

Appendix A

Elevance Health, Inc. and The Kroger Co.’s Complete Answers to HCMO Notice of Material Change Form

4. Briefly describe the applicant completing this notice. Describe the notifying applicant’s business (including business lines or segments), ownership type (corporation, partnership, limited liability corporation, etc.), governance and operational structure (including ownership of or by a health care entity), annual revenues, and geographic areas of operation. For health care entities, also include provider type (hospital, physician group, etc.), facilities owned or operated, service lines, number of staff, geographic service area(s), and capacity or patients served in Oregon (e.g., number of licensed beds, number of patients, quantity of services provided annually). Include the mailing address, website(s), and Federal Tax ID(s) of the applicant.

Elevance Health, Inc. Overview

Elevance Health, Inc. (“Elevance Health”) is a publicly traded corporation and the holding company for the Elevance Health family of companies, with subsidiaries licensed to conduct insurance operations in all 50 states, the District of Columbia, and Puerto Rico.¹ Elevance Health’s affiliated health plans are independent licensees of the Blue Cross and Blue Shield Association (“BCBSA”), an association of independent health benefit plans, serving members as the Blue Cross licensee for California and as the Blue Cross and Blue Shield (“BCBS”) licensee for Colorado, Connecticut, Georgia, Indiana, Kentucky, Maine, Missouri (excluding 30 counties in the Kansas City area), Nevada, New Hampshire, New York (in the New York City metropolitan area and upstate New York), Ohio, Virginia (excluding the Northern Virginia suburbs of Washington, D.C.), and Wisconsin.² Elevance Health’s total 2023 revenues were \$171.3 billion.

Through its subsidiaries, Elevance Health offers health insurance plans to Individual, Employer Group, Medicaid, and Medicare segments, and provides a broad array of managed care services to fee-based customers, including claims processing, stop loss insurance, provider network access, medical management, care management, wellness programs, actuarial services, and other administrative services, as well as offering services to the federal government.³

Elevance Health is owned by its shareholders and governed by a board of directors. Additional information about Elevance Health’s governance and management structure is available in its public filings with the U.S. Securities and Exchange Commission and on its website,

¹ Elevance Health, Inc. 2023 10-K at page 3, <https://www.sec.gov/ix?doc=/Archives/edgar/data/1156039/000115603924000015/elv-20231231.htm>.

² Elevance Health, Inc. 2023 10-K at page 3, <https://www.sec.gov/ix?doc=/Archives/edgar/data/1156039/000115603924000015/elv-20231231.htm>.

³ Elevance Health, Inc. 2023 10-K at page 3, <https://www.sec.gov/ix?doc=/Archives/edgar/data/1156039/000115603924000015/elv-20231231.htm>.

<https://www.elevancehealth.com/>. Elevance Health's tax ID is 35-2145715. Its mailing address is 220 Virginia Avenue, Indianapolis, IN 46204.

Elevance Health's Limited Presence in Oregon

In Oregon, Elevance Health does not provide health plan services to companies as the BCBS licensee, nor does it sell commercial health insurance services in Oregon.⁴ Elevance Health also does not offer Medicaid or Medicare services in Oregon.

Elevance Health does not currently have any physical operations within the state of Oregon. Elevance Health currently has three regulated insurance subsidiaries licensed to conduct business within Oregon, but none offered services in Oregon in 2023. These companies are Anthem Insurance Companies, Inc., WellPoint Life & Health Insurance Company, and WellPoint Insurance Company f/k/a Amerigroup Insurance Company.

Because Elevance Health is not the BCBS licensee in Oregon and otherwise does not offer any regulated insurance products in Oregon, its presence in Oregon is limited. Some Elevance Health employer customers based in one of the 14 states or areas where an Elevance Health subsidiary is the BCBS licensee include covered employees who reside in Oregon and are covered by Elevance Health's subsidiaries' self-insured or fully-insured insurance plans or services based and sold outside of Oregon. At the end of 2023, Elevance Health through its subsidiaries covered approximately [REDACTED] individuals in Oregon for medical benefits and approximately [REDACTED] individuals in Oregon for pharmacy benefits through CarelonRx, although these figures are not exclusive. Because revenues related to these members are based on each specific employer's contract or other self-insured or fully-insured health insurance contract issued outside of the state of Oregon, Elevance Health is unable to reasonably estimate revenues generated from these individuals on a per member basis. Rates, administrative costs, and other fees can vary greatly based on the services covered in any given plan.

