OHCA
Office of Health Care Affordability
Department of Health Care Access and Information

MATERIAL CHANGE NOTICE SUBMISSION DETAILS

MCN Number	2025-09-09-1406
OHCA Review Start Date	**10/16/2025**
Anticipated date (unless tolled per regulation) by which OHCA could waive cost and market impact review	12/1/2025
Anticipated date (unless tolled per regulation) by which OHCA could determine cost and market impact review required	12/15/2025

SUBMITTER

HEALTH CARE ENTITY CONTACT FOR PUBLIC INQUIRY

Title	Vice President-Legal
First Name	Alicia
Last Name	Hawkins
Email Address	AMHawkins@evolent.com

GENERAL

Business Name	Evolent Health LLC
Website	https://www.evolent.com
Ownership Type	Limited Liability Company
Tax Status	For-profit
Federal Tax ID	45-3084136
Description of Submitting Organization	Evolent Health LLC ("Evolent") acts as a third-party administrator to insurance plans and holds certain licenses and registrations in California and certain other states to conduct these activities and, as such, is considered a health care entity. Evolent is the sole shareholder of Evolent Care Partners Holding Company, Inc. ("ECPHC"), which has five wholly-owned subsidiaries, including The Accountable Care Organization Ltd ("TACO"). TACO is a Michigan corporation that operates a Medicare Shared Savings Program ("MSSP") Enhanced Track Accountable Care Organization ("ACO") pursuant to an agreement with the Centers for Medicare & Medicaid Services ("CMS"). TACO contracts with independent providers, including primary care and other physician groups, to participate in the MSSP with TACO. Some of TACO's participating providers and beneficiaries are located in California. As an Enhanced Track MSSP ACO, TACO offers population health and value-based resources to help independent

	providers improve the quality and value of the care they deliver to CMS assigned Medicare beneficiaries and enables the ACO and its participating providers to share in the savings achieved for the Medicare program in relation to the MSSP. Evolent is wholly owned by Evolent Health, Inc., a publicly traded company with annual revenue amounts for the three most recent fiscal years as follows: $1,352,013,000 in 2022; $1,963,896,000 in 2023; $2,554,741,000 in 2024.
Health Care Provider	Yes
For Payers: Enrollees per county	With respect to TACO, CMS publishes the number of ACO assigned beneficiaries by county, with 2023 being the last year made publicly available as of the date of this submission: Alameda: 43; Amador 44; Butte: 20; Calaveras: 18; Contra Costa: 36; El Dorado: 325; Los Angeles: 15; Nevada: 455; Orange: 15; Placer 3486; Riverside: 15; Sacramento: 2593; San Diego: 27; San Francisco: 173; San Joaquin: 36; San Mateo: 2334; Santa Clara 36; Sonoma: 17; Sutter: 25; Yolo: 44; Yuba: 39.

LOCATIONS

Counties	Alameda; Amador; Butte; Calaveras; Contra Costa; El Dorado; Los Angeles; Nevada; Orange; Placer; Riverside; Sacramento; San Diego; San Francisco; San Joaquin; San Mateo; Santa Clara; Sonoma; Sutter; Yolo; Yuba
California licenses and numbers	Evolent holds a California Third Party Administrator license in California (License No. 0M67864). TACO does not hold any California licenses.
Other States Served	AZ; CO; CT; DC; DE; FL; GA; HI; ID; IL; IN; KY; LA; MA; MD; ME; MS; NC; NJ; NM; NY; OH; OK; OR; PA; TN; TX; UT; VA; WA
Other state(s) licenses and numbers	TACO does not hold licenses in any other states. Evolent holds the following licenses issued by the following state agencies: Alaska Department of Insurance – Third Party Administrator (TPA) Entity; Arkansas Department of Insurance – Third Party Administrator; Florida Office of

