

Timeline for Furnishing Final Definitive Agreements

The Health Care Market Oversight program was created to ensure that proposed health care transactions support the goals of health equity, lower costs, increased access, and better care. Under ORS 415.500 et seq., the Oregon Health Authority (OHA) will monitor changes to the health care market by reviewing proposed material change transactions. Per OAR 409-070-0045, the Notice of Material Change Transaction must include either final executed copies of all the definitive agreements that will be used to close and document the transaction or a term sheet.

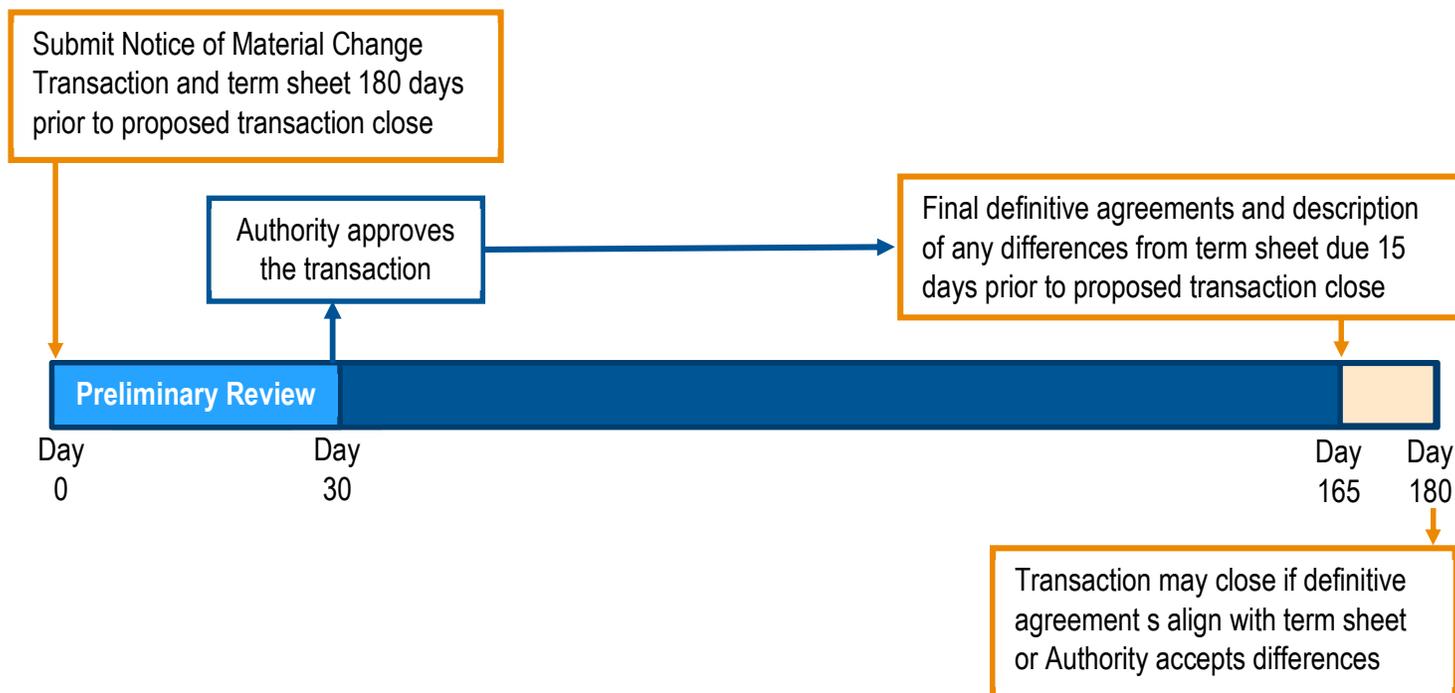
If the entities provide final executed copies of the definitive agreements with the Notice, and the terms of the transaction do not change during OHA's review period, no further documentation is required under OAR 409-070-0045. When entities submit a term sheet as part of their Notice, they are required by OAR 409-070-0045 to submit final executed copies of all definitive agreements within a specified timeline detailed below.

Timeline for Furnishing Final Definitive Agreements

If the filing entity provides a term sheet as part of the Notice of Material Change Transaction, the entity is still responsible for providing final executed copies of all definitive agreements, along with a detailed description of any changes between the submitted term sheet and the final definitive agreements. Due dates for provision of these documents depend on OHA's review process and the transaction approval status.

