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**TO:** Oregon Health Authority, Health Policy and Analytics Division

**FROM:** SEIU Local 49

**RE:** Public Comment on Draft Sub-Regulatory Guidance Document on Determining Changes in Control

**DATE:** February 7, 2021

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We would like to offer comments regarding the Health Care Market Oversight sub-regulatory document focused on “Determining Changes in Control.” While we are not opposed to what is presented in the current draft, we believe there needs to be stronger alignment between the guidance and the form associated with the rebuttal process.

One of the key questions this process hinges on is: “Would the asset purchase result in the purchaser of the asset having direct or indirect power to manage the selling entity or set the selling entity’s policies?” We recommend the three-page “Rebutting the Presumption of Control Form” be updated in the following ways to reflect the significant role of that question:

- The rebuttal form should make the link between control and indirect/direct influence over policies clear to applicants by repeating the definition of control in OAR 409-070-0005(8) directly above the instruction box.
- Question #1 on the rebuttal form should be updated to include the percentage ownership held by other entities, if relevant.
- Question #2 on the rebuttal form should be updated to specifically solicit information relevant to OHA’s definition of control: *“Explain why control does not or would not exist as a result of the transaction, including barriers that ensure there is no direct or indirect power to manage or set policies.”*

We maintain that this process should happen concurrently with the notification process to fully comply with the statute. A term sheet or other binding documentation corroborating the answers to the questions on the form is necessary and should be submitted to OHA alongside the rebuttal form. If the term sheet changes, the proposed deal should follow the same guidance as the rest of the program.

We appreciate your ongoing investment in building a successful and effective Health Care Market Oversight program.