, and group therapy services. Note that as Branches Portland is co-located with Cedar Hills Hospital, they share an NPI, while Branches Salem is standalone and has its own NPI.

Oregon Psychiatric Realty, LLC is a real estate holding company for UHS's lease and real property holdings in Oregon. It holds the real property on which Cedar Hills Hospital operates, and the leases for Branches Salem and Branches Portland.

Ascend Health Corporation is a holding company for Oregon Psychiatric Realty and UBH or Oregon, LLC, and otherwise has no operations.

Psychiatric Solutions, Inc. is a holding company for Horizon Health Corporation. It does not have any business operations.

Horizon Health Corporation is a holding company for Horizon Health Physical Rehabilitation Services, LLC. It does not have any business operations.

Horizon Health Physical Rehabilitation Services, LLC is foreign qualified in Oregon but does not conduct any business in Oregon. Outside of Oregon, it offers physical therapy and rehabilitation services at UHS hospitals and facilities.

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

UHS is a publicly-traded company, governed ultimately by its board of directors. The ultimate parent entity is Universal Health Services, Inc., and all other entities within its structure are either direct or indirect subsidiaries of Universal Health Services, Inc. Each of the other UHS entities operating in Oregon or foreign qualified in Oregon, including UBH of Oregon, LLC, Oregon Psychiatric Realty, LLC, Ascend Health Corporation, Psychiatric Solutions, Inc., and Horizon Health Physical Rehabilitation Services, LLC are ultimately owned by UHS and subject to the ultimate governance of its board of directors.

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

Appendix 11(c) reflects the organizational structure, up to the ultimate parent entity, of the entities involved in this transaction, as requested during the pre-filing conference.

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

See Business Entities Form attached hereto.

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

See consolidated financials for UHS for the most recent three fiscal years, and the financials for UHS's business lines in Oregon, attached as Appendix 11(e).

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

[Click or tap here to enter text.](#)

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

UHS is a multi-specialty health system which includes hospitals other licensed healthcare facilities.

Cedar Hills Hospital operates an inpatient and outpatient behavioral health facility.

Branches Portland and Branches Salem each operate intensive outpatient programs / partial hospitalization programs.

Oregon Psychiatric Realty strictly serves as a real estate holding company and is not a healthcare business.

Ascend Health Corporation is a holding company for Oregon Psychiatric Realty and UBH or Oregon, LLC, and otherwise has no operations.

Psychiatric Solutions, Inc. is a holding company for Horizon Health Corporation. It does not have any business operations.

Horizon Health Corporation is a holding company for Horizon Health Physical Rehabilitation Services, LLC. It does not have any business operations.

Horizon Health Physical Rehabilitation Services, LLC offers outpatient physical and occupational therapy services.

- ii. Service lines, both overall and in Oregon

The services provided at UHS facilities are representative of those offered at most tertiary health systems, and include general and specialty surgery, internal medicine, obstetrics, emergency room care, radiology, oncology, diagnostic care, coronary care, pediatric services, pharmacy services and in-person behavioral health services.

Specific to Oregon, UHS operates Cedar Hills Hospital in Portland which offers adult inpatient programs for crisis stabilization (a secure, separate inpatient area with 16 beds reserved for patients experiencing psychiatric distress), mental health (designed for the stabilization and treatment of adults suffering from illness such as bipolar, schizophrenia, anxiety, depression, psychosis and PTSD), and substance abuse, as well as a specialty

Patriot Support Program, and outpatient services (PHP and IOP at Branches Portland and Branches Salem). While Branches Portland and Branches Salem are largely focused on providing IOP and PHP services to patients being discharged from Cedar Hills Hospital, other medically appropriate patients in the community may be treated as well.

Oregon Psychiatric Realty strictly serves as a real estate holding company which holds the real estate utilized by UBH of Oregon, LLC.

Ascend Health Corporation is a holding company for Oregon Psychiatric Realty and UBH or Oregon, LLC, and otherwise has no operations.

