



OREGON
HEALTH
AUTHORITY

October 2024

Oregon's Form A Review for Coordinated Care Organizations

What is Form A?

“Form A” is

- the name of a form developed by the National Association of Insurance Commissioners (NAIC)
- the document each individual or entity proposing to acquire an insurance company is required to complete and submit to all insurance departments in the US

Oregon has incorporated NAIC requirements into Oregon Health Authority (OHA) regulations for Coordinated Care Organizations (CCOs) and Department of Consumer and Business Services regulations (DCBS) for domestic insurers.

CCO Form A Background

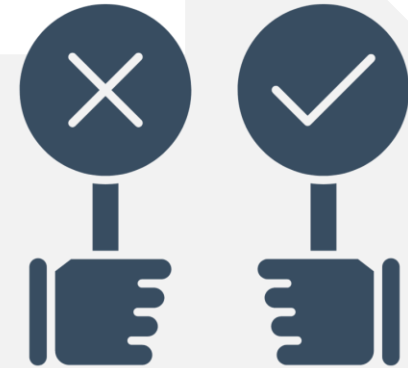


**SB 1041 (2019) authorized
OHA to regulate the financial
conditions of CCOs**

Codified into statute [ORS 415.011](#)
CCO Form A permanent rules: OAR 410-141-5255 to -5280



**OHA adopted rules to
align with DCBS's
regulation of domestic
insurers, including Form
A requirements**



**As of Jan 1, 2020
OHA can approve, approve
with conditions, or
disapprove transactions
involving CCOs**

	CCO Form A	Domestic Insurer Form A
Responsible State Agency	OHA	DCBS
Who is subject to review?	CCOs	Domestic Insurers
Which markets are included?	Medicaid	Commercial and Medicare Advantage
What does the review look at?	Alignment with CCO requirements, financial condition, leadership, control, competition, disparities and inequities, cost and cost growth, high-quality care	Alignment with legal requirements, financial condition, leadership, control, competition



OHA and DCBS are required to coordinate on Form A reviews

- OHA CCO Form A is required by rule to work with DCBS to jointly analyze the proposed transaction.
- This may include coordinating to hold a joint OHA and DCBS Form A public hearing.
- If OHA does not approve the transaction, the transaction may not proceed (regardless of if DCBS approves).
- OHA may only approve a transaction if DCBS also approves a transaction. This approval must occur at the same time.

What transactions are subject to Form A review?

- **Acquisitions or attempts to acquire control of a CCO**, including:
 - Making a tender offer for or a request for tenders of any voting security of the CCO
 - Entering into any agreement to exchange securities for any voting security of the CCO
 - Acquiring or seeking to acquire any voting security of the CCO
 - Engaging in any other activity that constitutes a change in control of a CCO (as described in the CCO contract)
- **An agreement to merge with or otherwise acquire control of a CCO**
- **Acquiring, directly or indirectly, ownership of all or a significant portion of CCO assets**
- **Bulk reinsurance** by one CCO of all or a significant portion of the members, who are covered by another CCO or related group of CCOs
- **Any other arrangement that brings together under common ownership, control or responsibility all or a significant portion of the assets, liabilities or member contracts**

