

Health Care Market Oversight

# **Transaction 085**

## **CenterWell – Hy-Vee**

### **Preliminary Review Report**

July 27, 2026



# About this Report

This report summarizes analyses and findings from Oregon Health Authority’s preliminary review of the proposed material change transaction involving CenterWell Pharmacy, Inc. and Hy-Vee, Inc. It accompanies the Findings of Fact, Conclusions of Law, and Final Order (“Preliminary Review Order”) issued by Oregon Health Authority on July 27, 2026. For legal requirements related to the proposed transaction, please reference the [Preliminary Review Order](#).

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If you have any questions about this report or would like to request more information, please contact [hcmo.info@oha.oregon.gov](mailto:hcmo.info@oha.oregon.gov).

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# Executive Summary

The [Health Care Market Oversight](#) (HCMO) program reviews proposed health care business deals to make sure they support Oregon’s goals of health equity, lower costs, increased access, and better care. After completing a review, the Oregon Health Authority (OHA) issues a decision about whether a business deal, or transaction, involving a health care company can proceed.

## Proposed Transaction

On June 29, 2026, OHA accepted a complete Notice of Material Change Transaction (“notice”) from CenterWell Pharmacy, Inc. (“CenterWell”) with respect to its proposed acquisition of Hy-Vee, Inc.’s (“Hy-Vee”) specialty pharmacy business units operating in Oregon under the names of Amber Enterprises, Inc. d/b/a Amber Specialty Pharmacy (“Amber”), and HYVACS, LLC d/b/a Hy-Vee Pharmacy Solutions (“HYVACS”).

CenterWell is the health care services division of Humana, Inc. (“Humana”) that offers pharmacy, primary care, and home health services. In Oregon, CenterWell only operates a mail order pharmacy business. In 2025, CenterWell’s pharmacy services filled 292,000 prescriptions for 16,500 patients in Oregon.

Hy-Vee is a grocery store chain that operates more than 240 retail stores in nine midwestern states; Hy-Vee does not have any grocery stores in Oregon. HYVACS and Amber operate as specialty pharmacy businesses. HYVACS dispenses high-cost, high-touch medications for complex and chronic diseases. HYVACS does not provide any direct health care services to residents of Oregon. Amber also dispenses high-cost medications for chronic disease including rare disease, infusion, oncology, immunology, neurology, fertility, and transplant medications. Amber provides services to Oregon residents through mail order pharmacy. In 2025, Amber served 670 patients and dispensed 2,605 prescriptions.

## OHA’s Review

OHA completed a 30-day preliminary review of the proposed transaction. During the review, OHA assessed the likely impact of the transaction across various domains including cost, access, quality, and equity in alignment with preliminary review criteria.

## Key Findings

### **There is little overlap among products offered by CenterWell and Amber.**

Both CenterWell and Amber serve patients across Oregon via mail order pharmacy. However, CenterWell offers a broad array of prescription drugs including statins, beta-blockers, and thyroid medications designed to treat common health conditions. Between 2022 and 2025, 47 drug classes comprised 75% of CenterWell’s prescriptions. In contrast, Amber offers a much narrower range of drugs with a focus on specialty drugs that treat

chronic conditions. Between 2022 and 2025, only nine drug classes are represented in the top 75% of Amber's prescriptions. A single specialty drug designed to treat dry eye disease comprised 25% of all of Amber's prescriptions. HYVACS did not provide any services in Oregon in 2024 or 2025.

### **The proposed transaction is unlikely to affect access to care or service delivery in Oregon.**

This transaction is not expected to meaningfully impact access to prescription drugs for Oregon patients given the small size of the entities and the presence of other access points. CenterWell has a relatively small Oregon presence, having served approximately 16,500 patients in 2025, and having 4.8% of the share of Oregon's statewide market for prescription drugs in 2025. Amber is significantly smaller than CenterWell in Oregon, having served 670 patients in 2025, and having only 0.1% of the statewide prescription drug market share. While Amber does have 33.5% of the market of a specialty dry eye medication, Miebo, when compared to similar mail order community and retail pharmacies, its market share overall among all Oregon providers is only 2.1%. Approximately 75% of Oregon prescriptions for Miebo are filled at non-mail order community and retail pharmacies.