Psychiatric Solutions, Inc. is a holding company for Horizon Health Corporation. It does not have any business operations.

Horizon Health Corporation is a holding company for Horizon Health Physical Rehabilitation Services, LLC. It does not have any business operations.

Horizon Health Physical Rehabilitation Services, LLC offers outpatient physical and occupational therapy services outside of Oregon. It has no operations in Oregon.

iii. Products and services, both overall and in Oregon

See response to 11(f)(ii) above for services. As a health system, neither UHS nor any of its subsidiaries sell retail products.

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

UHS subsidiaries had 67,283.09 FTEs as of 3/23/26.

In Oregon, UBH of Oregon, LLC through its operating hospital, Cedar Hills Hospital, inclusive of all service lines (including Branches Portland and Branches Salem), has 283 full and part-time staff for a total of 206.8 FTEs.

Oregon Psychiatric Realty, Ascend Health Corporation, and Horizon Health Physical Rehabilitation Services, LLC have no employees in Oregon, and all of their employees in other territories are shared with the overall UHS employee number listed above.

v. Geographic areas served, both overall and in Oregon

Through its subsidiaries, UHS operates 400+ facilities across 39 US states, Washington DC, Puerto Rico and the United Kingdom. UHS has one facility in Oregon, Cedar Hills Hospital, which is located in Portland, Oregon, and two IOP/PHP programs (Branches Portland and Branches Salem) associated with Cedar Hills Hospital which operate in Portland and Salem respectively.

Oregon Psychiatric Realty is a real estate holding company which strictly holds real estate used by UBH of Oregon, LLC, and serves the same territories as UBH of Oregon, as more specifically reflected in the HCMO Attachment 1c form.

Ascend Health Corporation is a holding company for Oregon Psychiatric Realty and UBH or Oregon, LLC, and otherwise has no operations.

Psychiatric Solutions, Inc. is a holding company for Horizon Health Corporation. It does not have any business operations.

Horizon Health Corporation is a holding company for Horizon Health Physical Rehabilitation Services, LLC. It does not have any business operations.

Horizon Health Physical Rehabilitation Services, LLC has no operations in Oregon.

- vi. Addresses of all facilities owned or operated using HCMO-1c: Facilities and Locations form

See attached Facilities and Locations form.

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

Cedar Hills Hospital, inclusive of inpatient, and the PHP and IOP services provided by Branches Portland and Branches Salem, served 3810 people in Oregon in 2025, and has served 1409 patients in Oregon between January 1, 2026 and April 30, 2026. UHS does not have any other operations in Oregon.

Oregon Psychiatric Realty is a real estate holding company which strictly holds real estate used by UBH of Oregon, LLC, and does not otherwise serve any patients.

Ascend Health Corporation is a holding company for Oregon Psychiatric Realty and UBH or Oregon, LLC, and otherwise has no operations.

Psychiatric Solutions, Inc. is a holding company for Horizon Health Corporation. It does not have any business operations.

Horizon Health Corporation is a holding company for Horizon Health Physical Rehabilitation Services, LLC. It does not have any business operations.

Horizon Health Physical Rehabilitation Services, LLC has no operations in Oregon.

- viii. Annual number of services provided in Oregon

Cedar Hills Hospital provides 34,215 equivalent patient days; 28,371 inpatient; 4,106 PHP visits; and 13,336 IOP visits annually. The IOP and PHP visits are provided by Branches Portland and Branches Salem, which are affiliated with Cedar Hills Hospital. UHS does not have any other operations in Oregon.

Oregon Psychiatric Realty is a real estate holding company which strictly holds real estate used by UBH of Oregon, LLC, and does not otherwise provide any services.

Ascend Health Corporation is a holding company for Oregon Psychiatric Realty and UBH or Oregon, LLC, and otherwise has no operations.

Psychiatric Solutions, Inc. is a holding company for Horizon Health Corporation. It does not have any business operations.

