

Response to Notice of Incomplete Application
087 Cascade High Value Network
Attachment N: Supplemental and Amended Responses to Part C

1. Please provide a description of Cibolo Health

Cibolo Health, LLC is a South Dakota limited liability company first formed in 2023. It is affiliated with Cibolo Procurement, LLC, which functions like a group purchasing organization for the hospitals and other entities that participate in clinically-integrated networks (each, a “CIN”) managed by Cibolo Health. Cibolo Health is also affiliated with Cibolo ACO 1, LLC, which is an accountable care organization (“ACO”) formed pursuant to 42 CFR Part 425. Both Cibolo Procurement, LLC and Cibolo ACO 1, LLC were formed in 2025.

Cibolo Health was established to help independent, rural hospitals form, manage, and operate CINs that have the scale, population bases, resources, and expertise to participate in value-based purchasing models and other population health initiatives. Currently, Cibolo Health is working with rural hospitals that have formed CINs in Kansas, Minnesota, Montana, Nebraska, North Dakota, Ohio, and Wisconsin. Cascade Network is Cibolo Health’s first and only CIN project in Oregon.

a. Describe Cibolo Health’s operations, including business lines or segments, both overall and in Oregon; and

For its CIN clients, Cibolo Health provides population health management, value-based contract management, clinical data analytics, group purchasing catalog administration, care coordination technology, and executive leadership services. Its leaders include physicians, nurse practitioners, nurses, lawyers, finance professionals, health insurance experts, healthcare administrators, and other professionals. These leaders and the other staff at Cibolo Health support all of the organization’s clients under a shared-services model. Cibolo Health intends to provide the same services to Cascade Network in Oregon as it provides to its existing clients in other states.

b. Describe Cibolo Health’s governance and operational structure (including ownership of or by any healthcare entities).

i. List all Cibolo Health business entities and ultimate parent entity.

Cibolo Health has no parent entity and no venture capital or third-party institutional investors. It holds no ownership interest in, and is not owned or controlled in any part by, any healthcare system, hospital, insurance, or other healthcare entity. Instead, it is 100% owned by its five founders: Nathan White, Brittany Sachdeva, Brett Norell, Dr. Clint McKinney, and John Naylor.

Cibolo ACO 1, LLC is wholly owned by Cibolo Health, but overseen by a separate governing board, as required by 42 CFR Sec. 425.106. Cibolo Procurement, LLC is owned by the five founders named above, but is not directly affiliated with Cibolo Health or Cibolo ACO 1, LLC.

ii. Provide a diagram or chart showing the organizational structure and relationships between business entities.

A chart showing the organizational structure and relationships of Cibolo Health and its affiliates is attached as **Attachment N, Exhibit 1.b.ii.**

2. Please provide a detailed description of Cibolo Health's role and duties related to Cascade Network. In particular, please describe in detail:

a. All duties to be undertaken by Cibolo Health;

Most of Cibolo Health's duties to Cascade Network are set forth in the Management Services Agreement, a draft of which is attached as Attachment M, Exhibit 1. As a general matter, and subject to the final approval and delegation of duties from the Cascade Network board, Cibolo Health will be responsible for managing and operating all administrative, technical, and clinical integration functions of Cascade Network. The personnel provided by Cibolo Health typically assume key leadership roles for the CIN, such as CEO, CFO, CMO, Chief of Population Health, VP of Operations, VP of Clinical Coordination, Director of Care Coordination, Payer Contracting Lead, and CIN Compliance Officer.

b. Existing Cibolo tools and infrastructure that will be provided to Cascade Network; and

Cibolo Health supports its CINs by making available to them various tools and resources. For example, Cibolo Health provides its clients with access to Cibolo Connect, which is a centralized data engine that aggregates clinical and claims data from each CIN member's electronic medical records ("EMR") system. Cibolo Connect allows members to see where the CIN's care gaps may be, to perform population health analytics, to identify risk areas, and to monitor and track other key population health metrics. Cibolo Health also provides its clients with centralized care coordination. Specifically, the Cibolo Health care coordination team works with each participating entity's local care team to implement care management, chronic disease management, and patient navigation initiatives.

c. Cibolo Health's staffing for Cascade Network.

Cibolo deploys a hybrid staffing model consisting of dedicated executive leadership (CEO, COO, CFO, CMO, Chief of Population Health) and shared operational resources (data analysts, software engineers, payer contracting specialists, and care coordinators) allocated directly to support Cascade Network.

3. Please provide any drafts of Exhibit C: Base Fee Schedule to the Hospital Participation Agreement, if available.

Currently, there are no drafts or finalized versions of Exhibit C available for Cascade Network.

4. Describe all expected costs and funds flow associated with Cascade Network's agreement with Cibolo Health. In your response, please include:

a. The cost structure and how payments will be made;

Typically, Cibolo Health's overall management fee is the greater of: (i) a fixed annual fee, or (ii) twenty-five percent (25%) of the CIN's total value-based care dollars. The annual fee is paid on a regular, monthly basis. The percentage-based fee is determined and paid at the end of each performance period (year or half year), with a true-up allocation being paid to Cibolo Health only if the percentage-based compensation amount exceeds the fixed-fee amount for that period. Note that any amounts received by Cascade Network through the Rural Health Transformation Program ("RHTP") will be credited dollar-for-dollar against any amounts owed by Cascade Network to Cibolo Health.

b. The amount of any payments to date; and

To date, no payments have been made by Cascade Network to Cibolo Health.

c. The expected amount and frequency of future payments.

See response to item 4.a., above.

5. Please provide a copy of the Management Services Agreement between Cibolo Health and Cascade Network.

a. If the Management Services Agreement has not been executed, please provide any and all draft agreements. If no such agreement exists, please provide a term sheet summarizing the agreement.

A draft of the most-current version of the Management Services Agreement was attached as Attachment M, Exhibit 1 to Cascade Network's earlier HCMO submission. Final negotiation and execution of this agreement will not occur until after the Participating Entities' application for HCMO approval has been granted and the CIN has been officially launched.

6. Please provide a copy of any agreements between Cibolo Health and partnering hospitals.

There are no agreements directly between Cibolo Health and any Participating Entity. Instead, Cibolo Health is contracting only with Cascade Network.