	Insurance Regulation – Third Party Administrator; Georgia Office of Insurance and Safety Fire Commissioner – Private Review Agent (PRA); Illinois Department of Insurance – Third Party Administrator; Illinois Department of Insurance – Utilization Review; Indiana Department of Insurance – Pharmacy Benefits Manager (PBM); Indiana Department of Insurance – Third Party Administrator (Resident for TPA); Indiana Department of Insurance – Utilization Review; Maryland Insurance Administration – Third Party Administrator; Maryland Insurance Administration – Private Review Agent; New York Department of Financial Services – Utilization Review (Agent); New York Department of Financial Services – Business Entity Independent Adjuster; Texas Department of Insurance – Utilization Review Agent (UR); Texas Department of Insurance – Third Party Administrator; Virginia Department of Health– Private Review Agent; Washington State Office of Insurance Commissioner - Health Care Benefits Manager (HCBM); Washington Vaccine Association - Third Party Administrator
Primary Languages used when providing services	English; Spanish
Other language if not listed above	Contracted translation call center services are available in order to facilitate translation service

MATERIAL CHANGE

ADDITIONAL ENTITIES

Business Name	Description of the Organization	Ownership Type	Additional MCN Submission
Privia Management Company, LLC	Privia Management Company, LLC ("Privia") is a technology-driven, national physician-enablement company that collaborates with physician practices, health plans, and health systems, including by	Limited Liability Company	No

	providing management services to medical groups through local management services organizations, which provide medical groups with access to value-based care opportunities either directly or through Privia-owned accountable care organizations. Privia is not a health care entity, nor an affiliate, subsidiary or parent of a payor in California, and is therefore not submitting its own Notice of Material Change. Privia itself, does not conduct business in California. Privia has subsidiaries that have California based business activities, one is a Management Service Organization (MSO), and the other is an ACO. Neither the MSO nor ACO is a party to the transaction or a health care entity. The ACO's only connection to California is through certain contractual relationships with independent providers in California. Privia and its subsidiaries and affiliates have no ownership interest in any of the independent providers who contract with the ACO. Privia a wholly owned subsidiary of Privia		

	Health Group, Inc., a Nasdaq-listed company. Privia Health Group, Inc.'s annual revenue amounts for the three most recent fiscal years are as follows: $1,356,660,000 in 2022; $1,657,737,000 in 2023; and $1,736,390,000 in 2024.		

CRITERIA

A health care entity with annual revenue, as defined in *section 97435(d)*, of at least $25 million or that owns or controls California assets of at least $25 million, or;	Yes
A health care entity with annual revenue, as defined in *section 97435(d)*, of at least $10 million or that owns or controls California assets of at least $10 million and is a party to a transaction with any health care entity satisfying subsection (b)(1), or	No
A health care entity located in a designated primary care health professional shortage area in California, as defined in Part 5 of Subchapter A of Chapter 1 of Title 42 of the Code of Federal Regulations (commencing with section 5.1), available at *data.hrsa.gov*. To determine if you are located in a primary health care professional shortage area, please visit *here*	No

CIRCUMSTANCES FOR FILING

The proposed fair market value of the transaction is $25 million or more and the transaction concerns the provision of health care services.	Yes

TRANSACTION DETAILS

Anticipated Date of Transaction Closure	12/30/2025
Description of the Transaction	Please see Attachment to MCN Submission No. 2025-09-09-1406 - Description of the Transaction.
Submitted to US Department of Justice or Federal Trade Commission?	No
Submitted to Other Agency?	Yes
Date of Submission	9/24/2025
To Whom Submitted	CMS

Description of Submission (Include Agency name(s) and State(s))	As an MSSP ACO under contract with CMS, TACO sent a letter notifying CMS of the transaction.
Subject to court proceeding	No
Description of current services provided and expected post-transaction impacts on health care services	Evolent does not provide health care services. Evolent provides third party administrator services to health insurance plans in certain states. This transaction will not involve or impact Evolent's current operations in any way. Instead, the transaction involves the sale of Evolent's wholly owned subsidiaries. With respect to the subsidiaries involved in the transaction, TACO is the only subsidiary with California operations. TACO does not provide health care services. TACO operates an Enhanced Track MSSP ACO pursuant to an agreement with CMS. As an ACO, TACO offers population health management tools, value-based resources, and other administrative services to help independent providers improve the quality, outcomes, and efficiency of the care they deliver. TACO's participating providers are eligible to share in the savings achieved for the Medicare program in relation to the MSSP and are not at risk for payment of covered health care services. However, CMS is responsible for reimbursing providers for covered health care services rendered to Medicare fee-for-service beneficiaries, and providers continue to submit traditional claims to and receive reimbursement from CMS for all covered services rendered to Medicare fee-for-service beneficiaries assigned to TACO under the MSSP. There are no expected post-transaction impacts on health care services, given TACO does not provide health care services and is not responsible for the reimbursement of health care services. Further, the terms of TACO's participation in the MSSP program are governed by its agreement with CMS, and TACO will continue to meet all eligibility and other programmatic requirements of the MSSP post-transaction. This agreement, as well as all participating provider agreements entered into between TACO and each of its independent providers, will remain in place following the transaction. No changes to the