## **Conclusions and Decision**

Based on preliminary review findings, **OHA approved the transaction on July 27, 2026.** (See [Preliminary Review Order](#)). OHA approved the proposed transaction based on the following criterion:

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

Both CenterWell and Amber operate statewide mail order pharmacies in Oregon with significantly diffuse service areas and a relatively small share of the state's prescription drug market. There is little overlap in the types of drugs they offer, with CenterWell providing a broad array of common prescription drugs and Amber focusing on a much narrower group of specialty drugs. One-fourth of prescriptions provided by Amber were for a single specialty drug designed to treat dry eye disease known as Miebo. However, there are many other existing access points for this drug, with 75% of Oregon prescriptions being filled at non-mail order community or retail pharmacies. OHA does not expect this transaction to result in any material changes to prescription drug access or market share.

As required by statute, OHA will conduct follow-up analyses one, two, and five years after the transaction is complete. OHA will monitor changes to health care cost, quality, access, and health equity for people in Oregon.

# Introduction

OHA's Health Care Market Oversight program (HCMO), launched in March 2022, reviews proposed health care transactions such as mergers, acquisitions, and affiliations to ensure they support statewide goals related to cost, equity, access, and quality. The HCMO program is governed by [Oregon Revised Statute 415.500 et seq.](#) and [Oregon Administrative Rules 409-070-0000 through -0085](#).

In the authorizing statute, the Oregon Legislature specified what types of proposed transactions are subject to review and the criteria OHA must use when analyzing a given proposed transaction. The Oregon Legislature also authorized OHA to decide the outcome of a proposed transaction. After reviewing a given proposed transaction, OHA may approve, approve with conditions, or disapprove the transaction.

The HCMO program fits within OHA's broader mission of ensuring all people and communities can achieve optimum physical, mental, and social well-being through partnerships, prevention, and access to quality, affordable health care. The program also supports OHA's goal of eliminating health inequities by 2030.

## The Preliminary Review Process

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

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

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

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

## Transaction Notice Submission

On June 29, 2026, OHA accepted a complete Notice of Material Change Transaction (“notice”) from CenterWell Pharmacy, Inc. (“CenterWell”) with respect to its acquisition agreement (“Agreement”) with Hy-Vee, Inc. (“Hy-Vee”). The notice describes plans for CenterWell to acquire Hy-Vee’s specialty pharmacy businesses operating as Amber Enterprises, Inc. d/b/a Amber Specialty Pharmacy (“Amber”), and HYVACS, LLC d/b/a Hy-Vee Pharmacy Solutions (“HYVACS”).

OHA reviewed the notice and determined, based on the facts in the notice, that the transaction is subject to review. The entities party to the transaction meet the revenue thresholds specified in [OAR 409-070-0015\(1\)](#) and the proposed transaction is otherwise covered by HCMO in accordance with [OAR 409-070-0010](#).

After receipt of the complete notice, OHA began a preliminary review of the proposed transaction. This report describes the transaction and summarizes OHA’s findings and conclusions from the preliminary review.

## Public Input

OHA solicited public comments on the proposed transaction during the preliminary review. On June 29, 2026, OHA posted a comment form to the [Transaction Notices and Reviews](#) page of the HCMO website and emailed subscribers to HCMO program updates to inform them about the opportunity to provide comment. OHA accepted comments via the form, phone, and by email to [hcmo.info@oha.oregon.gov](mailto:hcmo.info@oha.oregon.gov). OHA received no public comments.

## Proposed Transaction

CenterWell plans to acquire Hy-Vee’s specialty pharmacy businesses operating as Amber Enterprises, Inc. d/b/a Amber Specialty Pharmacy (“Amber”), and HYVACS, LLC d/b/a Hy-Vee Pharmacy Solutions (“HYVACS”).