Through its subsidiaries, Elevance Health derives revenue from other services that are used by individuals residing in Oregon including (1) Medicare Advantage cost of care revenue, (2) employee assistance program and health plan behavioral revenue, (3) insured Oregon stop loss revenue, (4) specialty pharmacy revenue through Elevance Health's subsidiary, BioPlus, and (5) palliative care services revenue through an Elevance Health subsidiary, Carelon Health. For Elevance Health's 2023 fiscal year, the total combined revenues from categories (1)-(3) used by individuals residing in Oregon were only approximately [REDACTED], category (4) was only approximately [REDACTED], and category (5) was only approximately [REDACTED]. As described below, this includes approximately [REDACTED] in stop loss revenue from an entity no longer owned by Elevance Health.

⁴ Regence BlueCross BlueShield of Oregon—not affiliated with Elevance Health and not an Elevance Health entity—is an independent BCBS licensee and the only BCBSA member licensed to sell products and services under the Blue Cross Blue Shield name in Oregon. See BCBS Companies and Licensees, <https://www.bcbs.com/bcbs-companies-and-licensees>.

- Medicare Advantage Cost of Care: In 2023, Elevance Health derived approximately [REDACTED] in Medicare Advantage cost of care revenues from Oregon. Elevance Health does not have a contract with the Centers for Medicare & Medicaid Services to offer Medicare Advantage in Oregon. Elevance Health suspects this revenue is incidental to its Medicare Advantage revenue offered in other states.
- Employee Assistance Programs and Health Plan Behavioral Health: In 2023, Elevance Health derived approximately [REDACTED] from employee assistance programs and health plan behavioral health products through Elevance Health’s Carelon Behavioral Health business covering approximately [REDACTED] individuals living in Oregon. These services are offered directly to employer customers or as part of Elevance Health’s health insurance coverage as an optional benefit for covered employees who had access to such services, but may not have utilized the services.
- Insured Oregon Stop Loss: In 2023, Elevance Health derived only approximately [REDACTED] of stop loss insurance premium revenue in Oregon. These revenues were generated by Anthem Life Insurance Company, which was sold to StanCorp Financial Group (a/k/a “The Standard”) in April 2024.
- Specialty Pharmacy/Infusion: Elevance Health offers specialty pharmacy services in Oregon via its BioPlus subsidiary. BioPlus does not have any physical locations or employees in Oregon. In the state of Oregon specifically, in 2023, BioPlus had total sales of approximately [REDACTED] from a total of [REDACTED] scripts, and served [REDACTED] patients. Elevance Health also has a non-resident pharmacy license in the state of Oregon via its Paragon subsidiary, but [REDACTED]. A list of BioPlus and Paragon’s NPIs is attached with this filing as **Appendix B**.
- Palliative Care Services: Elevance Health’s Carelon Health (Carelon Medical Partners, PC d/b/a Aspire Health Medical Partners, PC) has an NPI number (1124443403) that covers 37 states, including Oregon, for palliative care services.⁵ Palliative care services provide support and attention between doctor’s appointments to address physical, emotional, nutritional, spiritual, and social needs, which can be initiated soon after a person is diagnosed or at any stage of illness.⁶ Carelon Health offers specialized in-person or virtual care services in nearly all 50 states either in a patient’s home or through telehealth with a phone or video call.⁷ Currently, Carelon Health provides virtual, i.e., telehealth, palliative care services in Oregon, and has [REDACTED] in the Portland, Oregon area who provides in-home palliative care visits. In 2023, the [REDACTED] in Oregon served [REDACTED] unique patients. 2023 revenues attributed to palliative care services provided in

⁵ Beginning January 1, 2024, Aspire began using its new name, Carelon Health. See Carelon Health Palliative Care, <https://www.carelonhealth.com/palliative-care>. Carelon Health also has a separate NPI for palliative care services in Texas.

