

NOTICE OF MATERIAL CHANGE

DATE OF NOTICE: 10/28/22

1. Name: LHC Group, Inc.

	Federal TAX ID #	MA DPH Facility ID #	NPI #
2.	71-0918189		

CONTACT INFORMATION

3. Business Address 1: 901 Hugh Wallis Road South

4. Business Address 2:

5. City: Lafayette State: LA Zip Code: 70508

6. Business Website: <https://lhcggroup.com/>

7. Contact First Name: Nicholas Contact Last Name: Gachassin, III

8. Title: Executive Vice President, General Counsel

9. Contact Phone: (337) 769-0885 Extension:

10. Contact Email: Nick.Gachassin@lhcggroup.com

DESCRIPTION OF ORGANIZATION

11. Briefly describe your organization.

LHC Group, Inc. (NASDAQ: LHCG) is a leading provider of post-acute health care services to patients through its home health agencies, hospice agencies, community-based service agencies and long-term acute care facilities.

TYPE OF MATERIAL CHANGE

12. Check the box that most accurately describes the proposed Material Change involving a Provider or Provider Organization:

- A Merger or affiliation with, or Acquisition of or by, a Carrier;
- A Merger with or Acquisition of or by a Hospital or a hospital system;
- Any other Acquisition, Merger, or affiliation (such as a Corporate Affiliation, Contracting Affiliation, or employment of Health Care Professionals) of, by, or with another Provider, Providers (such as multiple Health Care Professionals from the same Provider or Provider Organization), or Provider Organization that would result in an increase in annual Net Patient Service Revenue of the Provider or Provider Organization of ten million dollars or more, or in the Provider or Provider Organization having a near-majority of market share in a given service or region;
- Any Clinical Affiliation between two or more Providers or Provider Organizations that each had annual Net Patient Service Revenue of \$25 million or more in the preceding fiscal year; provided that this shall not include a Clinical Affiliation solely for the purpose of collaborating on clinical trials or graduate medical education programs; and
- Any formation of a partnership, joint venture, accountable care organization, parent corporation, management services organization, or other organization created for administering contracts with Carriers or third-party administrators or current or future contracting on behalf of one or more Providers or Provider Organizations.

13. What is the proposed effective date of the proposed Material Change? Q42022 to Q12023

MATERIAL CHANGE NARRATIVE

14. *Briefly* describe the nature and objectives of the proposed Material Change, including 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) and whether any changes in Health Care Services are anticipated in connection with the proposed Material Change:

Upon the terms and subject to the conditions of the Merger Agreement, by and among LHC Group, Inc., UnitedHealth Group Incorporated and Lightning Merger Sub Inc. (the "Merger Agreement"), at the Effective Time (as defined in the Merger Agreement), each share of LHC common stock issued and outstanding immediately prior to the Effective Time (other than any (i) LHC restricted stock awards that are unvested, (ii) Excluded Shares and (iii) Dissenting Shares (subsections (ii) and (iii) herein – each as defined in the Merger Agreement)) will be automatically converted into the right to receive an amount in cash, without interest and subject to any applicable withholding taxes, equal to \$170.00. The combination of LHC Group with UnitedHealth Group's subsidiary, Optum Health, which works with over 100 health plans, unites two organizations dedicated to providing compassionate and comprehensive care to patients and their families. LHC Group's history of high-quality home and community-based care matched with Optum's extensive value-based care experience and resources will accelerate the combined companies' ability to deliver integrated care, improving outcomes and patient experiences. The LHC Group leadership team will continue forward as part of Optum Health.

15. *Briefly* describe the anticipated impact of the proposed Material Change, including but not limited to any anticipated impact on reimbursement rates, care referral patterns, access to needed services, and/or quality of care:

LHC does not anticipate that the proposed Material Change will have an immediate impact on LHC Group's reimbursement rates, care referral patterns, access to needed services, or quality of care. The transaction will increase access to affordable health care in Massachusetts because LHC Group understands that the Group's services will remain available to its current patients and in addition Optum will offer LHC Group's services to Optum Health patients much more broadly.

DEVELOPMENT OF THE MATERIAL CHANGE

16. Describe any other Material Changes you anticipate making in the next 12 months:

LHC Group does not anticipate further Material Changes in the next 12 months. However, LHC Group will provide any and all required Notices and regulatory applications to appropriate government agencies should that change.

17. 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:

See Appendix A for a schedule of forms, notices, and filings with Massachusetts state or federal agencies.

SUPPLEMENTAL MATERIALS

18. Submit the following materials, if applicable, under separate cover to HPC-Notice@state.ma.us.

The Health Policy Commission shall keep confidential all nonpublic information, as requested by the parties, in accordance with M.G.L. c. 6D, § 13(c), as amended by 2013 Mass. Acts, c. 38, § 20 (July 12, 2013).

- a. Copies of all current agreement(s) (with accompanying appendices and exhibits) governing the proposed Material Change (e.g., definitive agreements, affiliation agreements);
- b. A current organizational chart of your organization
- c. Any analytic support for your responses to Questions 14 and 15 above.

[Remainder of this page intentionally left blank]

This signed and notarized Affidavit of Truthfulness and Proper Submission is required for a complete submission.

AFFIDAVIT OF TRUTHFULNESS AND PROPER SUBMISSION

I, the undersigned, certify that:

1. I have read 958 CMR 7.00, Notices of Material Change and Cost and Market Impact Reviews.
2. I have read this Notice of Material Change and the information contained therein is accurate and true.
3. I have submitted the required copies of this Notice to the Health Policy Commission, the Office of the Attorney General, and the Center for Health Information and Analysis as required.

Signed on the 26th day of October, 2022, under the pains and penalties of perjury.

Signature: 

Name: Nicholas Gachassin, III

Title: Executive Vice President, General Counsel

FORM MUST BE NOTARIZED IN THE SPACE PROVIDED BELOW:



Notary Signature

Copies of this application have been submitted electronically as follows:

Office of the Attorney General (1)

Center for Health Information and Analysis (1)