## Entities Involved

### Humana

Humana is a publicly traded for-profit health care corporation headquartered in Louisville, Kentucky. Humana provides health insurance plans primarily through Medicare Advantage plans or by managing Medicaid services for various States. In 2025, 73% of Humana’s premium revenue came from individual Medicare Advantage plans with another 10% coming from state-based Medicaid contracts.<sup>1</sup> At the end of 2025, Humana had approximately 15 million members enrolled in any of their health plans nationwide.<sup>2</sup> Between 2024 and 2025, Humana’s consolidated services revenue increased 31% (\$1.4 billion) from \$4.4 billion to \$5.8 billion. Humana credited the growth in revenue to their primary care and pharmacy solutions businesses.<sup>3</sup>

## CenterWell

CenterWell is the health care services division of Humana that offers pharmacy, primary care, and home health services.<sup>4</sup> CenterWell states that these services are designed to enhance the overall healthcare experience of patients and may lower costs and utilization.<sup>5</sup> In Oregon, CenterWell's business is limited to pharmacy services only.

CenterWell has a partnership with WCAS Management Corporation d/b/a Welsh, Carson, Anderson & Stowe (WCAS), a private equity company, to develop and operate primary care centers.<sup>6</sup> The partnership was announced in 2022 to build 100 new senior-focused primary care centers between 2023 and 2025 throughout the US.<sup>7</sup> CenterWell also has a 40% ownership in Gentiva Hospice fka Kindred Hospice, a hospice company formerly owned by Humana prior to its acquisition in 2022 by the private equity firm, Clayton, Dubilier & Rice, LLC (CD&R).

CenterWell's pharmacy business operates through mail order pharmacy, specialty pharmacy, and provider-based retail pharmacies. CenterWell dispenses medications to patients, and performs drug utilization reviews, prescription verification, and patient counseling. In Oregon, CenterWell only operates mail order and specialty pharmacies; all of their provider-based retail pharmacies are located outside of Oregon. In 2025, CenterWell's pharmacy services filled 292,000 prescriptions for 16,500 patients in Oregon.<sup>8</sup>

## Hy-Vee

Hy-Vee is a grocery store chain that operates more than 240 retail stores in nine midwestern states including Illinois, Iowa, Kansas, Minnesota, Missouri, Nebraska, South Dakota and Wisconsin.<sup>9</sup> There are no Hy-Vee grocery stores in Oregon. Hy-Vee generates more than \$14 billion in sales annually.<sup>10</sup> Some Hy-Vee grocery stores operate retail pharmacies in stores. Hy-Vee also owns Red Box Rx, a telehealth company that provides treatment for men's and women's health conditions, hair and skin, mental health, and primary care conditions.<sup>11</sup> Red Box Rx partners with Hy-Vee affiliated pharmacies if the patient chooses to fill any dispensed prescriptions with a Hy-Vee pharmacy.<sup>12</sup> Neither Hy-Vee's retail pharmacies nor Red Box Rx are included in this transaction.

Hy-Vee directly owns HYVACS. HYVACS dispenses high-cost, high-touch medications for individuals with complex and chronic diseases. HYVACS does not provide any direct health care services to residents of Oregon. Hy-Vee also directly owns Amber Acquisition, LLC ("Amber Acquisition"), which in turn owns 100% of Amber. Amber also dispenses high-cost medications that focus on rare diseases, infusion, oncology, immunology, neurology, fertility, and transplant medications. Amber provides services to Oregonians through mail order pharmacy. In 2025, Amber served 670 patients and dispensed 2,605 prescriptions.

## Rationale for the Transaction

The entities state the reason for the transaction is due to Hy-Vee wanting to divest its pharmacy business in order to focus on its core business as a retail grocery chain.

CenterWell is purchasing the acquired companies because it allows CenterWell to maintain the current operations of the acquired companies while also growing its specialty pharmacy capabilities. The acquired companies' pharmacy divisions of Specialty, Rare & Orphan, Transplant, and Digital will be integrated into CenterWell's business to allow CenterWell to expand its specialty pharmacy business.<sup>13</sup>

## Transaction Terms

CenterWell will acquire Hy-Vee's specialty pharmacy businesses operating as Amber, through Hy-Vee's direct subsidiary Amber Acquisition, and HYVACS. Following the transaction, Amber and HYVACS will be wholly owned subsidiaries of CenterWell.<sup>14</sup>

## Post-Transaction Plans

The parties state that the transaction will not meaningfully affect access to care for Oregonians, existing Amber or HYVACS staffing, or existing payer, provider, or supplier contracts.<sup>15</sup> Over time, CenterWell will look to align the acquired companies' contracts with their own to avoid the complexity of having multiple contracts for suppliers or pharmacy benefit managers (PBMs).<sup>16</sup>