Horizon Health Corporation is a holding company for Horizon Health Physical Rehabilitation Services, LLC. It does not have any business operations.

Horizon Health Physical Rehabilitation Services, LLC has no operations in Oregon.

- ix. For hospitals, number of licensed beds

Cedar Hills Hospital, UHS's only hospital facility in Oregon, has 98 licensed beds. UHS's total average licensed beds at the end of FY 2025 was 31,415.

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

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

For Talkspace, see below, as included in its publicly filed reports:

1. Talkspace was originally incorporated as Hudson Executive Investment Corp. (“HEC”), a special purpose acquisition company, for the purpose of entering into a merger, share exchange, asset acquisition, stock purchase, recapitalization or other similar business combination with one or more businesses or entities. On January 12, 2021, HEC, entered into an Agreement and Plan of Merger, dated as of January 12, 2021 (the “Merger Agreement”), with Groop Internet Platform, Inc. (“Old Talkspace”), Tailwind Merger Sub I, Inc., a Delaware corporation and a direct wholly owned subsidiary of HEC (“First Merger Sub”), and Tailwind Merger Sub II, LLC, a Delaware limited liability company (“Second Merger Sub”). On June 22, 2021, as contemplated by the Merger Agreement, First Merger Sub merged with and into Old Talkspace (the “First Merger”) with Old Talkspace surviving the First Merger, and immediately following the First Merger and as part of the same overall transaction as the First Merger, Old Talkspace merged with and into Second Merger Sub, with Second Merger Sub surviving the merger as a wholly owned subsidiary of HEC. The Company refers to this transaction as the Business Combination. In connection with the Business Combination, HEC filed the Certificate of Incorporation and changed its name to “Talkspace, Inc.”
2. On October 1, 2025, Talkspace acquired Wisdo Health USA Inc., a clinically-proven social health and peer support platform, to expand Talkspace’s commitment to innovation and holistic mental health care. The parties to the asset purchase sale included Talkspace LLC (the “Purchaser”), Talkspace, Inc. (the “Parent” of Purchaser), Wisdo Ltd., a private company formed under the laws of the State of Israel (the “Seller”), and Wisdo Health USA Inc. (the target company and sole U.S. subsidiary of the Seller; the “US Subsidiary”).
3. On November 1, 2020, Talkspace, LLC completed an acquisition of the operation of Lasting, an app-based subscription for relationship and couples counseling, which was previously part of The Knot Worldwide, Inc.

For UHS, see below, as included in its publicly filed reports:

1. **Altru MSO JV – 9/30/24** – UHS Altru ND JV, LLC (UHS ND Management, LLC 51% and Altru Health System (49%). Altru Health System (“AHS”) partnered with UHS to renovate, expand, and operate a behavioral health unit on AHS’ new hospital campus via a Management Services Organization Joint Venture (“MSO JV”). The new 48-bed unit will provide high quality behavioral health services to AHS’ approximate 250-mile radius service area throughout Northeastern North Dakota and Northwestern Minnesota. The facility will feature a full continuum of inpatient and outpatient services to a full demographic range, children through seniors. The MSO JV enables AHS to expand community access from its current 23 bed unit, maintain critical compliance to 340B and Disproportionate Share Hospitals programs, and keep its existing professional staffing arrangement of

psychiatrists and practitioners intact. UHS will provide management services and staffing responsibility of the new unit. Construction began in early 2024 and completion will meet the AHS new hospital commencement of January 19, 2025.

