Health Care Market Oversight

PeaceHealth Deal with Northwest Surgical Specialists

The <u>Health Care Market Oversight</u> (HCMO) program reviews heath care business deals, like mergers and acquisitions, to make sure they do not harm people and communities in Oregon. On July 17, 2023 OHA accepted a complete <u>notice</u> from PeaceHealth describing a planned transaction with Northwest Surgical Specialists, LLP ("NWSS").

Who's involved?

PeaceHealth is a nonprofit Catholic health system based in Vancouver, Washington with hospitals, clinics, and other health care facilities in Washington, Oregon, and Alaska. In Oregon, PeaceHealth operates four hospitals in Eugene, Springfield, Florence, and Cottage Grove that together provide over 20,000 hospital stays annually and employ more than 5,000 people. PeaceHealth's Oregon hospitals have 182 surgeons on staff and perform more than 16,000 surgeries annually. **PeaceHealth Medical Group**, a division of PeaceHealth, operates 61 medical clinics across Lane County and employs 398 Oregon practitioners, of whom 28 are surgeons.

Northwest Surgical Specialists, LLP ("NWSS") is a surgery practice that operates a clinic in Springfield. NWSS' eight surgeons provide cancer, breast, trauma & acute care, colorectal, and vascular surgery services to patients across Southwest Oregon. NWSS providers perform surgical procedures at nearby hospitals and other health care facilities, including PeaceHealth Sacred Heart Medical Center Riverbend and McKenzie Willamette Hospital.

About the deal

Through this business deal, seven of NWSS' eight surgeons, four advanced practitioners, and one half of other NWSS staff members will become full-time employees of PeaceHealth Medical Group. PeaceHealth will purchase all furniture and equipment at the NWSS clinic and take over the lease for the clinic space. PeaceHealth says the NWSS surgeons joining PeaceHealth will continue to offer the same services at the same locations as they currently do, and their patients will be able to apply for financial assistance from PeaceHealth.

What's next?

OHA will conduct a 30-day review of the deal to understand how it could affect the cost and quality of health care, access to services, and health equity. During the review, OHA will use health care data, information from the companies, news and media reports, and input from the public to decide whether the deal should be approved.

We want to hear from you!

Public input is crucial to OHA's review! Your feedback can help us understand how this business deal could help or harm people in your community. To share your thoughts and feedback, please email hemo.info@oha.oregon.gov by **July 31, 2023**. In your email, include the word "PeaceHealth", what you think, and whether you support or oppose the deal.

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