

# Health Care Market Oversight (HCMO) Program Notice of Material Change Transaction

The applicant must complete and submit this notice of proposed material change transaction to [hcmo.info@oha.oregon.gov](mailto:hcmo.info@oha.oregon.gov).

One important role of the Health Care Market Oversight Program is to notify the community and people living in Oregon when entities propose a material change transaction. This document will be published and serve as the public notice. If requested under public records laws, OHA will disclose all versions of this document received. Contact program staff with any questions or to request technical assistance at [hcmo.info@oha.oregon.gov](mailto:hcmo.info@oha.oregon.gov).

Note: if any entity involved in the proposed transaction has associated National Provider Identifiers (NPIs), complete and submit the NPI form.

## I. General Information about the Transaction and Entities

1. Provide the name, title, organization, and email address of the individual completing this form on behalf of the applicant.

Name	
Title	
Organization	
Email Address	

Provide a mailing address for OHA to send a physical copy of the final order.

Name	
Address	
Unit/ number	
City	
State	
Zip	

2. What type of material change transaction is the applicant proposing<sup>1</sup>?
 

<input type="checkbox"/> Merger	<input type="checkbox"/> Contract	<input type="checkbox"/> Other (specify) _____
<input type="checkbox"/> Acquisition	<input type="checkbox"/> Affiliation	

3. What is the proposed effective date of the material change transaction?

<sup>1</sup> Please see OAR 409-070-0010 for definitions of transactions subject to review.

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.*

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 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 entities involved in the proposed transaction. Limit the response to 500 words per entity described.*

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).

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.

## II. Impact from the Proposed Transaction

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

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

a. improve health outcomes for residents of this state.

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.)

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

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

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.

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 or 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.*

None.

12. Will the proposed material change transaction change control of a public benefit corporation or religious corporation?

No.

### III. Signature

Certification and attestation are not required. The electronic signature below should be the name entered in Question #1 and an individual who can sign on behalf of the applicant.

Electronic Signature  Date 11/15/2023

**Agility Podiatry MSO, LLC/ KeiperSpine, P.C. & Spine Surgery Center of Eugene, LLC Transaction  
Attachment to Notice of Material Change Transaction Filing**

Original Filing Submitted: November 16, 2023  
First Revised Filing Submitted: December 8, 2023  
Second Revised Filing Submitted December 15, 2023

Notice Question Prompt Number	Question Prompt	Response
4.	<p>Briefly describe the applicant completing this notice.</p> <p><i>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.</i></p>	<p>Agility Podiatry MSO, LLC, doing business as Unity MSK (“Agility MSO”), a wholly owned subsidiary of Agility Intermediate, Inc. (“Agility Intermediate”), is a management services organization, which provides non-clinical management services to physician-owned medical practices which provide orthopedic, musculoskeletal, podiatry and related services, through administrative services agreements. Agility Intermediate is wholly owned by Agility Health Holdings, Inc. (“Holdings”). In Oregon, Agility MSO currently provides administrative services to one (1) physician practice with fifteen (15) office locations in the Portland metropolitan area, Northwest Extremity Specialists, LLC (“NES”) (website: <a href="https://www.nespecialists.com/">https://www.nespecialists.com/</a>). NES employs sixteen (16) physicians, fourteen (14) of whom are licensed in podiatry and two (2) of whom are licensed in orthopedics. None of the NES-employed physicians perform spine surgeries or are certified by the American Board of Spine Surgeons. NES additionally operates physical therapy offices under the name Creekside Physical Therapy and Rehabilitation (“Creekside”). Creekside provides physical therapy and rehabilitation services. There are three (3) Creekside locations and Creekside (through NES) employs six (6) physical therapists. Agility MSO provides administrative services to Creekside pursuant to its administrative services arrangement with NES. NES entered into two (2) transactions in 2022, neither of which met the materiality thresholds necessitating the reporting of such transactions.</p> <p>Outside of Oregon, a sister entity of Agility MSO, Agility Ortho MSO, LLC (“Ortho MSO”), provides administrative services to two (2) physician practices in the Los Angeles metropolitan area, Los Angeles Orthopaedic Surgery Specialists (website: <a href="https://www.laorthos.com/">https://www.laorthos.com/</a>) (“LAOSS”) and Advanced Orthopaedics, A Medical Group, Inc. (no website) (“Advanced Ortho”). LAOSS has seven (7) offices and employs eighteen</p>

