Health Care Market Oversight

CareOregon and SCAN Business Deal

The <u>Health Care Market Oversight</u> (HCMO) program reviews planned heath care business deals to make sure they support statewide goals related to cost, equity, access, and quality. After completing a review, the Oregon Health Authority (OHA) decides whether a business deal, or transaction, should proceed. On January 12, 2023 OHA accepted a complete <u>notice of material change transaction</u> from SCAN Group and CareOregon. The notice describes plans for the companies to combine.

Who's involved?

CareOregon is a non-profit company that offers health plans to people with Medicaid coverage in Oregon. CareOregon operates two coordinated care organizations: Jackson Care Connect serving Jackson County; and Columbia Pacific, serving Clatsop, Columbia, and Tillamook counties. CareOregon provides benefits to Medicaid members in the Portland metro area through an agreement with Health Share of Oregon. CareOregon also provides home health and hospice health care services and offers health plans for people who have both Medicaid and Medicare coverage. The company serves more than 500,000 people in Oregon.

SCAN Group is a non-profit organization based in California that offers Medicare Advantage health plans. SCAN Group also operates three medical groups and provides health care and support services to older adults and people with unstable housing. The organization serves more than 270,000 people across California, Arizona, and Nevada and plans to expand to Texas.

About the deal

In this planned deal, SCAN Group will be renamed HealthRight and become the parent company of CareOregon. By affiliating, SCAN Group and CareOregon hope to create a non-profit organization to serve Medicare and Medicaid members across multiple states. They plan to improve and expand their current programs to serve vulnerable people. CareOregon does not anticipate any changes to services and plans to keep current management and staffing. Prior to closing the deal, CareOregon will establish a charitable foundation to serve the needs of people in Oregon.

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, news and media reports, information from the companies, and input from the public to decide whether the deal should be approved. This deal may also be reviewed by other state agencies.

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 about this business deal, please email hcmo.info@oha.oregon.gov by January 26, 2023. In your email, include the word "CareOregon", what you think, and whether you support or oppose the deal.

You can get this document in other languages, large print, braille, or a format you prefer free of charge. Contact us by email at hcmo.info@oha.oregon.gov or by phone at 503-385-5948. We accept all relay calls.