2. **Michigan BH JV, LLC** (Havenwyck Hospital, Inc. (75%) and Beaumont Health (25%)) - Beaumont Health and UHS partnered to build and operate a 144-bed joint venture behavioral health hospital on Beaumont's Dearborn campus in Dearborn, Michigan. Beaumont selected UHS because of our commitment to patient and family centered care, strong clinical outcomes and proven track record of partnering with academic, regional networks and community-based entities. Groundbreaking occurred in December 2019 and the facility opened in January 2022. Subsequently, Beaumont Health and Spectrum Health joined together to form Corewell Health. The UHS/Corewell JV behavioral health hospital serves as the hub from which Corewell and UHS coordinate a continuum of comprehensive inpatient and outpatient mental health services, clinical training including investing in medical residencies, and innovative new approaches to accessing care.
3. **Cape Girardeau Behavioral Health, LLC (Southeast Health JV)** – 2/11/19 (UHS Midwest Behavioral Health, LLC (75%) and Southeast Health (25% JV)). UHS partnered with SoutheastHEALTH, the premier healthcare system in the Southeast region of Missouri, to build and operate a 102-bed joint venture behavioral health hospital on SoutheastHEALTH's new master-planned medical complex. Through this partnership, UHS and SoutheastHEALTH have brought critically needed behavioral health services to the tri-state area with the expansion of adult programs and the addition of geriatric, child and adolescent services. Groundbreaking occurred August 2019, and the hospital opened for admissions in late March 2021. Subsequently, Mercy acquired SoutheastHEALTH and continues to jointly own the UHS/Mercy JV behavioral health hospital.
4. **Clive Behavioral Health, LLC (Mercy Des Moines JV)** – 11/26/18 (UHS Midwest Behavioral Health, LLC (52%) and Catholic Health Initiatives – Iowa Corp. (48%)). MercyOne – Des Moines Medical Center, wholly owned by Trinity Health, and UHS developed a joint venture 134-bed behavioral health hospital. The new freestanding hospital consists of 100-beds for adult, adolescent, and child inpatient programs, as well as partial hospitalization and intensive outpatient programs. Phase 2 plans include the joint venture to operate the existing 34 acute inpatient psychiatric beds located on Trinity Health's MercyOne – Des Moines Medical Center's campus. The project was met with overwhelming community support due to the large demand for behavioral health care across the state. CON approval was granted in July 2018. Groundbreaking occurred August 2019 and the facility opened February 2021.
5. **Memorial Gulfport** - UHS engaged in a competitive RFP process to acquire Memorial Hospital of Gulfport's existing behavioral health facility, for a total of 109 CON beds. As a result of our previous successes in partnering with acute care providers, and our commitment to integrating behavioral health services in acute care hospitals, UHS was selected by Gulfport County. In December 2017, the transaction was completed, and the partnership was publicly announced. UHS brought psychiatric operations expertise and financial resources to improve the existing facility and continues to support Memorial Gulfport's Emergency Department and medical floors with psychiatric consult and liaison services.
6. **Newco BH PA JV, LLC d/b/a Hanover Hill Behavioral Health** – (UHS BH PA JV, LLC (51%), a UHS subsidiary and Lehigh Valley Hospital, Inc (49%) - In February 2023, UHS and LVHN announced plans to construct a new 144-bed joint venture behavioral health hospital near the Lehigh Valley Hospital – Muhlenberg campus. The partnership combines two leaders in health care: UHS, one of the nation's leading providers of behavioral health care, and LVHN, long respected for its behavioral health program in the region, to address the growing demand for high-quality behavioral health services for seniors, adults, and adolescents. Subsequently, LVHN proudly became part of the Jefferson Health system. The new hospital will provide inpatient and partial hospitalization

outpatient programs. The partnership will create additional bed capacity in the area enabling more care for more patients. Groundbreaking for the new 97,000 square foot facility was held in May 2024 and opened in January 2026.

