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VIA EMAIL

Sarah Bartelmann, MPH
Cost Programs Manager
Oregon Health Authority
hcmo.info@oha.oregon.gov

Re: Responses to Supplemental Requests for Information (Section C) – 060 – CVR-Inovia

Dear Ms. Bartelmann:

In connection with the Notice of Material Change Transaction (Form HCMO-1) submitted to the Oregon Health Authority Health Care Market Oversight Program (“OHA”) by CVR Management, LLC (“CVR”), Center for Vein Restoration (OR), LLC (“CVR-OR”), and Inovia, LLC (“Inovia Vein,” and together with CVR and CVR-OR, the “Applicants”), please find enclosed the Applicants’ responses to the information requests set forth in Section C of OHA’s letter dated September 12, 2025.

1. Please describe what will happen to Inovia post-closing.

a. Will the business entity cease to exist?

CVR-OR will serve as the professional entity following the closing. The parties will enter into a Transition Services Agreement pursuant to which CVR-OR and Inovia Vein will collaborate to fully effectuate the transition of operations from Inovia Vein to CVR-OR, including the collection of any outstanding accounts receivable. Upon completion of this transition, Inovia Vein will be formally dissolved.

For the avoidance of doubt, the resulting structure will reflect the same clinical assets housed within CVR-OR, as would have been the case had operations remained with Inovia Vein. The sole distinction is that the change in corporate entity provides enhanced protection with respect to limitation of liability.

b. Will clinics be rebranded? If so, please describe the new branding and the timeline for rebranding.

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US practice conducted through McDermott Will & Schulte LLP.

R-CVR_INOV_HCMO_00284

Yes, the Inovia Vein clinics will be rebranded. Rebranding is typically not completed within the first year following an acquisition, unless a lease renewal or similar opportunity arises earlier. Updated signage or branding will reflect Inovia Vein’s transition to CVR-OR and contain both business names. Similarly, when answering phones, the greeting will be “Inovia and Center for Vein Restoration Oregon.” During this transition period, the existing Inovia Vein logo will continue to appear on materials, while Center for Vein Restoration Oregon branding will also be introduced in materials to help facilitate integration. Complete rebranding is generally completed within fifteen (15) months post-closing.

2. Please provide a list of all payers with which Inovia currently contracts in Oregon (for each contract, identify the line/s of business (commercial, Medicare Advantage, Medicaid/OHP) and end date).

Please refer to Attachment to Supplemental Request for Information Item 2. *See R-CVR_INOV_HCMO_00289 – R-CVR_INOV_HCMO_00295.*

3. Please provide more information about how the proposed transaction will affect the contracts described in response to RFI 2. In your response, address the following:

a. Will Inovia’s current payer contracts be transferred to CVR or CVR-OR?

There are no plans to change the Inovia Vein providers, payer contracts or payer mix resulting from the proposed transaction. Each clinic will continue to bill at the non-facility rate, which is far lower than if this involved an Ambulatory Surgery Center (ASC) or hospital setting.

There are no plans to change insurance carriers or networks. As determined by CVR-OR, CVR-OR will enter into new contracts with the same payers using the same providers that Inovia Vein had and used prior to the closing of the transaction.

b. Will those contracts be renegotiated? If so, when will this occur?

Inovia Vein and CVR-OR do not plan to renegotiate the current Inovia Vein payer contracts, but rather will enter into new contracts with the same payers using the same provider numbers that Inovia Vein had and used prior to the closing of the proposed transaction.

c. Post-closing, which entity will be responsible for negotiating contracts with payers?

Following the proposed transaction, CVR-OR/Inovia Vein will be responsible for negotiating contracts with payers.

d. Do the entities anticipate that any payer contracts will not continue? If so, which payer contracts are likely to be terminated?

The Applicants do not anticipate that any payer contracts will not continue.

e. If contracts are terminated, how will services be impacted by those contract terminations?

The Applicants do not anticipate any impact to services because no payer contracts are likely to be terminated.

4. What will be the relationship between the physician owner of CVR-OR and CVR?

a. Please explain what the “no direct relation” between CVR and Physicians on the submitted post-closing organizational chart means. In doing so, please describe all direct and indirect relationships involved in this proposed transaction.

As depicted on the post-closing organizational chart, in accordance with Oregon Senate Bill 951 (2025) House Bill 3410 (2025), the Physician who holds 99% ownership of CVR-OR, at the closing of the transaction, will enter into a securities transfer agreement with CVR that includes the elements specifically permitted in OR SB951 and OR HB3410. The Physician who holds 99% ownership of CVR-OR will have no other contractual arrangement with CVR and such physician will not be a shareholder, director, member, manager, officer or employee of CVR.