## Findings & Potential Impacts

OHA compiled and analyzed data and information to understand and examine the potential impacts of the transaction across various domains including access, cost, quality, and equity in alignment with preliminary review criteria. To evaluate the potential impacts of the proposed transaction on Oregon residents, OHA analyzed pharmacy utilization in Oregon using the All Payers All Claims database (APAC) of health insurance claims data. For more information on OHA's analysis, see **Appendix A: OHA's Review**. The below sections summarize OHA's findings from the preliminary review.

## Key Findings

### **There is little overlap among products offered by CenterWell and Amber.**

CenterWell offers a broad array of prescription drugs to Oregon patients. Between 2022 and 2025, their most commonly delivered drugs in Oregon included statins designed to lower cholesterol levels, beta-blockers to treat cardiac conditions, medications taken to lower blood pressure, and thyroid medications. Forty-seven drug classes comprised 75% of CenterWell's prescriptions.<sup>17</sup>

In contrast, Amber offers a much narrower range of prescriptions. Between 2022 and 2025, a single specialty drug – perfluorohexyloctane (brand name Miebo)<sup>1</sup>, designed to treat dry eye disease – comprised 25% of all of Amber's prescriptions. Only nine drug classes are represented in the top 75% of Amber's prescriptions.<sup>18</sup>

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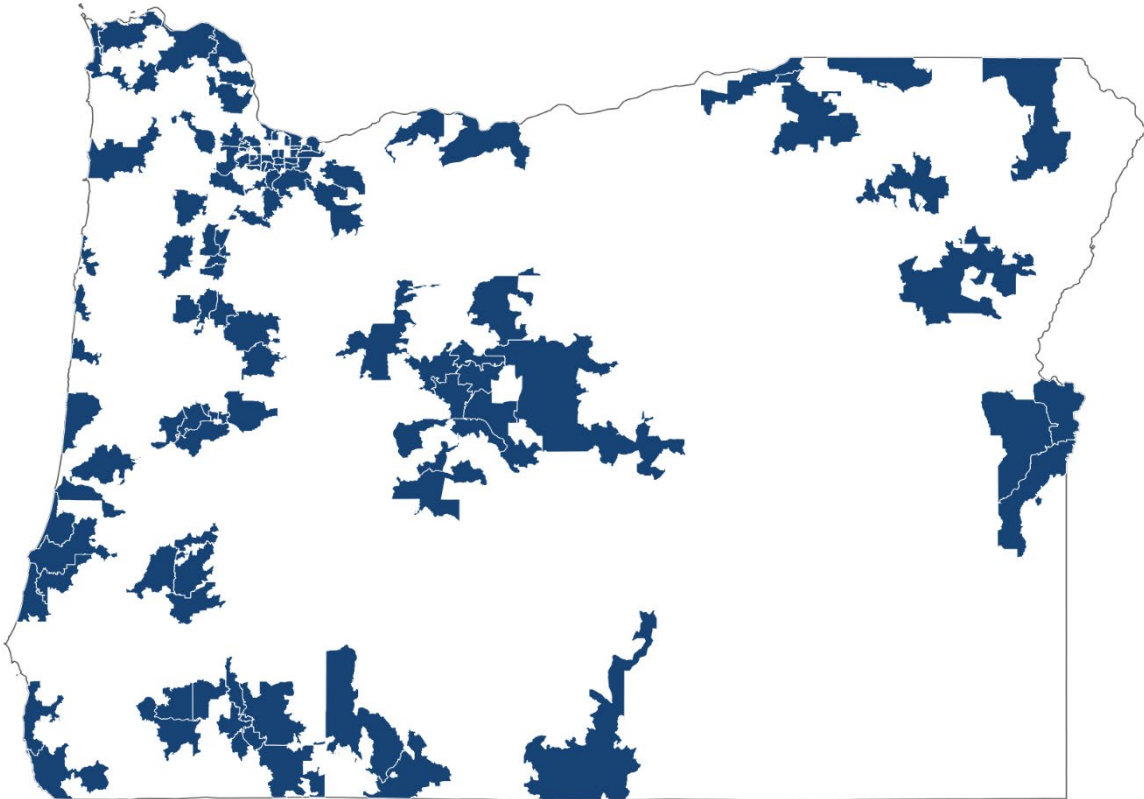
<sup>1</sup> Perfluorohexyloctane [was approved](#) by the FDA in May 2023