Before Filing a Form A

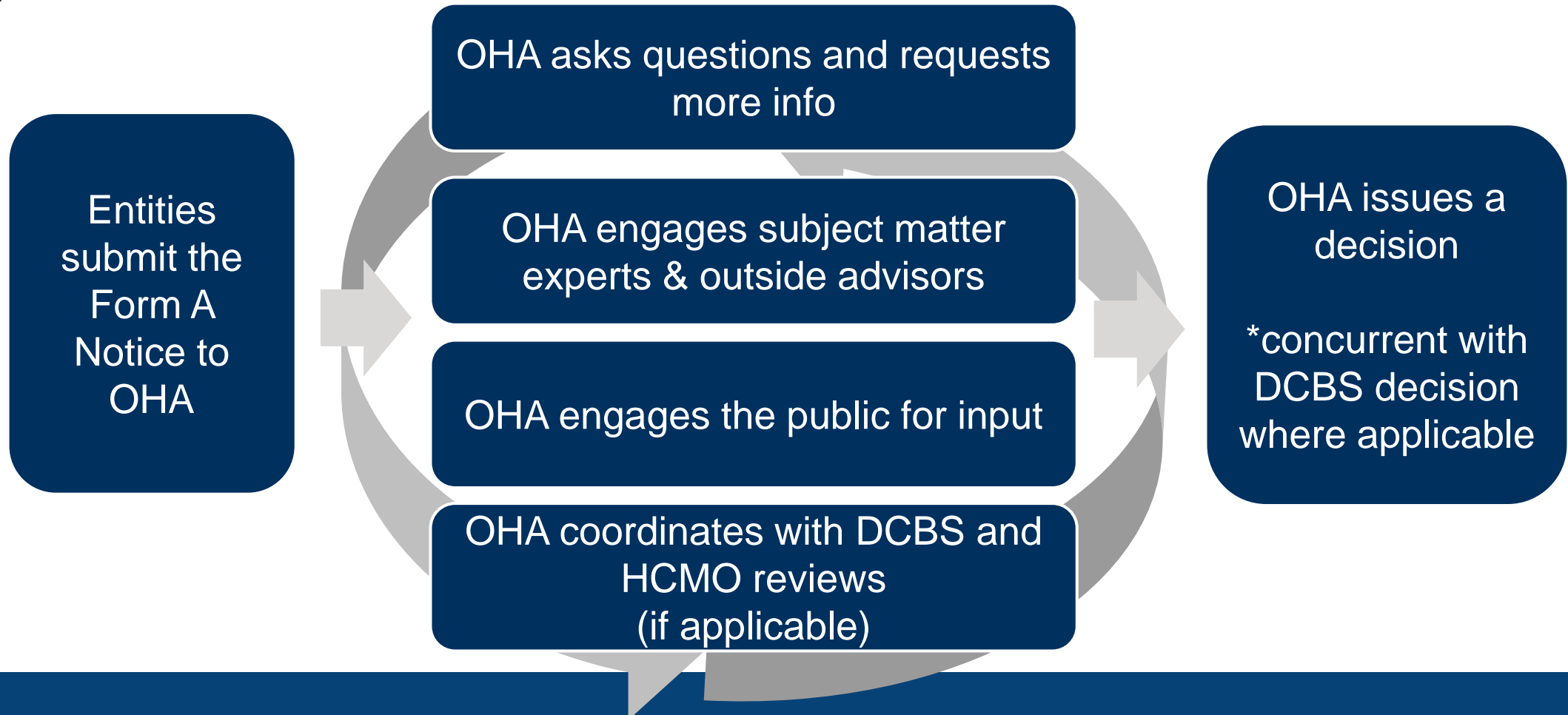
- Determine whether you must file a [Form A](#). (OAR 410-141-5260)
- OHA can provide technical assistance related to the filing process, including whether the proposed transaction requires entities to file an application.
- OHA encourages all entities to request a conference prior to filing a Form A application. OHA and the entities can discuss the filing process, forms to be completed, information requested, handling of confidential information, and submission timing.
- To request technical assistance or a pre-filing conference, please contact CCO.FormA@oha.oregon.gov.

The CCO Form A review will look at...

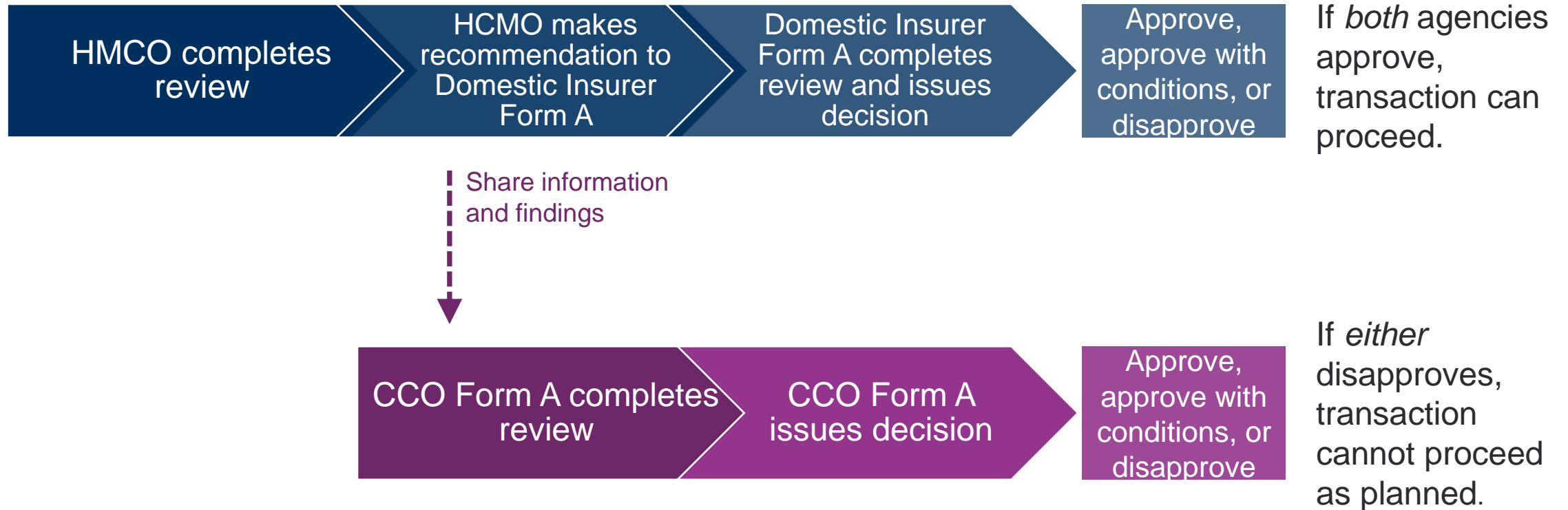
- Financial stability of the CCO, including medical loss ratio
- CCO's ability to provide services within the State's cost growth limits
- CCO's ability to innovate, coordinate care, provide value, and deliver high-quality services, without unnecessary barriers to access to care
- CCO's ownership, control, affiliations, and governance continues to satisfy state and federal requirements
- CCO-community relationships
- CCO's ability to equitably serve diverse populations, including underserved populations
- CCO's ability to support social determinants of health
- Impact of merger & acquisition activity on access to and quality of health care for Oregonians who are not OHP members
- CCO's ability to perform its contractual responsibilities
- CCO's ability to advance OHA's policy goals