		<p>(18) physicians, none of whom performs spine surgeries or is certified by the American Board of Spine Surgeons. Advanced Ortho renders services at the LAOSS offices through contracted physicians, including LAOSS physicians. Ortho MSO additionally provides administrative services to one (1) physician practices located in Illinois, including Midland Orthopedic Associates (“MOA”) (website: <a href="https://www.midlandortho.com/">https://www.midlandortho.com/</a>). MOA has seven (7) locations and employs eleven (11) physicians, nine (9) of which specialize in orthopedics and two (2) of which podiatry.</p> <p>All non-clinical services provided by Agility MSO and Ortho MSO to NES, LAOSS, MOA, and Advanced Ortho (as applicable) are at the direction of the practices, which remain responsible for all clinical operations of their respective medical practices.</p> <p>Agility MSO is a member-managed LLC managed by its sole member Agility Intermediate. Agility Intermediate is managed by its Board of Directors. Agility Intermediate is an intermediate holding company within the structure and does not engage in any other activities or businesses. The Agility Intermediate directors are appointed by the sole stockholder, Holdings. Holdings is a manager-managed LLC managed by its Board of Managers and is owned by a mix of investors, the largest investor being THP Agility. Holdings, LLC, a Trinity Hunt Partners (“Trinity Hunt”) investment entity and smaller investors being composed of physicians investors and other individuals (please see the structure chart attached hereto as Attachment B for additional detail). The Holdings managers are appointed by eligible members of Holdings. Trinity Hunt is a private investment firm with investments in a variety of sectors. In addition to Agility MSO, Trinity Hunt is invested in Family Help &amp; Wellness, a behavioral health provider which operates an administrative office in Oregon, but does not otherwise offer services in Oregon.</p> <p>Agility MSO, together with Ortho MSO, Agility Intermediate, and Holdings, had total revenues of \$32 million in fiscal year 2022.</p> <p>See Attachment A for list of federal employer identification numbers, addresses, and websites for each entity. See Attachment B for a current structure chart for Agility MSO.</p>
5.	Describe all other entities involved in the proposed transaction.	KeiperSpine, P.C., an Oregon professional corporation (“Keiper”) is an Oregon physician practice with one office location in Eugene, Oregon specializing in neuro-spine care. Keiper is owned 51% by Glenn Keiper, M.D. (“Dr. Keiper”) and 49% by Jonathan Sherman, M.D. (“Dr. Sherman”). Keiper is managed by its Board of Directors comprised of Dr. Keiper, Dr.



<p><i>For each entity, describe the entity’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 entities involved in the proposed transaction. Limit the response to 500 words per entity described.</i></p>	<p>Sherman, and Carmina Angeles, M.D. (“Dr. Angeles”), who have equal voting rights, and its Chief Executive Officer, Dena Putnam-Gilchrist. Keiper employs three (3) physicians, three (3) advanced practice providers, and twelve (12) other employees. Keiper-employed providers treated 5,082 patients in calendar year 2022. Keiper had total revenues of \$4 million in fiscal year 2022. Each of Drs. Keiper, Sherman, and Angeles are Board-Certified by the American Board of Neurological Surgery and are not certified in any other types of surgeries (e.g., podiatry).</p> <p>Keiper’s mailing address is 1410 Oak St. STE 200, Eugene OR 97401. Keiper’s website is <a href="https://keiperspine.com/">https://keiperspine.com/</a>. Keiper’s federal employer identification number is 93-1243624.</p> <p>Spine Surgery Center of Eugene, LLC, an Oregon limited liability company (“SSCE”) is an Oregon licensed ambulatory surgery center specializing in neuro-spine and pain management surgery. SSCE owns and operates one facility in Eugene, Oregon. SSCE is owned 59% by Dr. Keiper, 24.5% by Dr. Sherman, 14.5% by Dr. Angeles, and 2% by Steven Surrect, M.D. SSCE is a member-managed LLC and is managed by its members Dr. Keiper, Dr. Sherman, Dr. Angeles and Dr. Surrect, and its Chief Executive Officer Dena Putnam-Gilchrist. Decisions regarding the business of SSCE are managed by Dr. Keiper. SSCE has twelve (12) members on the medical staff, with a total of nineteen (19) employees. SSCE’s facility is comprised of two operating rooms and treated 1,126 patients in calendar year 2022. SSCE had total revenues of \$6 million in fiscal year 2022.</p> <p>SSCE’s mailing address is 1410 Oak St. STE 200, Eugene OR 97401. SSCE’s website is <a href="https://www.keiperspine.com/surgery_center.stm">https://www.keiperspine.com/surgery_center.stm</a>. SSCE’s federal employer identification number is 20-3303351.</p>
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<p>6.</p>	<p>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).</p>	<p>The objective of the transaction is to bring Keiper into the family of Agility MSO-managed practices and to bring new competition in podiatry and extremity surgery to the Eugene area.</p> <p>Upon the terms and subject to the conditions of the definitive transaction documents, with respect to Keiper the proposed transaction involves 1) Agility MSO’s purchase of substantially all of Keiper’s non-clinical assets and 2) Keiper and Agility MSO entering into an administrative services agreement, pursuant to which Agility MSO will provide non-clinical, administrative services to Keiper. In connection with the proposed transaction and the administrative services to be provided by Agility MSO, the parties contemplate that Agility MSO will hire substantially all of the non-clinical employees of Keiper following the closing and Agility MSO will assume Keiper’s real estate lease for the clinic space with a sublease for the clinic space between Agility MSO and Keiper. All clinical Keiper assets will remain with Keiper and will not be involved in this transaction. This includes, without limitation, Keiper patient medical records, clinical licenses and permits and Keiper payor contracts. As noted above, Keiper will continue to exist as an Oregon professional corporation and all clinical employees (including physicians and advanced practice providers) will remain employees of Keiper and continue to practice independently.</p> <p>In connection with the administrative services agreement, post-closing Keiper will compensate Agility MSO through an arms-length administrative fee. The transaction will not result in a change of ownership of Keiper. It is not anticipated that the transaction will result in governance changes to Keiper.</p> <p>We do not anticipate any changes to health care services at Keiper as part of the transaction.</p> <p>Upon the terms and subject to the conditions of the definitive transaction documents, with respect to SSCE, the proposed transaction involves Agility MSO’s purchase of an aggregate amount of 51% of the equity interests in SSCE from Dr. Keiper, Dr. Sherman and Dr. Angeles. SSCE assets will remain with SSCE and will not be sold in this transaction. As noted above, SSCE will continue to exist as an Oregon limited liability company following the proposed transaction with Dr. Keiper, Dr. Sherman and Dr. Angeles remaining owners.</p> <p>We do not anticipate any changes to health care services at SSCE as part of the transaction.</p>
<p>7.</p>	<p>Briefly describe any anticipated operational or management changes</p>	<p>As a result of the transaction, all non-clinical employees of Keiper will be hired by and become employees of Agility MSO. It is not anticipated that the transaction will otherwise</p>