**The proposed transaction is unlikely to affect access to care or service delivery in Oregon.**

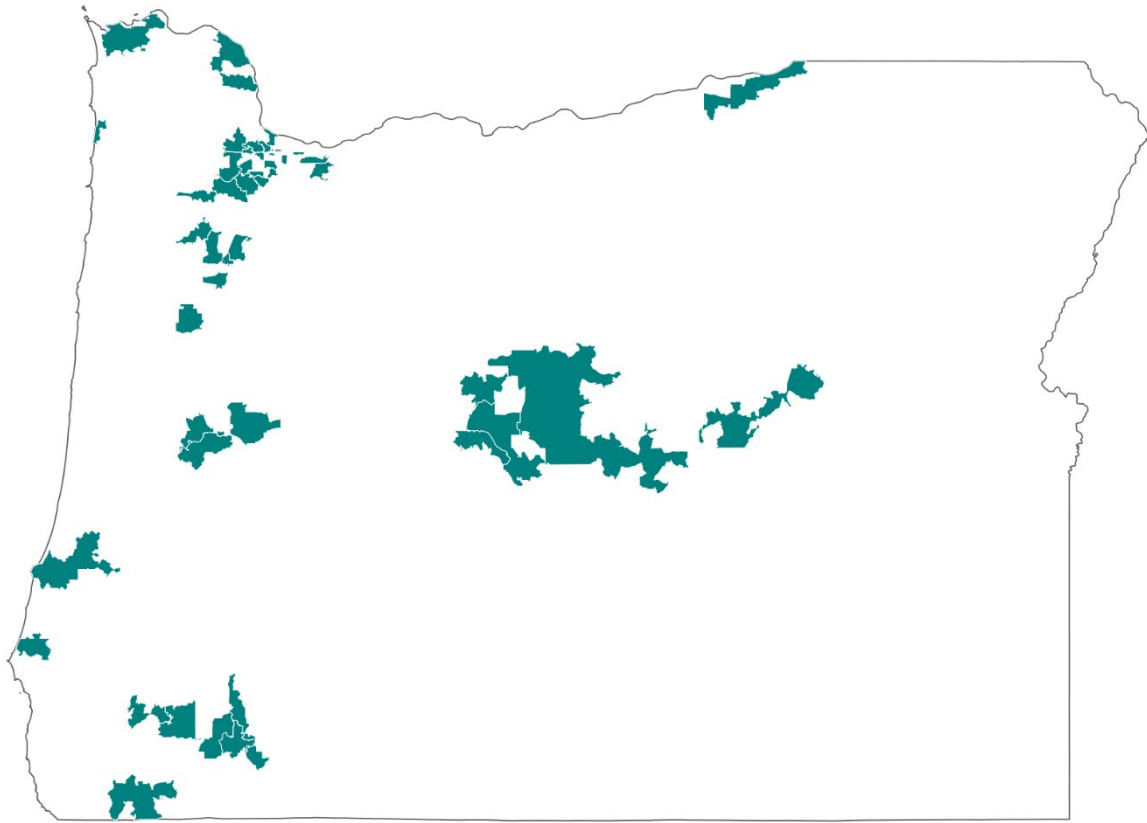
**Patients served by CenterWell and Amber are geographically diffused across Oregon.**

Both CenterWell and Amber operate their pharmacies in Oregon primarily through mail order. The shaded areas in the following maps display the zip codes in which 75% of **CenterWell** and **Amber** patients reside; neither entity has a clearly defined primary service area.