7. **HealthLink Now, Inc.** - UHS BH Telepsych, LLC purchased HealthLink Now, Inc. on 1/19/16. This includes HLN Physicians, Inc., a California professional medical corporation, which engaged in the business of (a) providing telepsychiatry and telemedicine services generally; (b) providing telepsychiatry and telepsychiatry consulting services to hospitals and other health care providers; (c) providing telepsychiatry services direct to consumers, and (d) the operation and management of websites and other marketing related activities related to the telemedicine business, and € contracting and credentialing for physicians and healthcare providers in the delivery of telemedicine services.
8. **BH AZ Master, LLC d/b/a Via Linda Behavioral Hospital** – (AZ Holding 4, LLC (51%), a UHS subsidiary, entered into a JV with Scottsdale Healthcare Hospitals (49%) d/b/a HonorHealth to form BH AZ Master, LLC) - On October 23, 2019, UHS and HonorHealth signed partnership agreement where UHS will be the majority owner and will oversee the day-to-day operations and management of the new, freestanding 120-bed behavioral health facility, to be constructed at 9160 East Horseshoe Road in Scottsdale, Arizona, on the Salt River Pima-Maricopa Indian Community.
9. **Lancaster Behavioral Health Hospital, LLC (Lancaster Behavioral Health Hospital)** – 7/22/16 (UHS of Lancaster, LLC (50%) and Lancaster General Health Holdings, Inc. (50% JV)). Lancaster General Health, a member of the University of Pennsylvania Health System (Penn Medicine), and UHS of Lancaster, LLC (a subsidiary of UHS) have jointly opened Lancaster Behavioral Health Hospital, a 126-bed behavioral health hospital in Lancaster to address the growing demand for inpatient and outpatient mental health services. The facility provides a wide range of behavioral health services, including Lancaster County’s only unit for adolescents, a unit for medically complex patients and a dedicated women’s trauma unit, for sexual-assault victims, or women with a history of interpersonal violence and subsequent trauma. We broke ground in May 2017 and opened in July 2018.
10. **BH JV Grand Rapids, LLC d/b/a Southridge Behavioral Hospital** – (Havenwyck Hospital, Inc. d/b/a Havenwyck Hospital – West I (51%), a UHS subsidiary) and Trinity Health Michigan d/b/a Mercy Health Services (49%). In March 2021, Trinity Health and UHS publicly announced we began exploring a potential JV partnership while the State reviewed the UHS Certificate of Need (CON) application to develop a 96-bed behavioral health facility in Byron Center, Michigan. The JV partnership was finalized in December 2021. In June 2022, the Michigan Department of Health and Human Services issued the Final Order granting the 60-bed adult CON which will be used in conjunction with the previously awarded 24-bed geriatric CON. The facility will offer inpatient behavioral health for adult and geriatric patients, as well as adult partial hospitalization. The new facility seamlessly ties into a growing network of affiliated behavioral health services in the area, including UHS-operated Forest View Hospital and Trinity Health Michigan's new partnership with Network180, a Behavioral Health Crisis Center for the rapid availability of assessment services on a walk-in basis. Construction on Southridge Behavioral Hospital began in 2023 and the facility opened June 2025.
11. **Spokane Behavioral Health, LLC (Inland Northwest Behavioral Health)** – 9/21/16 (BHC Fairfax Hospital, Inc. (80%) and Providence Health & Services (20% JV)) - For the joint venture, BHC Fairfax Hospital (UHS Subsidiary) and Providence worked together to obtain CON approval from the state to build a 100-bed freestanding hospital on the campus of Providence’s Sacred Heart and Children’s Hospital. Approval was granted in 2016, and Inland Northwest Behavioral Health became operational October 2018.

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

a. Operational structure

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

See pre- and post-transaction organizational attached as Appendix 13(a).

b. Corporate governance and management

Following the closing, Talkspace, Inc. will be an indirect, wholly-owned subsidiary of Universal Health Services, Inc. See Appendix 13(b) for the post-closing chart.

OHA 5/13/26 Notice Letter: Item 13.b: Please provide a detailed narrative description of all governance changes.

There will be no changes in the day-to-day governance of Talkspace, Inc. or Talkspace, LLC post-closing. The current Chief Executive Officer, Chief Financial Officer, and Chief Technology Officer are all expected to continue in their current positions post-Closing. Talkspace, Inc.'s current Board of Directors are expected to resign their current Director positions upon closing; post-closing, Matt Peterson, Steve Filton, and Thomas Day, all of whom are current UHS employees, will serve as the Board of Directors of Talkspace, Inc.