⁶ See Carelon Health Palliative Care, <https://www.carelonhealth.com/palliative-care>.

⁷ See *id*; see also Carelon Health Palliative Care Patients, <https://www.carelonhealth.com/patients/palliative-care>.

Oregon are estimated to be approximately [REDACTED]. The Carelon Medical Partners' NPI is included in **Appendix B**.

Outside of Oregon, Elevance Health also derived revenue in 2023 from individuals covered by Regence BlueCross BlueShield of Oregon who utilize the BlueCard network in a state or area where an Elevance Health subsidiary is the BCBS licensee (or Blue Cross licensee in California). In 2023, these revenues were [REDACTED]. BlueCard allows subscribers of one BCBS licensee to receive medical care across the country (e.g., if that member is traveling) through another BCBS licensee's provider network.⁸

Other Elevance Health Offerings and Services

Through its subsidiaries, Elevance Health provides specialty services both to customers of Elevance Health's subsidiary health plans and also to unaffiliated health plans, including pharmacy services, dental, vision, and supplemental health insurance benefits, as well as integrated health services.⁹ Some of these services are or could be available to customers in Oregon.

Elevance Health's CarelonRx, Inc. ("CarelonRx") subsidiary markets and offers pharmacy services, including pharmacy benefit management ("PBM") services, to Elevance Health affiliated health plan customers, as well as to external customers outside of the health plans that Elevance Health owns.¹⁰

CarelonRx offers PBM services, which include formulary management, pharmacy networks, a prescription drug database, member services, and mail order capabilities. Within the PBM segment, CarelonRx is a relatively small player compared to large players like CVS Health (Caremark), Express Scripts (Cigna), and Optum Rx (United Health) who processed nearly 80% of all equivalent prescription claims in 2023.¹¹ As noted above, at the end of 2023, Elevance Health, through CarelonRx, covered approximately [REDACTED] individuals in Oregon for pharmacy benefits. Because pharmacy benefit revenues related to these members are based on each specific employer's contract or other self-insured or fully-insured health insurance contract issued outside of the state of Oregon, Elevance Health is unable to reasonably estimate pharmacy benefit revenues generated from these individuals on a per member basis. Rates, administrative costs, and other fees can vary greatly based on the pharmacy benefit services covered in any given plan. The CarelonRx NPIs are included in **Appendix B**.

⁸ Elevance Health, Inc. 2023 10-K at pages 6–7, <https://www.sec.gov/ix?doc=/Archives/edgar/data/1156039/000115603924000015/elv-20231231.htm>.

⁹ Elevance Health, Inc. 2023 10-K at page 3, <https://www.sec.gov/ix?doc=/Archives/edgar/data/1156039/000115603924000015/elv-20231231.htm>.

¹⁰ Elevance Health, Inc. 2023 10-K at page 3, <https://www.sec.gov/ix?doc=/Archives/edgar/data/1156039/000115603924000015/elv-20231231.htm>.

¹¹ "The Top Pharmacy Benefit Managers of 2023: Market Share and Trends for the Biggest Companies—And What's Ahead," DRUG CHANNELS (Apr. 9, 2024), <https://www.drugchannels.net/2024/04/the-top-pharmacy-benefit-managers-of.html#:~:text=Three%20is%20still%20the%20magic,Rx%20business%20of%20UnitedHealth%20Group>

Various subsidiaries of Elevance Health, such as Carelon Insights and Carelon Health, also offer other health care related services. Some of these services potentially are or could be available to individuals living in Oregon through their employer's insurance plan. But as discussed above, Elevance Health is not the BCBS licensee in Oregon and otherwise does not offer any regulated insurance products or Medicaid or Medicare services in Oregon, so any specialty services would be under an insurance plan issued outside of Oregon.