CCO Form A Review Process and Timeline

The CCO Form A review may take 6 months or longer while OHA obtains all the necessary information, consults with subject matter experts, engages the public, and coordinates with DCBS and HCMO where applicable.



Domestic Insurer Form A & HCMO Timeline Coordination



CCO Form A Public Engagement

Engagement is coordinated with DCBS and HCMO where efficient and includes:

- Community Advisory Councils of the CCO
- Public hearings in each service area of the CCO
- A public comment period
- An opportunity to provide input on a draft of OHA's analyses
- Feedback from the Medicaid Advisory Committee
- Posting the Form A submission online, with the exception of trade secret information protected by federal and state law



OHA may refuse to approve a proposed CCO Form A transaction if... (1)

- It is contrary to law or would result in a prohibited combination of risks or classes of insurance.
- It is inequitable or unfair to the Members or shareholders of any CCO involved or to any other person affected by the proposed activity.
- A foreign or alien CCO would be the acquiring party, and OHA finds that the CCO cannot satisfy Oregon requirements for transacting CCO business.
- The activity would substantially diminish competition in Oregon or tend to create a monopoly.
- After the change of control, the CCO would not be able to satisfy the requirements for receiving a CCO contract for which it is currently authorized.
- The financial condition of any acquiring party might jeopardize the financial stability of the CCO.

OHA may refuse to approve a proposed CCO Form A transaction if...(2)

- The plans the acquiring party has to liquidate the CCO, sell the CCO's assets, or consolidate or merge the CCO or make any other change in the CCO's structure or management are unfair and unreasonable to the CCO's members and not in the public interest.
- The competence, experience and integrity of the persons that would control the CCO are such that permitting the activity would not be in the interest of the CCO's member and the public.
- Any CCO involved or any acquiring party does not comply with or presents a risk that the CCO or acquiring party will not comply with state and federal laws, including the CCO's governing body; the CCO's ownership, control, and affiliations; minimum medical loss ratio requirements; any other applicable law; or the CCO's contractual obligations to OHA.

OHA may refuse to approve a proposed CCO Form A transaction if... (3)

- It would substantially reduce:
 - The security of and service to any members of the CCO,
 - Access to and quality of health care for Oregonians, or would substantially increase the cost of health care,
 - The ability of any CCO involved to:
 - perform its contractual obligations to OHA;
 - innovate, coordinate care, provide value, and delivery high quality services;
 - demonstrate commitment to addressing health disparities and inequities;
 - be strongly connected to the community served by the CCO;
 - provide services cost effectively and within cost growth limits;
 - support social determinants of health in the community;
 - Satisfy OHA's policy priorities as required by contract or adopted by Oregon Health Policy Board

OHA may refuse to approve a proposed CCO Form A transaction if...(4)

- The activity or completing the activity is likely to be hazardous or prejudicial to members of the CCO, other Medicaid members, or the insurance-buying public.
- The activity or completing the activity is likely to reduce the CCO's demonstrated commitment to addressing health disparities and inequities, create or increase disparities or inequities, or make it more difficult to achieve health equity in the state.
- The activity is subject to other material and reasonable objections.

CCO Form A Follow Up Reviews

- Not later than one year after the close of a CCO Form A transaction, the CCO is required to provide OHA with a retrospective review of the transaction that includes:
 - The extent to which the business plans for the CCO as submitted as part of the Form A review, have been realized, and
 - The explanation for, and the CCO's planned rectification of, any respect in which those plans have not been realized.

Note if a CCO Form A review was also subject to a HCMO review, HCMO is charged with conducting 1, 2, and 5 year follow up reviews.

For More Information

CCO Form A Website

www.oregon.gov/oha/HPA/HP/Pages/CCO-Form-A.aspx

Contact Us

CCO.FormA@oha.Oregon.gov