OHA 5/13/26 Notice Letter: Item 13.b: The Post-Closing Organizational Chart lists Wisdo Health USA, Inc. as a subsidiary of TalkSpace LLC. Wisdo Health USA, Inc. does not appear on the pre-closing organizational charts. Please update the organizational chart accordingly and/or explain this post-closing structure in your narrative response.

This was an inadvertent omission – Wisdo Health USA, Inc. is currently a Talkspace, LLC subsidiary and will remain so post-Closing.

c. Investments or initiatives

Following the closing, UHS intends for Talkspace to continue to operate as a separate business line consistent with its past practice, and does not have any immediate plans to make any additional material investments or start any material initiatives which were not already planned by Talkspace.

d. Type and level of staffing

UHS does not anticipate that there will be any changes to the type or level of staffing as a result of this transaction, either at Talkspace or at UHS's facilities.

e. Type and level of services provided

UHS does not anticipate that there will be any changes to the types and levels of services provided. However, UHS does anticipate greater coordination between service providers at its in-person facilities and Talkspace as its new digital health service line, which UHS and Talkspace believe will result in a smoother and improved patient and provider experience.

OHA 5/13/26 Notice Letter: Item 13.e: Please explain in detail how UHS plans to integrate Talkspace as its "new digital health service line"

UHS Behavioral Health currently serves mid to high acuity patients through a range of services including inpatient BH hospital admissions, partial hospitalization, and facility-based outpatient care. Talkspace, on the other hand, focuses on providing mid to low acuity outpatient care with an emphasis on individual therapy, telehealth psychiatry, and medication management.

By bringing UHS and Talkspace together, we are introducing a comprehensive, end-to-end care continuum that empowers patients to access the full spectrum of behavioral health services. Integration will be driven by patient choice, with UHS creating a care coordination platform designed to enable bi-directional routing across the continuum. This means both patients and providers will have the flexibility to participate in services spanning from facility-based care to telehealth offerings, ensuring seamless transitions and eliminating gaps within the care pathway. In expanding Talkspace's sophisticated digital platform to be able to better address the needs of the higher acuity patients typically treated by UHS, UHS intends to utilize Talkspace's digital capabilities to improve medication and treatment adherence and management amongst its patient populations.

f. Number and type of locations

UHS does not anticipate any changes to the number or type of locations as part of the transaction. As Talkspace is a telebehavioral health platform, the transaction would not naturally result in any change to the number and type of locations.

g. Geographic areas served

UHS anticipates that, utilizing Talkspace's digital health capabilities, it will be able to serve more geographic areas following the closing by allowing its patients which live in more remote areas to utilize Talkspace's telehealth offerings. Additionally, the parties anticipate that patients currently receiving telebehavioral health services through Talkspace's virtual platform will have greater access to higher acuity facilities in geographic areas currently served by UHS.

OHA 5/13/26 Notice Letter: Item 13.g: Please explain how integrating Talkspace will give patients "greater access to higher acuity facilities in areas currently served by UHS."

While providers rendering telebehavioral health services on the Talkspace platform do not direct their clients to seek care from specific providers or facilities and individuals are always free to exercise their own choice in selecting care providers, the parties are aware that providers using the Talkspace platform have a greater appreciation and understanding of where their patients may have higher acuity needs and the existing UHS facilities could serve as a treating provider for those patients.

Patients will benefit from a unified system that allows them to move fluidly from high acuity settings to outpatient and telehealth care, all within the same organizational umbrella. This will improve longitudinal care management, support continuity for complex populations, and ultimately provide a more complete patient experience—from facility-level treatment to ongoing support like weekly telehealth check-ins. The care coordination platform will also foster improved communication between providers, further supporting positive patient outcomes.

h. For providers, payer contracts and payer mix

The parties do not anticipate any changes to either party's payor contracts or payor mix. Each of UHS and the professional entities receiving management services from Talkspace, LLC and the

professional entities' employed and contracted individual physicians, mid-level providers, and therapists will continue to operate under their existing payor contracts post-closing.