5. Please describe the process and timeline to identify a physician owner of CVR-OR.

a. Does CVR anticipate that the physician owner of CVR-OR will be one or more of the current Inovia physicians?

CVR anticipates that at least one of the Inovia Vein physicians will become the majority owner of CVR-OR. The physician will be selected prior to closing the proposed transaction.

6. Does CVR anticipate that Inovia physicians will receive an ownership stake in, receive compensation from, or act as officers or directors of CVR?

No, CVR does not anticipate that Inovia Vein physicians will receive an ownership stake in CVR, receive compensation from CVR, or serve as officers or directors of the company.

7. The attachment to Section 12 of the Notice describes purchases of 23 vein-care medical practices. Please address the following:

a. Has CVR closed any of these practices, reduced clinical staff or otherwise reduced the availability of care from these practices?

CVR has not reduced clinical staff or otherwise reduced the availability of care from the affiliated practices. CVR’s philosophy has been to maintain or expand availability of care and retain or add clinical staff in order to do so.

The twenty three (23) vein-care medical practices for which CVR acquired the nonclinical assets comprised forty six (46) individual clinics. Eleven (11) of the individual clinics have closed for a variety of strategic reasons such as consolidating acquired clinics with existing CVR affiliated clinics due to close proximity, physician retirement and, in one instance, CVR exited a market after five years of operation due to limited physician availability. In all cases, continuity of care was maintained for patients.

b. Did CVR transition these practices to its NextGen platform?

Yes, all CVR affiliated practices have transitioned to the NextGen platform upon closing.

c. Describe any issues or best practices learned in these transactions.

In prior integrations, the primary challenge has been training and change management during the transition to CVR’s standard platforms, most notably the NextGen EMR. While adopting a new EMR and aligning workflows can be disruptive initially, CVR’s experience with its affiliated practices has shown during the integration, the teams are trained and become comfortable with the standard platforms, then the CVR affiliated practice realizes efficiencies in clinical operations and realizes significant improvements in scheduling, documentation, and reporting.

CVR has found that a structured onboarding process, including dedicated training sessions, shadowing, and ongoing support, is critical to ensuring a smooth transition for a CVR affiliated practice on to CVR’s standard platforms. CVR’s early, frequent and transparent communications with the CVR affiliated practice’s staff and the CVR affiliated practice’s early and transparent communications with patients about the platform integration has also proven to be a best practice, helping minimize disruption and reinforcing continuity of patient care.

Over time, the CVR affiliated practice’s transition to a single EMR and set of standard operating procedures for the platform has optimized operations, streamlined reporting, improved compliance, and enhanced the overall patient experience across the network of clinics.

8. Has CVR evaluated whether the proposed transaction, including the underlying agreements outlining the proposed transaction, align with the requirements of Oregon’s laws and regulations restricting the corporate practice of medicine (“CPOM”), including Senate Bill 951 (2025) (“SB 951”)? In responding, address the following:

Party A’s legal counsel – McDermott Will & Schulte (“McDermott”) has reviewed the requirements of OR SB951 and OR HB3410. McDermott reviewed the proposed transaction structure to ensure alignment with the requirements of OR SB951 and OR HB3410, including permissible contractual relationships between CVR-OR’s 99% physician-owner and permissible contractual and other relationships between CVR-OR’s 1% physician-owner and CVR. Additionally, McDermott reviewed the requirements of OR SB951 and OR HB3410 to ensure

alignment of such regulations with contracts between CVR-OR and CVR and contracts between physicians and CVR-OR.

a. The provisions of the Term Sheet, including provisions specifying key terms for employment agreements to be entered by the Inovia Physicians.

At the closing of the transaction, Inovia Physicians will enter into new Physician Employment Agreements with CVR-OR and have no contractual arrangements with CVR and, for the sake of clarity, such physicians will not have any of the following roles with CVR: shareholder, director, member, manager, officer, employee or contractor.

The Physician Employment Agreements with CVR-OR will have 2-year terms, fair market value compensation terms and restrictive covenants that align with the requirements of OR SB951 and OR HB3410.

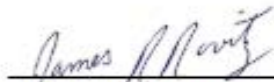
b. The post-closing organizational structure of and anticipated contractual relationships between CVR and CVR Oregon.

At the closing of the transaction, CVR and CVR-OR will enter into a Management Services Agreement for the provision of administrative and back-office support services provided by CVR to CVR-OR and the terms of such will align with the requirements of OR SB951 and OR HB3410.

At the closing of the transaction, CVR, CVR-OR and the 99% physician-owner will enter into a Securities Transfer Agreement that aligns with the requirements of OR SB951 and OR HB3410.

At the closing of the transaction, CVR, CVR-OR and the 1% physician-owner will enter into a Securities Transfer Agreement that aligns with the requirements of OR SB951 and OR HB3410.

Sincerely,



James R. Ravitz