As a specialty pharmacy, BioPlus seeks to connect payors and providers of specialty pharmaceuticals to meet the medication therapy needs of patients with complex medical conditions. It also provides patient support services including administrative services (benefits verification and prior authorization support), as well as patient services like education, adverse event counseling, medication reviews, and financial assistance, among others. A 2022 report by Drug Channels indicated that three players (CVS, Accredo, and Optum) currently account for over 65% of specialty pharmacy revenues.¹² BioPlus has a small presence in the specialty landscape by comparison. The industry total of specialty pharmacy revenue across the United States is estimated to be \$216 billion. Out of this total, BioPlus has only approximately a [REDACTED] in specialty pharmacy revenue.

5. Describe all other entities involved in the proposed transaction. For each entity, describe the entity's business (including business lines or segments), ownership type (corporation, partnership, limited liability corporation, etc.), governance an operational structure (including ownership of or by a health care entity), annual revenues, and geographic areas of operation. For health care entities, also include provider type (hospital, physician group, etc.), facilities owned or operated, service lines, number of staff, geographic service area(s), and capacity or patients served in Oregon (e.g., number of licensed beds, number of patients, quantity of services provided annually). Include the mailing address, website(s), and Federal Tax ID(s) of entities involved in the proposed transaction. Limit the response to 500 words per entity described.

The Kroger Co. ("Kroger") is a publicly traded corporation that operates supermarkets under a variety of banner names in 35 states and the District of Columbia, including Oregon. More than 80% of Kroger supermarkets include pharmacies, but pharmacy sales account for less than 10% of Kroger's retail revenues. Kroger owns and operates Kroger Specialty Pharmacy Holdings, Inc. ("Kroger Specialty Pharmacy" or "KSP"), a nationwide clinical pharmacy and infusion business serving patients with chronic illnesses requiring complex care. There is no Kroger Specialty Pharmacy dispensary or infusion location based in Oregon and no employees of Kroger Specialty Pharmacy are located in Oregon. Kroger Specialty Pharmacy's revenues to Oregon for FY2023 were [REDACTED].

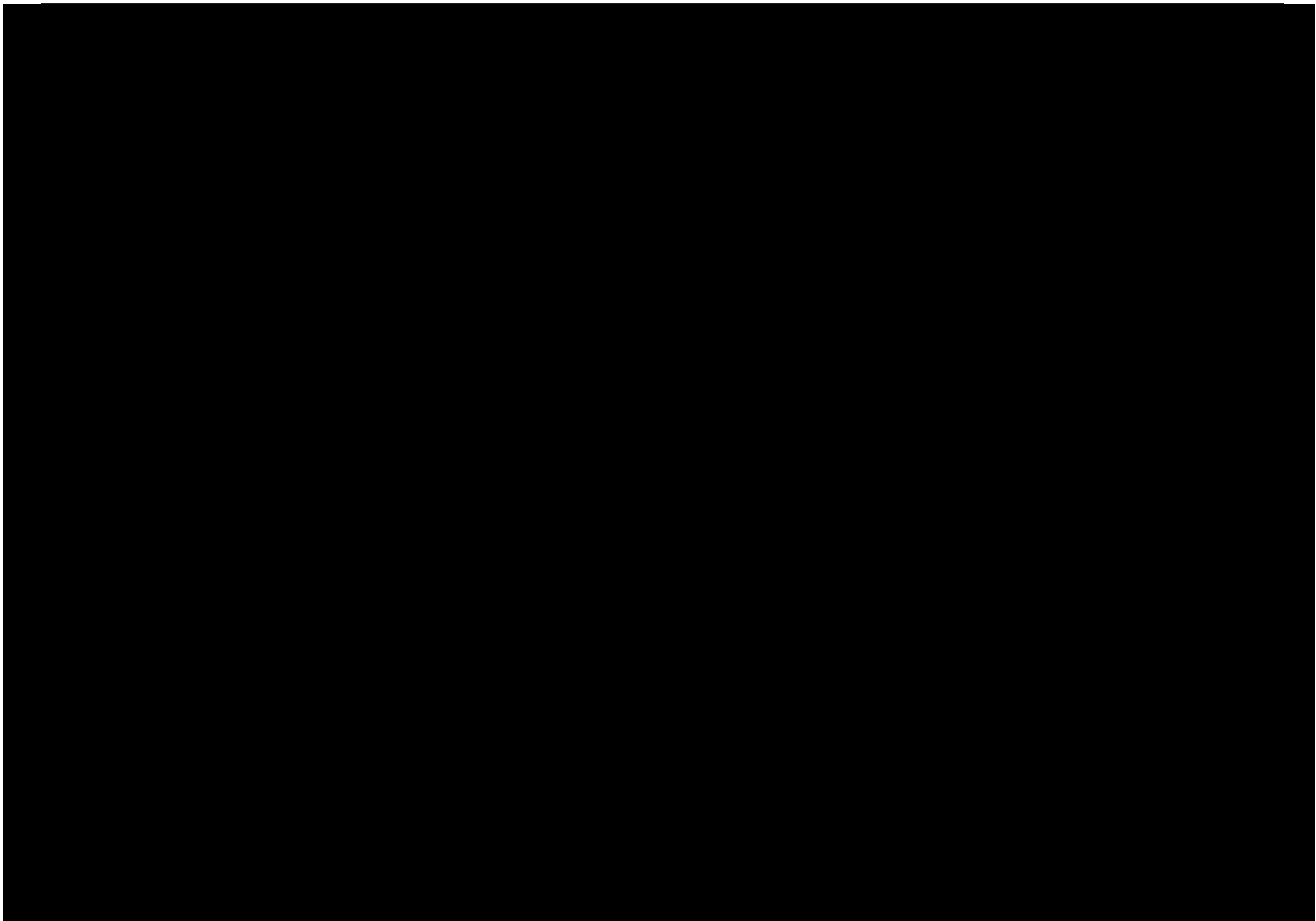
There are six Kroger Specialty Pharmacy entities licensed to operate specialty pharmacy and

