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# CareOregon & SCAN Group

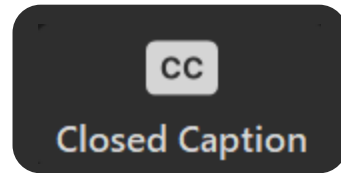
Public Listening Session  
Health Care Market Oversight Program  
October 11, 2023



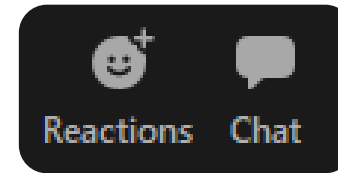
# Meeting Logistics



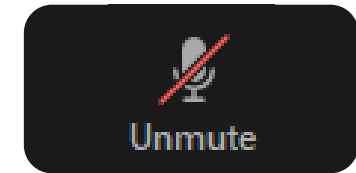
This meeting is being recorded



Closed captioning is available



Use the raise hand or chat feature if you want to share a question or comment



Remain muted until you are called on to speak

# Why we're here

OHA would like to:

- Provide high level information about the planned deal between CareOregon and SCAN Group and the review process
- Hear from members, providers, and community organizations that may be affected by this deal

**This presentation is for informational purposes only.**

OHA will use what we hear to inform our review of the CareOregon and SCAN Group deal.

OHA's role today is to listen and gather information. We won't be responding to questions. As needed, we can follow up to respond in writing.

# Oregon's Health Care Market Oversight Program

Through the **Health Care Market Oversight (HCMO)** program, the Oregon Health Authority reviews health care business deals, such as mergers and acquisitions, to make sure they don't harm people or communities in Oregon.

# What is a “health care entity”?

Some examples include companies that:



**Provide health care**, like hospitals, doctor’s and dentist’s offices, health plans, and medical groups.



**Help administer health care**, like pharmacy benefit managers and management services organizations.



**Control another health care company**, like private equity firms.

# During reviews, HCMO looks at how the transaction could affect:



Health care costs



Access to care



Quality of care



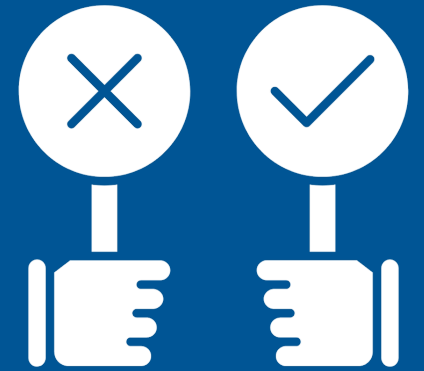
Health equity

# What authority does OHA have?

For each proposed deal, OHA may:

- Approve
- Approve with conditions
- Disapprove

For deals that involve a health plan, OHA may provide a recommendation to DCBS.





# How we assess impact

## Business and policy research

We look at the terms and conditions of a business deal, the planned activities of the business, the laws and regulations they must follow, and how similar deals have impacted health care in other states.

## Public input

We seek public comment on all our reviews. For more complicated reviews, we may work with a community review board to understand potential effects of the deal.

## Data analysis

We use data from the companies, public sources, and state agency databases to understand how the companies currently perform and how the deal might change that.

**About the SCAN-CareOregon deal**



**CareOregon** is an Oregon non-profit company that provides health insurance benefits to more than 500,000 Oregon Health Plan members.

# CareOregon affiliated companies

- **Columbia Pacific CCO**
- **Jackson Care Connect CCO**
- **Health Share of Oregon CCO** – provides benefits to members and administrative services
- **CareOregon Dental** - dental care organization
- **CareOregon Advantage** - Medicare Advantage plan
- **Housecall Providers** - home health business





**SCAN Group** is a California non-profit company that serves older adults. SCAN serves about 270,000 people across multiple states.

# About SCAN Group

- Offers **Medicare Advantage plans** in
  - California
  - Arizona
  - Nevada
  - Texas
- Operates medical provider groups and services for older adults and people with unstable housing

# SCAN and CareOregon plan to combine

Under the proposed transaction:

- SCAN and CareOregon plan to create an organization that will serve Medicare and Medicaid members across multiple states.
- SCAN Group will be renamed HealthRight
- HealthRight plans to become the parent company of CareOregon
- CareOregon will pay SCAN Group \$120 million to become a subsidiary of HealthRight
- CareOregon will contribute \$25 million to launch a charitable foundation to serve the needs of Oregonians