	<p>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.</p>	<p>result in staffing changes. Agility MSO will step in to assist both Keiper and SSCE with the non-clinical, administrative operations of each entity, allowing the physicians to focus on patient care both through 1) the administrative services agreement between Agility MSO and Keiper and 2) Agility MSO's ownership in SSCE. The transaction will not result in changes in health care services offered. Agility MSO intends to assist Keiper with growing its business, including by helping to recruit new physicians to Keiper with the goal of increasing Keiper's capacity to provide health services. Upon closing the transaction, Agility MSO will be in the position to collaborate with Keiper and SSCE to determine which investments and improvements are most appropriate and needed to continue to grow Keiper and SSCE, which in turn is intended to result in increased access to healthcare for patients. Agility MSO will additionally assist with implementing standard policies and procedures related to state and federal compliance matters (e.g., billing and coding; fraud, waste and abuse; financial relationships), HIPAA, and human resource matters to help ensure Keiper and SSCE operate in compliance with applicable laws and industry best practices. The transaction is expected to have a positive impact on the financial stability of Keiper and SSCE, as each entity will have access to additional resources, including sources of capital, necessary to operate. Growth strategies will include reinvestment of earnings into Keiper and SSCE to allow Keiper and SSCE to consider new investments and initiatives and new ways to improve patient care and access.</p>
8.	<p>Describe the expected impact – increase, decrease, or no change – of the proposed transaction on access to affordable health care in Oregon. Explain your answer.</p>	<p>The transaction is not expected to have any negative impact on the price of or access to health care services within Oregon because Keiper's and SSCE's services will remain available to each of their current patients at current levels and the transaction will not involve any change to Keiper's or SSCE's payor contracts prior to the next normal course renegotiation of these contracts. The anticipated effect of the transaction is that combining Agility MSO's excellence in administration with Keiper's and SSCE's patient care and quality will result in improved quality of patient care and experience.</p>
9.	<p>Explain how, if at all, the proposed transaction will:</p> <ul style="list-style-type: none"> <li>(a) improve health outcomes for residents of this state;</li> <li>(b) benefit the public good by reducing the growth in patient costs. (If the transaction will not reduce the growth in patient costs,</li> </ul>	<p>Agility MSO is a well-capitalized organization that enhances the financial stability of medical practices through its robust financial management and additional access to capital. Agility MSO provides management and administrative services at scale that improves efficiency and profitability across several functions compared to an independent physician practice. Entering into an administrative services arrangement relieves the physicians of the administrative burdens of operating a medical practice/surgery center. By removing the administrative burdens imposed by managing day-to-day non-clinical operations, the physicians can dedicate increased time and attention to their patients and improving the quality of care. Further, the transaction is not expected to result in reducing patient access,</p>

	<p>explain why the proposed transaction is in the best interest of the public.);</p> <p>(c) benefit the public good by increasing access to services for medically underserved populations; and</p> <p>(d) benefit the public good by increasing access to services for medically underserved populations.</p>	<p>including patients covered by federal healthcare programs currently accepted by Keiper and SSCE, such as Medicaid.</p>
<p><b>10.</b></p>	<p>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.</p>	<p>No, the proposed transaction will not result in a decrease in competition. The Keiper practice and the existing NES providers do not presently compete and never have competed for patient volume or for inclusion in payor contracts. Keiper exclusively provides spine surgery, which requires a specialized physician certification, while NES does not provide any spine surgery and does not employ any certified spine surgeons. Moreover, the southernmost locations of NES are approximately 90 minutes' drive time from Eugene.</p>