

EXECUTIVE SUMMARY

SCAN Group and CareOregon Preliminary Review

The Oregon Health Authority's [Health Care Market Oversight](#) (HCMO) program reviews proposed health care business deals to make sure they support statewide goals related to cost, equity, access and quality. After completing a review, OHA issues a decision about whether a business deal, or transaction, involving a health care company should proceed. On January 12, 2023, OHA accepted a complete [notice of material change transaction](#) from SCAN Group, detailing a proposed transaction with CareOregon.

Proposed Transaction

SCAN Group is a California-based nonprofit that offers Medicare Advantage plans and health care services, focusing on care for older adults. CareOregon is an Oregon-based nonprofit that offers health plans to people with Oregon Health Plan coverage. CareOregon serves more than 500,000 people and is associated with three coordinated care organizations (CCOs): Columbia Pacific CCO, Jackson Care Connect, and Health Share of Oregon.

Under the proposed transaction, SCAN Group and CareOregon will enter into an agreement where SCAN Group will be renamed HealthRight and become the parent company of CareOregon. CareOregon will contribute up to \$70 million over multiple years to HealthRight. CareOregon will also contribute \$25 million to establish a new foundation.

OHA's Review

OHA completed a preliminary review of the proposed transaction. During the review, OHA began to assess the potential impact of the transaction on access to affordable care in Oregon. OHA held a 14-day public comment period and received two [public comments](#). Based on the preliminary review, **OHA determined that the transaction requires a comprehensive review.** (See the [review report](#) and [comprehensive review letter](#) for more information.)

This transaction is also subject to the OHA's CCO Form A review and domestic insurer Form A review by the Department of Consumer and Business Services (DCBS). As required by applicable statutes and administrative rules, OHA will issue a recommendation to DCBS following the HCMO review, rather than issuing a standalone decision.

Next Steps

The comprehensive review will be completed by July 11, 2023, unless the review period is extended in accordance with applicable statutes and administrative rules. During the comprehensive review, OHA will analyze the likely impact of the transaction on access, cost, quality and equity. HCMO staff will coordinate with CCO and domestic insurer Form A review teams on analyses and public engagement activities.

OHA will accept and post public comments throughout the comprehensive review period. Public comments can be submitted via email to hcmo.info@oha.oregon.gov.

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.

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