**CenterWell Service Delivery Areas**



## Amber Service Delivery Areas



### **CenterWell and Amber each have a minor presence in Oregon's prescription drug market.**

CenterWell is a relatively small player in Oregon's prescription drug market, having served approximately 16,500 Oregon patients in 2025<sup>19</sup> and having 4.8% of the share of Oregon's statewide market for prescription drugs.<sup>20</sup> Amber is an extremely minor presence in Oregon, having served only 670 patients in 2025<sup>21</sup> and having only 0.1% of Oregon's prescription drug market share.<sup>22</sup> Of the drug classes most commonly provided by Amber, CenterWell provided 4.1% of those prescriptions in Oregon while Amber provided 1.8%.<sup>23</sup>

### **Oregon access to Amber's most common drug is often obtained through non-mail order pharmacies.**

Amber has a substantial share of the market (33.5%) of the specialty dry eye medication Miebo among similar mail order community and retail pharmacies. However, it has only 2.1% of the market among all Oregon providers while CenterWell has only 0.4% of the

Miebo market. Approximately 75% of Oregon prescriptions for Miebo are filled at non-mail order community and retail pharmacies.<sup>24</sup>

# Conclusions

Based on preliminary review findings, **OHA approved the transaction on July 27, 2026.** See Findings of Fact, Conclusions of Law, and [Preliminary Review Order](#), dated July 27, 2026.

## Approval Criteria

The approval criteria are specified in administrative rules for the HCMO program and are consistent with Oregon law. Below is a summary of the main reasons, based on the findings described in this report, why OHA considers the criterion satisfied.

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

Both CenterWell and Amber operate statewide mail order pharmacies in Oregon with significantly diffuse service areas and a relatively small share of the state's prescription drug market. (HYVACS did not provide any services in Oregon in 2024 or 2025.) There is little overlap in the types of drugs they offer, with CenterWell providing a broad array of common prescription drugs and Amber focusing on a much narrower group of specialty drugs. One-fourth of prescriptions provided by Amber were for a single specialty drug designed to treat dry eye disease known as Miebo. However, there are many other existing access points for this drug, with 75% of Oregon prescriptions being filled at non-mail order community or retail pharmacies. OHA does not expect this transaction to result in any material changes to prescription drug access or market share.

## Follow-Up Reviews

As required by statute, OHA will conduct follow-up analyses one, two, and five years after the transaction is complete. OHA will monitor changes to health care cost, quality, access and health equity for people in Oregon.

As part of the required monitoring activities, OHA may request additional information from the entities. OHA will publish findings and conclusions from follow-up analyses to the HCMO website.

# Acronyms & Glossary

## Acronyms & Abbreviations

|      |                              |
|------|------------------------------|
| APAC | All Payer All Claims         |
| HCMO | Health Care Market Oversight |
| OAR  | Oregon Administrative Rules  |
| OHA  | Oregon Health Authority      |
| ORS  | Oregon Revised Statute       |
| PBM  | Pharmacy Benefit Managers    |
| PSA  | Primary Service Area         |

## Appendix A: OHA's Review

OHA performed a preliminary review of the proposed transaction to assess its potential impact on Oregon's health care delivery system. The review explored impacts in four areas (domains): cost, access, quality, and equity. OHA's analysis followed the guidelines and methods set out in the HCMO Analytic Framework published January 31, 2022.<sup>25</sup> The framework is grounded in the goals, standards, and criteria for transaction review and approval outlined in OAR 409-070-0000 through OAR 409-070-0085.

## Background Research and Literature Review

OHA conducted background research on the entities involved in the transaction to understand more about the proposed transaction, the entities involved, and the home health market. OHA consulted publicly available sources, including press releases and media reports; Securities & Exchange Commission (SEC) filings; business filings with the Secretary of State in Oregon and other states; entity websites; state agency, professional association, and third party entity reports; reports commissioned by local, state, and federal government; and other relevant governmental communications.

## Analytic Methods

### Data Sources

#### All Payers All Claims

[The Oregon All Payer All Claims Database](#) (APAC) houses administrative health care data for Oregon's insured populations. It includes medical and pharmacy claims, non-claims payment summaries (Payment Arrangement File data), member enrollment data, billed premium information and provider information for Oregonians who are insured through certain commercial insurance, Medicaid and Medicare. Information about APAC is available on OHA's website. The APAC study period for this review was based on claims

for services rendered between 2022 and 2025. OHA's analysis is based on claims for services rendered to residents of Oregon based on the state of their home address at the time of service as reported to APAC.