¹² "DCI's Top 15 Specialty Pharmacies of 2022: Five Key Trends About Today's Marketplace." DRUG CHANNELS (April 12, 2023), <https://www.drugchannels.net/2023/04/dcis-top-15-specialty-pharmacies-of.html>.

specialty infusion pharmacy businesses in Oregon:

- Kroger Specialty Pharmacy, Inc
- Kroger Specialty Pharmacy CA, LLC
- Kroger Specialty Pharmacy FL 2, LLC
- Kroger Specialty Infusion CA, LLC
- Kroger Specialty Infusion TX, LLC
- Kroger Specialty Pharmacy LA, LLC

The chart below shows the relationship between Kroger and the other legal entities for businesses that are licensed to provide specialty pharmacy services in Oregon.



In 2023, Kroger Specialty Pharmacy served [REDACTED] patients in Oregon and had revenue of [REDACTED] from patients in Oregon.

Within Oregon, Kroger operates 53 retail pharmacies, which are not part of the proposed transaction.

Additionally, Kroger notes that it operates over 225 clinics under the name “The Little Clinic” inside select stores in nine states, which are not part of the transaction. Moreover, there are no The Little Clinic locations in Oregon.

Kroger is owned by its shareholders and governed by a board of directors. Kroger’s total 2023 revenue was \$150 billion. Additional information about Kroger’s governance and management structure is available in its public filings with the U.S. Securities and Exchange Commission and on its website, www.kroger.com. Kroger’s tax ID is 31-0345740. Its mailing address is 1014 Vine Street, Cincinnati, OH 45202.

A list of Kroger Specialty Pharmacy’s NPI numbers is attached with this filing as **Appendix B**.

6. Briefly describe the nature and objectives of the proposed material change transaction, including any changes in ownership, governance, or operational structure, any exchange of funds between the parties (such as any arrangement in which one party agrees to furnish the other party with a discount, rebate, or any other type of refund or remuneration in exchange for, or in any way related to, the provision of health care services).

