CommuniCare Health Centers and OLE Health Announce Plans to Merge and Create New Regional Non-Profit Health Network

Merger will Strengthen Primary Care Access Across Napa, Solano and Yolo Counties

DAVIS, CA and NAPA, CA – August 16, 2022 – CommuniCare Health Centers and OLE Health today jointly announced their intention to merge into one regional nonprofit community health center network, providing high-quality primary care services across Napa, Solano, and Yolo Counties. By combining, they will have a total of 17 sites, serve more than 71,000 patients, and expand available services across their three-county geography. As Federally Qualified Health Centers, CommuniCare and OLE Health provide comprehensive primary care services to everyone, regardless of insurance or ability to pay. The majority of patients served by both organizations are on Medi-Cal and live at or below 200% of the Federal Poverty Line.

"As the healthcare landscape continues to shift, community health centers need to adapt in order to ensure continued access and care for vulnerable populations," said Melissa Marshall, MD, CEO of CommuniCare Health Centers. "CommuniCare and OLE Health are very similar, mission-oriented organizations, committed to doing what is best for our patients. We believe uniting provides the best possible future for our patients, staff, and communities."

Alicia Hardy, OLE Health CEO, will assume the role of CEO for the new organization. Melissa Marshall, CEO of CommuniCare, will become Chief Strategic Advisor to the new organization. The new Board of Directors and Executive Team will include existing members from both OLE Health and CommuniCare. Leadership for the new joint Board of Directors will include Michael Golde as Chair, who served as Board Chair of CommuniCare, and Pete Richmond as Vice Chair, who served as Board Chair of OLE Health. OLE Health will be the legally surviving entity.

"I am thrilled to be uniting our organizations and creating a stronger, more sustainable future for both our patients and communities that rely on us," said Alicia Hardy, CEO of OLE Health. "I have a deep admiration for Dr. Marshall and the team she has built at CommuniCare and look forward to working closely with her to integrate our two teams into the region's best nonprofit healthcare provider."

Both organizations offer bilingual, high-quality medical, dental, behavioral health, nutrition, perinatal programs, and care coordination for patients. As FQHCs, OLE Health and CommuniCare offer a sliding fee scale and never turn anyone away because they are unable to pay. The merger will allow for cross-pollination of services for the new entity: CommuniCare offers substance use disorder treatment and runs behavioral health services for Yolo County; OLE Health offers optometry and clinical pharmacy services. This ultimately gives patients access to new programs and expanded expertise.

A steering committee comprised of board members and executives from both organizations will work on transition planning, including determining the new organization's name. The newly formed executive committee and board of directors will immediately begin integrating staff and operations throughout the organization. All current CommuniCare and OLE Health employees will be retained.

Financial projections indicate that the merger will make the new entity more cost-efficient, maximizing reimbursements to increase revenue that can be invested into direct patient care. Merging will also make the new organization more resilient to changes in the healthcare landscape and better positioned

to embrace new models of healthcare delivery and payment, ultimately providing more stability for the patients and communities that rely on services from CommuniCare and OLE Health.

While both boards voted to support the merger on August 10, it needs to be approved by the Health Resources and Services Administration, the government agency who oversees Federally Qualified Health Centers, before it can be finalized. The goal is for the merger to be legally complete by January 1, 2023.

CommuniCare offers services at 11 locations across Yolo County, caring for 1 in 9 residents. OLE Health has four locations in Napa County, caring for 1 in 4 residents, and is the county's only nonprofit health center. It has two sites in Fairfield and is the only non-governmental Federally Qualified Health Center in the Fairfield-Suisun area.

About CommuniCare Health Centers

CommuniCare Health Centers is a Federally Qualified Health Center providing health care to those in need since 1972. Using the client-centered health home model of care, CCHC puts patients and clients first by providing comprehensive quality health care services delivered by a dedicated team of providers and support staff. Our services include primary medical and dental health care, behavioral health services, substance use treatment, health education and support services. Our goal is to develop and maintain a long-term healing partnership with each of our patients to achieve the best possible health outcomes. Serving communities throughout the region, CommuniCare Health Centers cares for one of every nine residents of Yolo County.

About OLE Health

Since 1972, OLE Health has provided comprehensive care to all individuals regardless of insurance or ability to pay. OLE's Health offers primary care, dental, optometry, and behavioral health services and embraces a patient-centered model of care. By emphasizing care coordination across departments, as well as referral and enrollment services, we ensure all the patients' health and well-being needs are met. OLE Health has seven clinics across Napa and Solano County and is the only nonprofit health center in Napa County. OLE serves 40,000 patients annually and is the second largest provider of primary care in Napa Valley.