## References

<sup>1</sup> Humana, Inc SEC 10-K 2025. Available from: <https://humana.gcs-web.com/static-files/d9644e2d-5c8d-408a-a348-5fb44fb3822b>

<sup>2</sup> Ibid

<sup>3</sup> Ibid

<sup>4</sup> Berger, Liz. Growth at Humana providing 'tailwind' for CenterWell Home Health, exec says [Internet]. McKnights Home Care. Available from: <https://www.mcknightshomecare.com/news/growth-at-humana-providing-tailwind-for-centerwell-home-health-exec-says/>

<sup>5</sup> Humana, Inc SEC 10-K 2025. Available from: <https://humana.gcs-web.com/static-files/d9644e2d-5c8d-408a-a348-5fb44fb3822b>

<sup>6</sup> Ibid

<sup>7</sup> Humana's CenterWell Senior Primary Care and Welsh, Carson, Anderson & Stowe Announce Second Joint Venture to Develop and Operate Value-Based Primary Care Clinics for Medicare Patients [Internet]. Humana. Available from: <https://humana.gcs-web.com/news-releases/news-release-details/humanas-centerwell-senior-primary-care-and-welsh-carson-anderson>

<sup>8</sup> 085 CenterWell-Hy-vee HCMO-1 Notice of Material Change Transaction [internet]. Oregon Health Authority. Available from: <https://www.oregon.gov/oha/HPA/HP/HCMOPageDocs/085-Notice.pdf>

<sup>9</sup> Hy-vee Store locator. Available from: [https://www.hy-vee.com/stores/?srsltid=AfmBOoqYhTW72K40UtiYl8s1CCW\\_V\\_nH4XKcK7rXQ7q6XRpcYsJpNrMu](https://www.hy-vee.com/stores/?srsltid=AfmBOoqYhTW72K40UtiYl8s1CCW_V_nH4XKcK7rXQ7q6XRpcYsJpNrMu)

<sup>10</sup> <https://ir.kroger.com/news/news-details/2026/Kroger-Health-Hy-Vee-and-Ahold-Delhaize-USA-to-Convene-Industry-Leaders-Advancing-the-Future-of-Health-at-Nourishing-Change/default.aspx>

<sup>11</sup> Redbox RX. <https://www.redboxrx.com>

<sup>12</sup> 085 CenterWell-Hy-vee response to incomplete notice [internet]. Oregon Health Authority. Available from: <https://www.oregon.gov/oha/HPA/HP/HCMOPageDocs/085-incomplete-response.pdf>

<sup>13</sup> 085 CenterWell-Hy-vee HCMO-1 Notice of Material Change Transaction [internet]. Oregon Health Authority. Available from: <https://www.oregon.gov/oha/HPA/HP/HCMOPageDocs/085-Notice.pdf>

<sup>14</sup> Ibid

<sup>15</sup> Ibid

<sup>16</sup> Ibid

<sup>17</sup> Oregon Health Authority. (2025). All Payer All Claims Reporting Program. Release 23. Salem, Oregon: Oregon Health Authority.

<sup>18</sup> Ibid.

<sup>19</sup> 085 CenterWell-Hy-vee HCMO-1 Notice of Material Change Transaction [internet]. Oregon Health Authority. Available from: <https://www.oregon.gov/oha/HPA/HP/HCMOPageDocs/085-Notice.pdf>

<sup>20</sup> Oregon Health Authority. (2025). All Payer All Claims Reporting Program. Release 23. Salem, Oregon: Oregon Health Authority.

<sup>21</sup> 085 CenterWell-Hy-vee HCMO-1 Notice of Material Change Transaction [internet]. Oregon Health Authority. Available from: <https://www.oregon.gov/oha/HPA/HP/HCMOPageDocs/085-Notice.pdf>

<sup>22</sup> Oregon Health Authority. (2025). All Payer All Claims Reporting Program. Release 23. Salem, Oregon: Oregon Health Authority.

<sup>23</sup> Ibid.

<sup>24</sup> Ibid.

<sup>25</sup> Oregon Health Authority, Health Care Market Oversight Analytic Framework, January 31, 2022, available at <https://www.oregon.gov/oha/HPA/HP/HCMOPageDocs/OHA-HCMO-Analytic-Framework-FINAL.pdf>