Pursuant to a Stock Purchase Agreement (the “Agreement”), dated as of February 23, 2024, by and between ATH Holding Company, LLC (“ATH”), an entity ultimately controlled by Elevance Health, and Kroger, ATH intends to acquire 100% of the voting securities of Kroger Specialty Pharmacy, an entity ultimately controlled by Kroger, for [REDACTED]. A copy of the Agreement is attached as **Confidential Appendix D**.

After the acquisition closes, Kroger Specialty Pharmacy will operate as part of CarelonRx, the pharmacy services segment within Carelon, Elevance Health’s health services division. The proposed transaction includes the sale of only the Kroger Specialty Pharmacy business, which is a specialty pharmacy and infusion business, and Kroger will retain and continue to operate all of its grocery stores, in-store retail pharmacies, and walk-in clinics, as well as all other assets not included in the transaction.¹³ After the proposed transaction, Kroger Specialty Pharmacy will sit below ATH. Elevance Health attaches with this filing a corporate organizational chart as **Appendix C**.

The purpose of the proposed transaction is to support Elevance Health’s whole-health strategy and to provide consumers with improved reliable access to specialty pharmacy services. The combined company will optimize patient outcomes by blending a high-touch, caring patient experience with specialized clinical knowledge, personalized total life care programs, and administrative expertise. Overall, the proposed transaction will allow Elevance Health to drive improved access, affordability, and differentiated levels of service for customers.

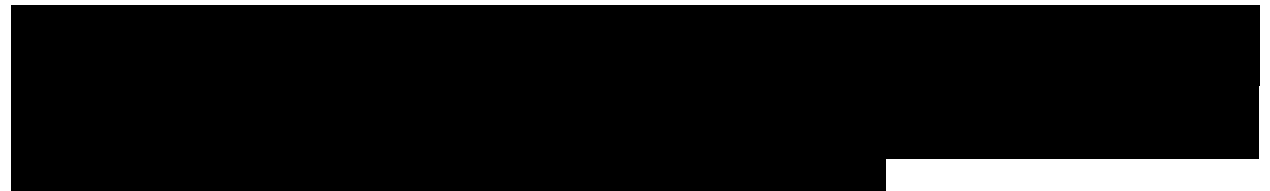
¹³ Kroger Announces Definitive Agreement for Sale of Its Specialty Pharmacy Business (Mar. 18, 2024), <https://ir.kroger.com/news/news-details/2024/Kroger-Announces-Definitive-Agreement-for-Sale-of-Its-Specialty-Pharmacy-Business/default.aspx>.

7. Briefly describe any anticipated operational or management changes resulting from the transaction, including changes in health care services offered, staffing changes, new investments or other initiatives, implementation of new policies and procedures, and organizational structure changes. Include a description of the transaction’s impact on the financial stability of any entity involved in the transaction.

The parties do not expect the transaction to result in any changes to the health care services offered by Elevance Health or Kroger Specialty Pharmacy in Oregon or nationally. Elevance Health has no plans to reduce the scope or types of health care products and services offered in Oregon, the number of specialty pharmacies between the parties who service Oregon customers (all of which are located outside of Oregon), the number of infusion providers who service Oregon, or the types of insurance accepted at its specialty pharmacies or infusion centers at or immediately following closing.

Upon close of the transaction, Kroger Specialty Pharmacy associates, including Axiom Healthcare and Kroger Specialty Infusion, will become associates of Elevance Health. Axiom Healthcare in Puerto Rico is a clinical pharmacy and extension of KSP. Kroger Specialty Infusion provides home infusion services to KSP’s specialty pharmacy patients, operating from three infusion sites located in Dothan, Alabama; Torrance, California; and Richardson, Texas.

Elevance Health and Kroger Specialty Pharmacy will both remain committed to reducing prices for customers, and the transaction will lead to lower costs-to-fill, which will directly lead to lower costs for patients. The combination of Elevance Health and Kroger Specialty Pharmacy will increase the ability to provide patient-focused services and will improve access and accessibility for specialty pharmacy customers in Oregon and nationwide.



