

MATERIAL CHANGE NOTICE SUBMISSION DETAILS

MCN Number	2025-10-30-1434
OHCA Review Start Date	December 1, 2025
Anticipated date (unless tolled per regulation) by which OHCA could waive cost and market impact review	January 15, 2026
Anticipated date (unless tolled per regulation) by which OHCA could determine cost and market impact review required	January 30, 2026

SUBMITTER

HEALTH CARE ENTITY CONTACT FOR PUBLIC INQUIRY

Title	Vice President
First Name	Dean
Last Name	Jiffry
Email Address	Deanjiffry@gmail.com

GENERAL

Business Name	Physician Health Network Medical Corporation
Website	www.web4phn.com
Ownership Type	Corporation
Tax Status	For-profit
Federal Tax ID	33-0632015
Description of Submitting Organization	Submitting Organization is a physician-owned independent physician association ("IPA") comprised of approximately 40 primary care physicians who are pediatricians, internal medicine and family practice physicians. Submitting Organization's only line of business is Medi-Cal. Submitting Organization's network of physicians provides medical care to approximately 67,000 Medi-Cal patients assigned to Inland Empire Health Plan in Riverside and San Bernardino Counties. Submitting Organization operates by contracting with multiple independent primary care clinic locations. Submitting Organization engages a third-party management services company to manage its business operations. Submitting Organization is a California corporation owned by 37 shareholders who are local physicians who are or have been providers of medical services to Submitting Organization patients.

	Submitting Organization is governed by a board of directors elected by its shareholders. Submitting Organization has four officers that oversee the services provided by the management company on behalf of Submitting Organization. Submitting Organization does not have any affiliates, subsidiaries, or other entities that control, govern, or are financially responsible for Submitting Organization or that are subject to the control, governance, or financial control of Submitting Organization.
Health Care Provider	Yes
For Providers: Desc. of Capacity or Patients served in California	Provider Type: Independent Physician Association Facilities Owned or Operated: None Service Lines: Adult and Pediatric Primary Care, Specialty Physician Care, Radiology services, Laboratory services and Durable Medical Equipment Number of Staff: Zero Geographic Service Areas: Riverside and San Bernardino Counties Number of Patients Served per County in the last year: San Bernardino County - 32,545 Riverside County - 21,704

LOCATIONS

Counties	Riverside; San Bernardino
California licenses and numbers	DMHC Risk Bearing Organization: 10309 California Secretary of State Registration: 1878449 City of Chino Business License: 44247
Other States Served	None
Other state(s) licenses and numbers	N/A
Primary Languages used when providing services	English; Spanish

MATERIAL CHANGE

ADDITIONAL ENTITIES

Business Name	Description of the Organization	Ownership Type	Additional MCN Submission
David Ulrick, MD	Individual Medical Doctor	Other	No
Eva L. Vargas RN/BSN	Individual Registered Nurse	Other	No
PHN Holdco, LLC	PHN Holdco, LLC is a newly formed limited liability company. It has not conducted any business and will not conduct any business. Its sole purpose is to act as the "Sellers Nominee" and "Representative" on behalf of the Sellers under the Stock Purchase Agreement.	Limited Liability Company	No

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 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	Yes

CIRCUMSTANCES FOR FILING

The transaction involves a transfer or change in control, responsibility or governance of the Submitter. A transaction will directly or indirectly transfer control, responsibility, or governance in whole or in part of a material amount of the assets or operations of a health care entity to one or more entities if: (1) The transaction would result in the transfer of 25% or more of the voting power of the members of the governing body of a health care entity, such as by adding one or more members, substituting one or more members, or through any other type of arrangement, written or oral; or (2) The transaction would vest voting rights significant enough to constitute a change in control such as supermajority rights, veto rights, and similar provisions even if ownership shares or representation on a governing body are less than 25%;	Yes
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TRANSACTION DETAILS

Anticipated Date of Transaction Closure	2/9/2026
Description of the Transaction	The goal of this transaction is to transfer the ownership of Submitter from Submitter's shareholders ("Shareholders") to David Ulick, M.D. and Eva L. Vargas, RN/BSN (each a "Buyer", and collectively, "Buyers"), which will facilitate the retirement of the Shareholders and ensure continued ownership of the independent physician association ("IPA") by experienced professionals, without any disruption to Submitter's members or patients. As set forth in more particular detail in the Stock Purchase Agreement, upon the closing of this transaction, Shareholders will sell all of their issued and outstanding stock in Submitter to Buyers in exchange for the Purchase Price, as that term is defined therein. The transaction ensures long-term stability of the IPA by transitioning ownership to a new generation of owners who have a proven track record of owning successful IPAs and providing high-quality care. Submitter's members and patients also will benefit from Buyers' local operations and strong relationships with regulators, payors, and communities throughout California. Submitter's members will benefit from Buyers' expertise and local relationships. Buyers' previous IPAs focused on serving Medicare-eligible populations, and Buyers are committed to advancing their mission to continue to serve such populations in the Inland Empire. Based on publicly available information, there are 214 capitated providers or risk bearing organizations in California, none of which are owned and operated by Buyers. Patients will continue to have ample ability to seek care from other IPAs in the region.

	Buyers are individual owners focused on providing high-quality care and continuity of services for Submitter's patients and members. This transaction ensures ongoing operation of the IPA in the Inland Empire. There are no anticipated adverse impacts on the public resulting from this transaction.
Submitted to US Department of Justice or Federal Trade Commission?	No
Submitted to Other Agency?	No
Subject to court proceeding	No
Description of current services provided and expected post-transaction impacts on health care services	Submitter's network of independent providers furnishes primary care, pediatric care, internal medicine and other specialty services in Riverside and San Bernardino counties. Submitter currently serves approximately 67,000 patients. Submitter provides all levels of care to its patients, the full range of reproductive health care and sexual health care services, specialized services for LGBTQ+ populations, labor and delivery services, pediatric services, behavioral health services, cardiac services, and emergency services. Submitter provides all services that represent the California Medi-Cal benefits available to Medi-Cal patients. Submitter patients are all enrolled in Medi-Cal through Inland Empire Health Plan. These patients are comprised of individuals of all ages. Approximately 22,000 are children and approximately 45,000 are adults. Approximately 36,000 PHN patients are female and approximately 31,000 are male. Approximately 61% of PHN patients speak English, approximately 38% speak Spanish. Submitter does not anticipate the need for a community needs assessment nor does Submitter anticipate any post-transaction changes to the services it provides as Submitter operates under the terms of its Provider Service Agreement with Inland Empire Health Plan and that agreement will remain unchanged and in effect after the transaction is concluded.

	Submitter currently exclusively accepts Medi-Cal patients from Inland Empire Health Plan under the terms of the PHN-IEHP Provider Service Agreement is expected to remain in effect after the transaction is concluded. There are no expected post-transaction impacts on health care services.
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.	Not applicable
Description of Potential Post Transaction Changes	After Closing, Sellers will no longer own or operate Submitter and Buyers will own and operate Submitter. There are no other expected post-transaction changes. Submitter has not had any employees for the past ten years and there are no expected post-transaction changes. Submitter does not have any city or county contracts regarding the provision of health care services and there are no expected post-transaction changes. In addition to Submitter, there are other IPAs that offer comparable services in Riverside and San Bernardino County. Inland Empire Health Plan also offers Comparable services through direct contract network in both counties where Submitter provides services. These include Optum-Inland Faculty Medical Group, La Salle Medical Group and Alpha Care Medical Group.
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 pending or planned material changes occurring between the Submitter and any other entity, within the 12 months following the date of the notice.