Health Care Market Oversight

Cardinal Health and Advanced Diabetes Supply

The <u>Health Care Market Oversight</u> (HCMO) program reviews heath care business deals to make sure they support Oregon's goals of health equity, lower costs, increased access, and better care. On February 13, 2025, the Oregon Health Authority (OHA) accepted a complete notice of material change describing plans for Cardinal Health to buy Advanced Diabetes Supply (ADS).

Who's involved?

Cardinal Health is a global healthcare services and products company. RGH Enterprises is a wholly-owned subsidiary business of Cardinal Health and the acquiring entity in this transaction. Through RGH Enterprises, Cardinal Health operates Edgepark, a national direct-to-consumer online retailer headquartered in Ohio that distributes of diabetes supplies and other medical supplies. Diabetes supplies include continuous glucose monitors, traditional finger-prick glucose monitors, test strips, insulin pumps, insulin vials, and insulin pens. RGH Enterprises also distributes diabetes and other medical supplies directly to health care entities. In its other business lines, Cardinal distributes generic and specialty pharmaceutical and over-the-counter products, manufactures and distributes medical, surgical, and laboratory products, and operates nuclear pharmacies and manufacturing facilities.

Advanced Diabetes Supply (ADS) is a national direct-to-consumer online retailer headquartered in California that distributes diabetes supplies, including continuous glucose monitors. ADS does not manufacture diabetes supplies and does not operate any brick-and-mortar locations. ADS provides online retail services through its wholly owned subsidiaries North Coast Medical Supply, US Med and United States Medical Supply.

About the deal

Cardinal Health is proposing to acquire ADS through its subsidiary RGH. Cardinal Health states that the transaction will allow the combined business to become more competitive and enhance the company's ability to meet increasing demands for the growing diabetic patient population more efficiently. Cardinal Health expects this transaction to accelerate in-home distribution of continuous glucose monitors to patients including Oregon residents, ensuring access to these products.

What's next?

OHA is reviewing this deal to understand how it could affect access to care for communities in Oregon. During the review, OHA will use health care data, news and media reports, information from the entities, and public input to decide whether the deal should be approved. After completing a review, OHA will issue a decision about whether the deal may proceed as planned.

Health Care Market Oversight We want to hear from you!

Public input helps us understand how this deal could help or harm people in your community. To share your thoughts about this deal, please email hcmo.info@oha.oregon.gov, leave a voicemail at 503-945-6161, or fill out the public comment form. In your comment, mention "Cardinal", what you think, and whether you support or oppose the deal.

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