Upon close of the transaction, Elevance Health will rebrand Kroger Specialty Pharmacy. Elevance Health anticipates the post-transaction branding will be [REDACTED]. Elevance Health does [REDACTED], but like all patients across the United States, Elevance Health expects that Oregon patients will benefit from combined offerings of both companies. Leaders from Elevance Health and Kroger Specialty Pharmacy will work together to develop an integration plan over the coming months, and Kroger Specialty Pharmacy will continue to service its current customer base without interruption.

8. Describe the expected impact – increase, decrease, or no change – of the proposed transaction on access to affordable health care in Oregon.

The proposed transaction will lead to improvements on direct product costs and will lower costs-to-fill, which Elevance Health expects will lead to lower costs and improved access for patients. As a result, Elevance Health expects that the transaction will improve access to affordable health care products, including in Oregon.

Elevance Health expects the proposed transaction will lead to improvements in direct product costs because Elevance Health will have access to additional drug offerings. The transaction will lower costs to fill because can drive more integrated whole person care for underserved populations. Additionally, Elevance Health will be able to invest in technology that can drive automation for Kroger Specialty Pharmacy and its patients. For example, Elevance Health will be able to introduce two-way texting and a digital portal for patients and potential patients as soon as day one. The two-way texting and digital portal will allow consumers to schedule deliveries and fill out assessments, capabilities that today help BioPlus communicate and fill prescriptions faster than Kroger Specialty Pharmacy. Together, Elevance Health expects that these factors will lower costs, reduce burdens, and improve access for patients.

9. Explain how, if at all, the proposed transaction will:

a. improve health outcomes for residents of this state.

Both entities prioritize the provision of patient-focused services and make efforts to improve access and adherence to medications while helping patients to navigate complex disease states. Elevance Health has a strong focus on improving patient experience and outcomes. Kroger Specialty Pharmacy's existing patient service programs will seamlessly integrate with Elevance Health's existing services to provide improved patient counseling, financial assistance, and adherence programs. Once Kroger Specialty Pharmacy is integrated into Elevance Health, the combined company will be able to manage medical and pharmacy data for customers of Elevance Health's subsidiaries to deliver proactive, whole health insights. Elevance Health expects that the proposed transaction will allow Elevance Health to overall offer more comprehensive care for members, and will also help improve health outcomes for Oregon state residents. Elevance Health expects to improve health outcomes in the complex disease states with which Kroger Specialty Pharmacy has clinical expertise: autoimmune, oncology, immunoglobulin, rare diseases, hemophilia, HIV, hematology, transplant, growth hormone, pulmonary, multiple sclerosis, and hepatitis C.

b. benefit the public good by reducing the growth in patient costs. (If the transaction will not reduce the growth in patient costs, explain why the proposed transaction is in the best interest of the public.)

Both entities prioritize the provision of patient-focused services and make efforts to provide lower costs for patients and payers. Elevance Health anticipates a significant opportunity to realize efficiencies with investment in technological processes to automate manual processes for better patient outcomes. This would result in significant benefits and savings for customers. This transaction will also lead to improvements on direct product costs and will lower costs-to-fill, which will lead to lower costs for patients. This transaction is also expected to lead to efficiencies

in shipping, distribution, and logistics, which will further contribute to lower costs to the patient. Elevance Health further expects to lower costs by utilizing data from the medical and pharmacy side, integrating care managers, and sharing information and outcomes. Because of these opportunities for efficiencies and cost improvements, Elevance Health expects that the transaction has the potential to reduce costs, including for patients. Integration planning is ongoing, and Elevance Health expects to be able to quantify cost improvements following the closing of the transaction.

c. benefit the public good by increasing access to services for medically underserved populations.