# What will the new company do?

- HealthRight will include a Medicaid Division, led by CareOregon's President and CEO, that will focus on expanding Medicaid plans into other regions
- SCAN and CareOregon say that combining will allow them to compete with large, for-profit health insurance companies and provide new services
- CareOregon has stated that it does not anticipate any changes to current services in Oregon and plans to keep current management and staffing

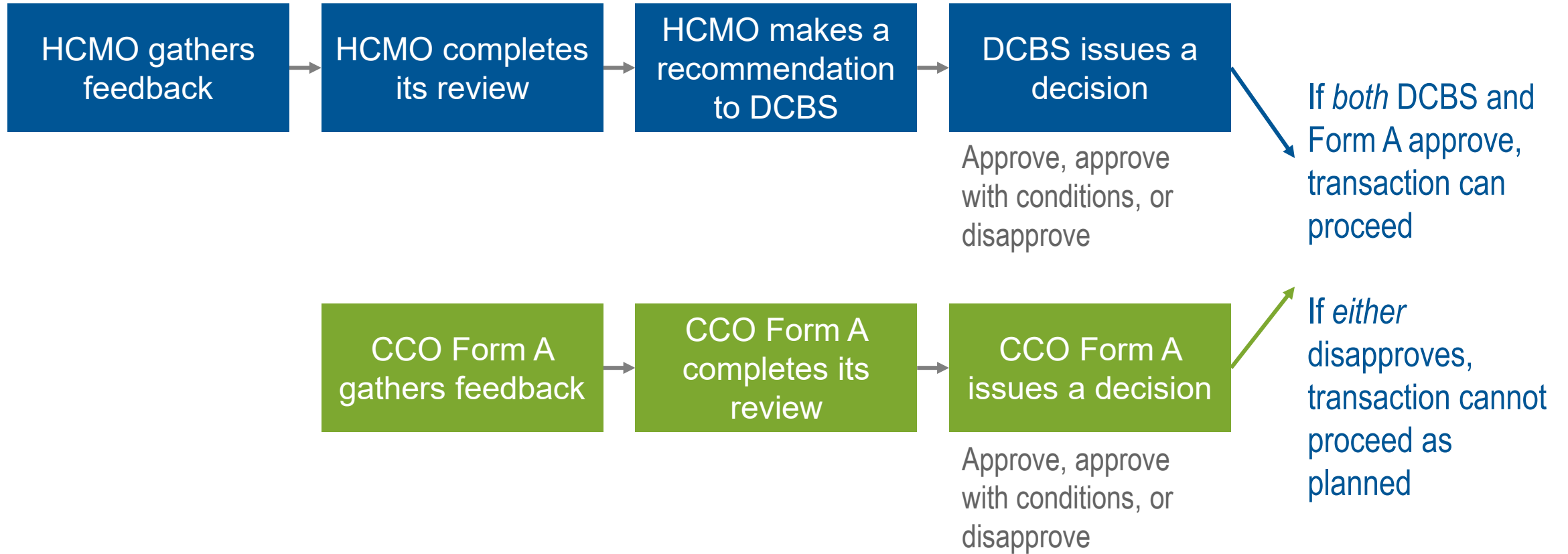


**What's next?**

# Multiple state regulators reviewing this deal

Regulator	OHA Health Care Market Oversight	OHA CCO Form A	DCBS Domestic Insurer Form A
What does the review look at?	Cost, access, equity, quality, market share, competition, and benefit to the public	Alignment with CCO requirements, leadership, control and governance, competition, equity, cost, quality	Alignment with legal requirements, financial conditions, leadership, control and governance, competition

# What happens next?



# Stay informed

- Sign up to [receive email updates](#)
- Visit our [website](#)
- Email any questions or thoughts to [hcmo.info@oha.oregon.gov](mailto:hcmo.info@oha.oregon.gov)

**Public input**

# We want to hear from you!

- Do you have any hopes or concerns about the deal?
- Do you support or oppose the deal?
- Have you had experiences with CareOregon or one of its coordinated care organizations?
- What would you want to see from the proposed new company, HealthRight?
- How would the deal impact you or your community?
- How would the deal impact your access to care?



# Submit a written public comment

Anyone can email [hcmo.info@oha.Oregon.gov](mailto:hcmo.info@oha.Oregon.gov) with their thoughts about this deal

- Mention “CareOregon” in your message
- Written public comments may be used in reports and publications
- Public comments will be posted to OHA’s website
- Please do not include any sensitive or confidential information

# Public comment



- To make a comment, please use the “raise hand” feature or send a chat to the host
- When the host calls your name, make sure you are unmuted and speak clearly into your mic
- State your name and affiliation (if any)
- You will have 5 minutes to share your comment
- You may also type your input in the chat to share with the host



**Thank you!**