

## State Agency Review of the SCAN Group & CareOregon Transaction

In Oregon, multiple state agencies and programs may review proposed business deals involving health care companies, including the Oregon Health Authority and the Department of Consumer and Business Services (DCBS). HCMO also coordinated with the Department of Justice Charitable Activities Section, which regulates charitable and non-profit organizations.

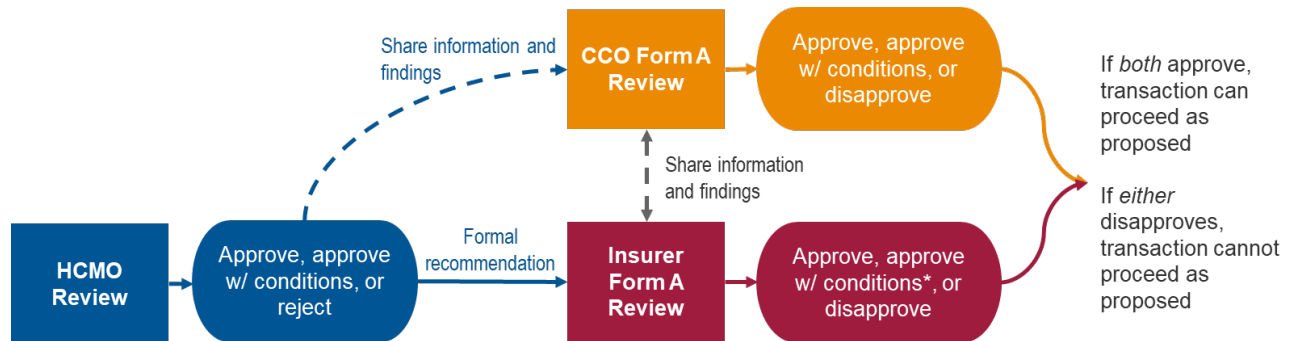
Because CareOregon is associated with three CCOs in Oregon and offers a Medicare plan, this proposed transaction is subject to three separate regulatory reviews. The table below provides a high-level overview of each type of review.

	HCMO	CCO Form A	Domestic Insurer Form A
<b>State agency</b>	OHA	OHA	DCBS
<b>Related regulations</b>	ORS 415.501 et seq OAR 409-070-000 through -0085	OAR 410-141-5255 through -0080	ORS 732.517 to 732.547 OAR 836-027-0030 through -0140
<b>Who is subject to review?</b>	Providers, insurers, CCOs, and <a href="#">other health care entities</a>	CCOs	Domestic insurers
<b>Which markets are included?</b>	All markets (commercial, Medicaid, Medicare) and all services	Medicaid	Commercial and Medicare Advantage
<b>What does the review look at?</b>	Cost, access, equity, quality, market share and competition, alignment with legal requirements	Alignment with CCO requirements, financial condition, leadership, control, competition, disparities and inequities, cost and cost growth, high-quality care	Alignment with legal requirements, financial condition, leadership, control, competition
<b>How long does the review take?</b>	Preliminary review is completed within 30 days. Comprehensive review is completed within 180 days, unless extended.*	No required timeline – the process has been known to take six months or longer. Other deadlines may apply, such as timing for public hearings.	No required timeline – the process has been known to take six months or longer. Other deadlines may apply, such as timing for public hearings.
<b>For more information?</b>	<a href="#">Health Care Market Oversight program</a>	<a href="#">CCO Financial Information</a>	<a href="#">DCBS Form A</a>

\*The review period may be extended in accordance with applicable statutes and administrative rules.

When a transaction is also subject to domestic insurer Form A review, HCMO makes a recommendation to the DCBS, rather than issuing a standalone decision. OHA will issue its own

decision following the CCO Form A review, though the programs may share information and coordinate review activities. The diagram below shows the relationship between the three types of reviews.



\*DCBS normally does not have the authority to apply conditions, but if OHA recommends approval with conditions, DCBS may pass along conditions in their decision