Elevance Health is focused on increasing access to health care services in the populations that Elevance Health serves. As specialty medication utilization continues to grow, Kroger Specialty Pharmacy will help Elevance Health to deliver greater access for medically underserved and complex populations to specialty medications. By combining with Kroger Specialty Pharmacy, Elevance Health expects that the transaction will continue to broaden access to life-changing medications, including to medically underserved populations. Elevance Health expects its current specialty pharmacy and infusion patients and the Kroger Specialty Pharmacy patients to benefit from the transaction and to receive improved access to services, including those residing in Oregon. Elevance Health has a strong and proven history of providing such services to medically underserved populations across the United States. Together, BioPlus and Kroger Specialty Pharmacy will be able to provide expanded drug offerings and will fill prescriptions more efficiently for patients. Elevance Health, through BioPlus, has access to hundreds of limited distribution drugs, including drugs such as [REDACTED] that Kroger Specialty Pharmacy does not offer. Conversely, Kroger Specialty Pharmacy offers certain limited distribution drugs that Elevance Health does not. Together, the companies will be able to expand access to these important medications and compete with larger specialty pharmacy competitors, especially because [REDACTED]. Additionally, as noted above, Elevance Health will be able to introduce important services like two-way texting and a digital portal for consumers as soon as day one. These improved communication channels will allow Kroger Specialty Pharmacy consumers to schedule deliveries and fill out assessments, capabilities that today help BioPlus communicate and fill prescriptions faster than Kroger Specialty Pharmacy.

d. benefit the public good by rectifying historical and contemporary factors contributing to health inequities or access to services.

Elevance Health is focused on increasing access to health care services and reflective of its commitment, Elevance Health has received the National Committee for Quality Assurance's ("NCQA") Health Equity Plus accreditation.¹⁴ The NCQA accreditation means that Elevance

¹⁴ The Real Benefits of Achieving NCQA Health Equity Accreditation (Apr. 19, 2024), <https://www.elevancehealth.com/our-approach-to-health/health-equity/benefits-of-ncqa-health-equity-accreditation#:~:text=Benefits%20to%20Members&text=The%20ability%20to%20speak%20and,providers%20grounded%20in%20cultural%20humility>.

Health’s network of health care professionals have the capacity to meet members’ diverse needs: Members can speak and be understood in the language of their choice when seeking care from health professionals or interacting with Elevance Health associates, and members can receive treatment and services from culturally competent providers. It also means that Elevance Health is dedicated to hiring, retaining, promoting, and attracting diverse staff.¹⁵ Separately, Elevance Health also integrates clinical, social, and demographics data to support whole health analytics to drive meaningful improvement and reduce health disparities.¹⁶

Elevance Health expects that the transaction will continue to broaden this access, helping to rectify health inequities that may exist in those communities, including by introducing more efficient ways to communicate with patients to allow consumers to schedule deliveries and fill out assessments efficiently.

10. Will the proposed transaction result in a decrease in competition? If no, please explain. If yes, describe any anticompetitive effects that may result from the proposed transaction.

The proposed transaction will not decrease competition. Elevance Health and Kroger Specialty Pharmacy account for a small portion of total specialty pharmacy sales in Oregon. Neither Elevance Health nor Kroger Specialty Pharmacy currently offers infusion services in Oregon, so there will be no reduction in competition.

11. Indicate the date and nature of any applications, forms, notices, or other materials you have submitted regarding the proposed material change to any other state or federal agency. Indicate the date and nature of any other applications, forms, notices, or other materials provided to other state for federal agencies relative to the proposed material change, including but not limited to the Oregon Department of Consumer and Business Services, Oregon Public Health Division, Oregon Department of Justice, U.S. Department of Health and Human Services (e.g., Pioneer ACO or Medicare Shared Savings Program application), Federal Trade Commission, and U.S. Department of Justice.



¹⁵ “Advancing Health Equity at Elevance Health – A Review of Approach and Capabilities,” BUS. FOR SOC. RESP. (Mar. 2024) at page 14, https://s202.q4cdn.com/665319960/files/doc_financials/2024/ar/elevance-health-health-equity-assessment-report-2024.pdf.

¹⁶ “Advancing Health Equity at Elevance Health – A Review of Approach and Capabilities,” BUS. FOR SOC. RESP. (Mar. 2024) at page 10, https://s202.q4cdn.com/665319960/files/doc_financials/2024/ar/elevance-health-health-equity-assessment-report-2024.pdf.