- i. For insurance carriers, provider contracts and networks

N/A

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

It is not anticipated that either UHS or Talkspace will enter into any new contractual arrangements in connection with the closing.

V. Impacts from the proposed material change transaction

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

By expanding UHS' network to include telehealth outpatient counseling and psychiatry services through the Talkspace transaction, UHS is dedicated to continuing with Talkspace's original mission of breaking down the stigma surrounding mental health and improving access to quality care for all, including residents of Oregon. Talkspace's new relationship with UHS will also expand access to higher acuity of care for patients/clients currently using Talkspace's telebehavioral health platform. This partnership enhances the availability of essential mental health services across the state, supporting the growth, healing, and wellbeing of individuals in communities that need it most. Together, UHS with the addition of Talkspace, offer a seamless continuum of care within a single provider network, giving patients the flexibility to adjust their level of care as needed to maintain stability and promote lasting wellness.

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

The parties do not anticipate any negative effects.

- 15. Explain how the proposed material change transaction will:

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

The parties anticipate that there will be improved health outcomes for people in Oregon because it will allow UHS and the patients/clients using Talkspace's telebehavioral health platform to seamlessly access a broader range of care, which UHS hopes in Oregon will (1) improve patient adherence rates at its Cedar Hills Hospital, and (2) allow UHS to serve a broader base of patients needing care in Oregon. By expanding UHS' network to include telehealth outpatient counseling and telepsychiatry services through the Talkspace transaction, UHS is dedicated to continuing with Talkspace's original mission of breaking down the stigma surrounding mental health and improving access to quality care for all, including residents of Oregon. This partnership enhances the availability of essential mental health services across the state, supporting the growth, healing, and wellbeing of individuals in communities that need it most. Together, UHS, with the addition of Talkspace, will offer a seamless continuum of care within a single provider network, giving patients the flexibility to adjust their level of care as needed to maintain stability and promote lasting wellness.

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

By expanding UHS' network to include telehealth outpatient counseling and telepsychiatry services through the Talkspace transaction, UHS is dedicated to continuing with Talkspace's original mission of breaking down the stigma surrounding mental health and improving access to quality care for all, including residents of Oregon. This partnership enhances the availability of essential mental health services across the state, supporting the growth, healing, and wellbeing of individuals in communities that need it most. Together, UHS with the addition of Talkspace offer a seamless continuum of care within a single provider network, giving patients the flexibility to adjust their level of care as needed to maintain stability and promote lasting wellness. Additionally, see response to 15.c. below.

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

Through the acquisition of Talkspace, UHS will significantly advance the public good by helping to reduce the growth in healthcare costs across Oregon. By expanding access to outpatient behavioral health services, UHS can address patients' needs earlier and at lower levels of care, which is more cost-effective than inpatient treatment. Generally, inpatient care can exceed \$1,000 per day as compared to an outpatient visit cost of on average \$250. This stark cost difference highlights the potential for substantial savings by prioritizing outpatient services. Moreover, evidence shows that regular outpatient behavioral care can reduce emergency department visits (approximately \$1,200 to \$1,500 per visit based on nationally sourced comprehensive data from FAIR Health, a well-regarded independent nonprofit organization tracking healthcare costs) and inpatient hospitalizations. Talkspace's new relationship with UHS will also expand access to higher acuity of care for patients/clients currently using Talkspace's telebehavioral health platform. By providing a coordinated continuum of care, UHS with the addition of Talkspace, enhances patient stability while promoting affordability and sustainability in Oregon's behavioral health system, ultimately benefiting residents and the state's healthcare infrastructure alike.

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

The proposed transaction in which UHS acquires Talkspace directly advances the public good by addressing persistent health inequities and improving access to behavioral health services throughout the United States inclusive of Oregon. Many Oregon residents, especially those in rural and underserved communities, have historically faced significant barriers to timely, comprehensive mental health care, leading to overreliance on costly inpatient and emergency services. These challenges have contributed to disparities in care quality, outcomes, and affordability.