	terms of any of these agreements are contemplated to occur following the transaction. The transaction is not expected to result in any changes to TACO's location or ACO participants. TACO will continue to satisfy all MSSP eligibility and program requirements set forth in 42 C.F.R. Part 425.
Prior mergers or acquisitions that: (A) involved the same or related health care services; (B) involved at least one of the entities, or their parents, subsidiaries, predecessors, or successors, in the proposed transaction; and (C) were closed in the last ten years.	Evolent: ECPHC acquired TACO on June 14, 2019. Evolent acquired all of the outstanding equity interests of National Imaging Associates, Inc. as well as certain transferred assets from Magellan Healthcare, Inc. on January 1, 2023. Evolent acquired certain assets and an exclusive license from Machinify, Inc., on August 1, 2024. Privia: On April 8, 2025, Privia Management Company, LLC acquired all of the equity interests in Privia Holdings of Arizona, LLC (formerly known as IMS Intermediate Holdings of Arizona, LLC), which owns 100% of Integrated Medical Services, Inc. On February 7, 2023, Privia Management Company, LLC acquired a majority ownership interest in CMG Quality Network, LLC. On April 4, 2023, Privia Management Company, LLC bought out the minority owners of Complete MD Solutions, LLC to become the sole equityholder of Complete MD Solutions, LLC. On October 13, 2021, Privia Management Company, LLC acquired a majority ownership interest in BASS Management Services Organization, LLC.
Description of Potential Post Transaction Changes	Pursuant to the Purchase Agreement, Privia will become the sole owner of ECPHC and an indirect owner of each of ECPHC's wholly-owned subsidiaries. There will be no other post-transaction changes of ownership. TACO's agreement with CMS to participate in the MSSP as an Enhanced Track ACO will

	remain in place and its terms unchanged by the transaction. All agreements between TACO and its participating providers will also remain in place and their terms unchanged by the transaction. There will be no changes to any applicable city or county contracts regarding the provision of health care services. There are some post-closing changes anticipated to TACO's governing body, but these changes will amount to a change in approximately only 14% of the governing body. The parties do not anticipate any other material post-transaction changes to corporate bylaws, operating agreements, or operational structures, and such structures will continue to comply with applicable MSSP programmatic and eligibility requirements. Further, TACO will continue to support its participant providers through its existing staff and no changes are anticipated as a result of the transaction to employee staffing levels, job security, wages, benefits, working conditions, and/or employment protections anticipated as a result of the transaction. Privia will make offers of employment to all employees who are then employed by Evolent, with total direct compensation (i.e., salary, wages, cash bonus and equity incentives) that is substantially similar in the aggregate to that provided by Evolent. Following the transaction, employee retention and code of conduct policies will align with those of Privia. TACO will continue to satisfy all MSSP eligibility and program requirements set forth in 42 C.F.R. Part 425. TACO does not provide health care services, and neither ECPHC nor any of its other subsidiaries provide health care services in California or any other jurisdiction. As previously noted in this submission, health care services are provided through TACO's participating providers. CMS is responsible for reimbursing providers for covered health care services rendered to Medicare fee-for-service beneficiaries, and providers continue to submit traditional claims to and receive reimbursement from CMS for all covered

	services rendered to Medicare fee-for-service beneficiaries assigned to TACO under the MSSP. Additionally, an MSSP ACO's assigned Medicare beneficiary population is comprised of the Medicare beneficiary patients of participating providers, which are generally primary care providers with a pre-existing (and often long-standing) relationship with such patients, irrespective of the MSSP (or any potential transaction impacting an MSSP ACO in which such provider participates). As such, the parties do not anticipate potential changes to any health care services offerings, nor to any city or county contracts regarding the provision of health care services.
Description of the nature, scope, and dates of any pending or planned material changes occurring between the Submitter and any other entity, within the 12 months following the date of the notice	There are no other pending or planned material changes.