

ANALYSIS OF AGREEMENT CONTAINING CONSENT ORDERS

II. THE PARTIES

UnitedHealth Group is a for-profit healthcare company headquartered in Minnetonka, Minnesota. UnitedHealth Group is comprised of two business entities: (1) UnitedHealthcare (“United”), which operates as United’s health insurance branch; and (2) Optum, which operates as its health services unit. Within Optum is the OptumCare business segment, which includes employed medical groups, independent physicians associations (“IPAs”) or affiliated physician networks, ambulatory surgical centers, and urgent care centers. In 2018, United had revenues of \$226.2 billion.

DaVita is the parent company to DMG and DaVita Kidney Care, its dialysis division. Headquartered in Denver, Colorado, DaVita had revenues of \$11.4 billion in 2018. DMG operates medical groups and affiliated physician networks across six states: California, Colorado, Florida, Nevada, New Mexico, and Washington.

III. THE PRODUCTS AND THE STRUCTURE OF THE MARKET

A. Industry Overview

Individuals age 65 or over are eligible for Medicare, through which the federal government provides health insurance benefits to seniors. The provision of health insurance to Medicare-eligible beneficiaries is administered through two programs: (1) government-provided Medicare (“Original Medicare”), and (2) privately-provided MA plans funded by the federal government. Under Original Medicare, a beneficiary (or a spouse, if the beneficiary is a

incentivize members to seek care from in-network providers. In order to align providers' financial incentives with their own, MAOs have implemented a number of different reimbursement models in their contracts with providers, and these models vary in the way "risk" is distributed between insurers and providers. In healthcare, "risk" refers to financial liability for unexpected medical expenditures. While some proportion of healthcare spending is predictable

to individuals. MA plans are meaningfully differentiated from other types of health insurance products, including Original Medicare plans, eligibility-restricted Medicare options (e.g., special needs plans or “SNPs”), employer-group MA plans, and commercial health plans.

IV.

Healthcare is familiar with the Las Vegas Area through SelectHealth, which began offering an MA plan in Clark County this year. Intermountain Healthcare also has a minority ownership interest in P3 Health Group Holdings LLC, which owns and operates P3 Health Partners, a recent MCPO entrant to the Las Vegas Area. However, contingent on consummation of the proposed divestiture, Intermountain Healthcare has entered into a contract to divest this ownership interest in P3 Health Group Holdings, LLC, and forfeit its associated board seats. SelectHealth's current negligible share of the MA market in the Las Vegas Area and our analysis of Intermountain's and competitors' business incentives following the proposed divestiture indicate that Intermountain's ownership of SelectHealth does not raise concern for overall competition.

United must complete the divestiture within 40 days of closing the Proposed Acquisition. The proposed Consent Agreement provides for the appointment of a monitor to ensure UnitedHealth Group's and DaVita's compliance with the obligations set forth in the Orders. The proposed Consent Agreement requires Respondents to provide transition assistance to facilitate the transfer of the business to the buyer. The proposed Consent Agreement also