Through this acquisition, UHS will leverage Talkspace's telehealth capabilities and extensive provider network through its MSO relationships to expand access to outpatient counseling and psychiatric services statewide. By facilitating earlier, less intensive intervention, UHS aims to meet patients' needs more efficiently and equitably, reducing dependence on emergency departments and hospitalizations that are often less accessible and more costly as evidenced above. Talkspace's new relationship with UHS will also expand access to higher acuity of care for patients/clients currently using Talkspace's telebehavioral health platform.

UHS's integrated continuum of care model offers patients the flexibility to "step up or step down" in service intensity as their needs change, fostering sustained stability and continuity in treatment. This adaptable approach addresses gaps within the current behavioral health system, such as fragmented care and limited local access to specialized services, and helps break down stigma by normalizing mental health care across diverse communities.

Moreover, by reducing the financial burden on individuals, families, and the healthcare system, this transaction promotes affordability and sustainability, ensuring mental health resources are more fairly distributed.

In summary, UHS acquisition of Talkspace exemplifies a strategic investment in mental health equity by expanding geographically and socioeconomically accessible outpatient behavioral health services, strengthening Oregon's capacity to provide high-quality, patient-centered care, and supporting the growth, healing, and everyday wellbeing of its residents.

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

N/A, see responses above.

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

There should not be any competitive effects that result from the proposed material change.

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

There should not be a decrease in competition as UHS and Talkspace did not compete in providing telebehavioral health services prior to the transaction. Further, it is important to recognize that pre- and post-acquisition, there remains a robust number of telebehavioral health service providers; thus, the market for telebehavioral health services in Oregon is fragmented and extremely competitive. Several established providers continue to offer patients a variety of options, ensuring patient choice is preserved. Competitors for telehealth behavioral health therapy and medication management include Teladoc, Lyra Health, Amwell, Spring Care, BestMind Behavioral Health, NeuStart Psychiatry and TMS, and Stronger Oregon, among others.

Because UHS and Talkspace offer different service lines (and because Talkspace does not directly employ providers; providers offering telebehavioral health services on the Talkspace telebehavioral health platform are employees or independent contractors of the professional entities that are parties to MSAs with Talkspace, LLC and will remain as such post-closing), the parties do not currently compete with each other for employees and do not anticipate that the transaction will decrease potential employment opportunities.

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

N/A, see response above.

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

N/A, see response above.

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

See list of competitors included in response to Question 16(a) to demonstrate support for our statements.

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

The proposed merger between Universal Health Services (UHS) and Talkspace is expected to strengthen the financial position of both companies. Its positive cash flow provides a solid foundation for integration into UHS.

VI. Supplemental materials

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

- HCMO-1a: NPI form (required for health care provider entities)
- HCMO-1b: Business Entities form (required parties with multiple business entities licensed to operate in Oregon)
- HCMO-1c: Facilities and Locations form
- Pre- and post-transaction organizational structure diagram
- Copies of all current agreements or term sheets for the proposed transaction
- Financial statements for all entities for the most recent three fiscal years
- Copies of current governance documents for all entities (for examples, bylaws, articles of incorporation, corporate charter, etc.)

Response to OHA 5/13/26 Notice Letter: Provided all available governance documents for all applicable entities operating in Oregon or party to the transaction. We have been unable to locate such documents for Psychiatric Solutions, Inc. and Horizon Health Corporation, but they are pass-through holding companies with no operations governed entirely by Universal Health Services, Inc.

- Documentation or analytic support for your responses, as applicable
- Redaction log

VII. Certification

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

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

Signed on the 26 day of May, 2026.



SUBSCRIBED AND SWORN TO before me, this 26 day of MAY, 2026.



Notary Public in and for New Jersey

My Commission Expires: April 23, 2029

