When does an MSO need to file notice with OHCA?

Note: This flow chart has been developed for regulations effective November 2, 2026.
See 22 CCR 97431 *et seq.* and Health and Safety Code (HSC) 127500 *et seq.* for official language.

Does the MSO meet the statutory definition in HSC 127500.2(o)?

Are you an entity that provides management and administrative support services for a provider in support of the delivery of health care services, excluding the direct provision of health services?

- Management and administrative support services shall include provider rate negotiation, revenue cycle management, or both.
- A management services organization does not include entities that own one or more health facilities, as defined in subdivision (a) or (b) of HSC 1250.

Does the MSO meet the statutory definition of MSO?

No → The MSO does not need to file

Yes

Does the MSO meet threshold filing requirements?

Does the MSO meet any of the threshold filing requirements listed below:

- Is the MSO owned by a hospital and have one or more physician organization clients or affiliates?

OR

- Does the MSO employ the physician-owner of, or otherwise contract with the physician-owner of, one or more physician organizations?

OR

- Does the MSO share directors, officers, investors, or other natural persons with the ability to exercise control with respect to a health care entity?

OR

- Is the MSO affiliated with at least two of the following: a payer, two or more physician organizations, or a hospital?

Does the MSO meet threshold filing requirements?

No → The MSO does not need to file

Yes

Does the other party meet regulatory requirements?

Is the MSO party to a transaction with either:

- Another MSO that meets the statutory definition in HSC 127500.2(o)?

OR

- A health care entity that meets 22 CCR 97435(b)(1), (2), or (3)?

Does the other party meet requirements?

No → The MSO does not need to file

Yes

Is the transaction a merger, acquisition, affiliation, or other agreement?

Is the transaction a merger, acquisition, affiliation, or an agreement impacting the provision of health care services in California that involves a transfer (including a sale, lease, exchange, option, encumbrance, conveyance, or disposition) of assets or a transfer of control, responsibility, or governance of the assets or operations, in whole or in part, of any health care entity or management services organization to one or more entities?

Is the transaction a merger, acquisition, affiliation, or other agreement?

No → The MSO does not need to file

Yes

Is the transaction in the usual and regular course of business?

Is the transaction in the usual and regular course of business for the MSO?

Is the transaction in the usual and regular course of business?

Yes → The MSO does not need to file

No

Are all parties under common control?

Does the MSO already control, or is it under common control with, all parties to the transaction?

Are all parties under common control?

Yes → The MSO does not need to file

No

Does the transaction meet a filing circumstance?

Does the transaction meet any of the filing circumstances below:

- Does the transaction result in an MSO providing management and administrative support services for a health care entity meeting 22 CCR 97435(b)(1)?

OR

- Does the transaction result in an MSO providing management and administrative support services for two or more providers that collectively generate $10 million in annual California-derived revenue?

OR

- Will the transaction transfer control, responsibility, or governance of a health care entity? (See 22 CCR 97435(e).)

Does the transaction meet a filing circumstance?

No → The MSO does not need to file

Yes → **The MSO must file notice with OHCA.**

New 11/2026