

CareOregon and SCAN Transaction

The Oregon Health Authority (OHA) has authority to review health care business transactions, like mergers and acquisitions, when they affect Oregon Health Plan (OHP) members. OHA is responsible for making sure that transactions do not create harm for people and communities in Oregon. On January 12, 2023, OHA received an incomplete notice from SCAN Group and CareOregon called a “Form A.” The Form A describes the plans for these companies to combine. In August 2023, SCAN Group and CareOregon provided OHA with the information necessary to consider the Form A complete and OHA is now reviewing the transaction.

Who’s involved?

CareOregon is a non-profit company that provides health care benefits to Oregon Health Plan members in several parts of the state, including Clackamas, Clatsop, Columbia, Jackson, Multnomah, Tillamook, and Washington counties. CareOregon operates Jackson Care Connect and Columbia Pacific Coordinated Care Organizations. It provides administrative services to Health Share of Oregon. CareOregon also provides home health and hospice health care services. The company serves more than 500,000 people in Oregon.

SCAN Group is a non-profit organization based in California that offers Medicare Advantage health plans. SCAN Group also operates three medical groups and provides health care and support services to older adults and people with unstable housing. The organization serves more than 270,000 people across multiple states.

About the deal

SCAN Group and CareOregon want to create a combined organization to serve Medicare and Medicaid members across several states. In the proposed transaction, SCAN Group will be renamed HealthRight and CareOregon will pay \$120 million to become a subsidiary of HealthRight. CareOregon does not anticipate any changes to current services. CareOregon plans to keep its current management and staffing. Before completing the transaction, CareOregon will contribute \$25 million to create a charitable foundation to serve the needs of people in Oregon.

What's next?

OHA is conducting a review of the transaction. This review will help OHA understand how the transaction could affect communities in Oregon and the more than 500,000 Medicaid members covered by CareOregon in 13 of Oregon's counties. During the review, OHA will use health care data, news and media reports, information from the companies, and input from the public to decide whether the transaction should be approved. This transaction is also under review by other state regulatory programs.

We want to hear from you!

Public input is crucial to OHA's review! Your feedback can help us understand how this transaction could help or harm people in your community. To share your thoughts and feedback about this transaction, please email

FormACareOregon.CCO@oha.oregon.gov. In your email, include the word "CareOregon," what you think, and whether you support or oppose the deal.

OHA will share the public input it receives with other state regulatory programs. There is no wrong way to share your input regarding this transaction.

You can get this document in other languages, large print, braille or a format you prefer free of charge. Contact us by email at FormACareOregon.CCO@oha.oregon.gov.