Definitive Agreement Submission upon Approval after Preliminary Review

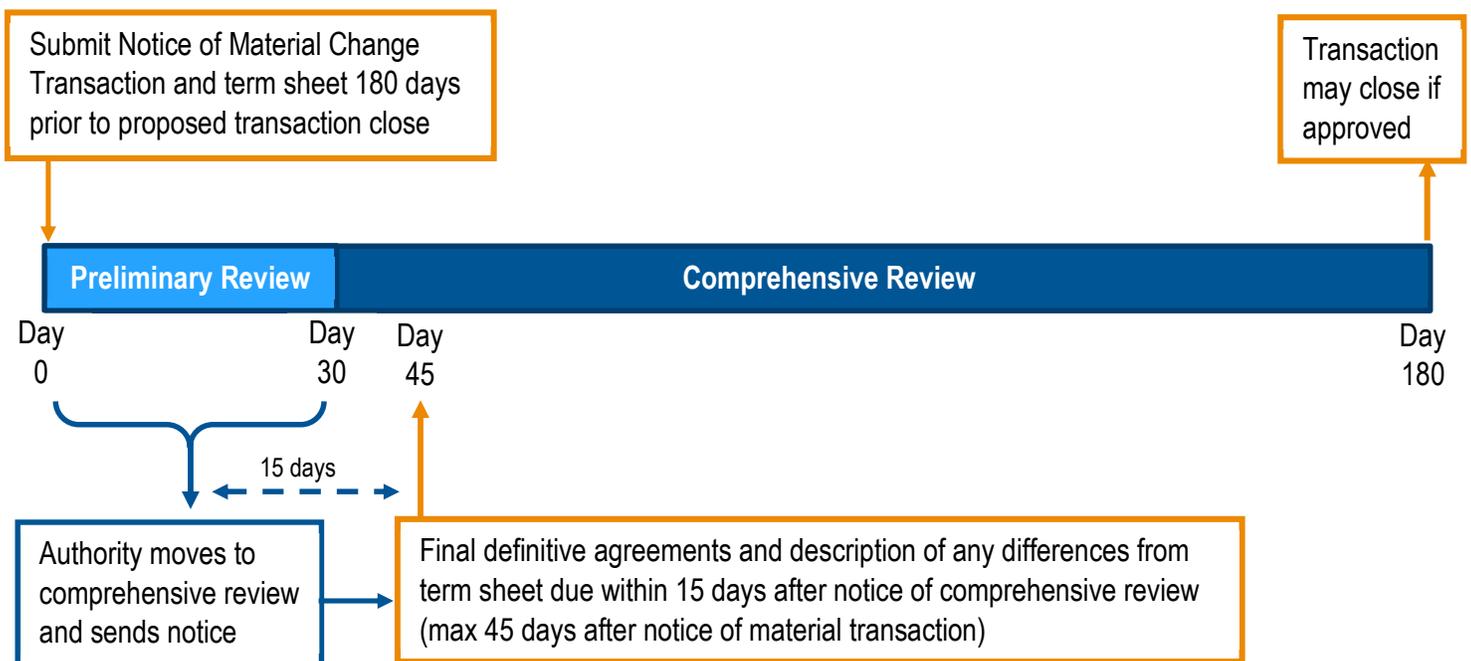
If OHA approves the transaction, or approves with conditions, upon **preliminary review** (up to 30 days after notification), final definitive agreements and description of any differences from the term sheet must be provided no later than 15 days prior to the proposed closing date of the transaction. If the Notice of Material Change Transaction was timely and submitted 180 days prior to the intended closing date, the final definitive agreements and description of any differences from the term sheet are due no later than 165 days after notification.



If the contents of the final definitive agreements are materially different from the submitted term sheet, OHA may withdraw or modify initial approval of the transaction. Material differences include, for example, a change in the type of transaction (e.g., a joint venture instead of corporate affiliation), a change in the entities involved in the transaction, or changes to the governance or operational structure resulting from the transaction.

Definitive Agreement Submission if Comprehensive Review is Required

If OHA determines the transaction requires **comprehensive review**, entities must provide final executed copies of all definitive agreements and a description of any differences from the term sheet no later than 15 days after OHA’s notice of comprehensive review. OHA may provide notice of comprehensive review at any point in the 30-day preliminary review period. If an entity is unable to provide the final definitive documents within 15 days of receiving notice of comprehensive review, OHA will delay the comprehensive review until the documents are received. The comprehensive review period will be extended by the number of days the provision of these materials is delayed. If the contents of the final definitive agreements are materially different from the submitted term sheet, OHA may extend the comprehensive review period as needed.



Summary: Definitive Agreement Submission

The entity can provide final executed copies of all definitive agreements with the Notice of Material Change Transaction, OR

If the entity provides a term sheet with the Notice of Material Change Transaction (Day 0), the final definitive agreements are due:

- No later than Day 165 if the transaction is approved (or approved with conditions) by the end of the preliminary review.
- 15 days after notice of comprehensive review (at maximum by Day 45).

Administrative Rules

409-070-0005 (27)

"Term sheet" means a memorandum of understanding or letter of intent setting forth the negotiated terms and conditions of the proposed transaction in reasonable detail, signed by the parties to a proposed transaction, or any other equivalent document that sets forth an agreement in principle for a proposed transaction.

409-070-0045 (5)

A notice of material change transaction shall include either complete and final executed copies of all the definitive agreements pursuant to which the transaction will be documented and closed or a term sheet. If a notice is filed on the basis of a term sheet, then:

- (a) The parties must furnish the Authority with complete and final executed copies of all the definitive agreements pursuant to which the transaction will be documented and closed, together with a detailed description of any respect in which the definitive agreements depart from the term sheet, no later than:
 - A. Fifteen days before closing the transaction, if the Authority approved the transaction without comprehensive review; or
 - B. Fifteen days after the commencement of the comprehensive review period if the transaction was not approved following preliminary review. If the parties are unable to furnish complete and final executed copies of all the definitive agreements within that fifteen day period, then the running of the period for review of the notice shall be tolled upon such notification and shall not resume until the parties have furnished such executed copies.
- (b) To the extent that the definitive agreements materially deviate from the term sheet, the Authority may extend the review period and may withdraw or modify an order based on the term sheet.

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