

MATERIAL CHANGE NOTICE SUBMISSION DETAILS

MCN Number	2024-06-07-1160
OHCA Review Start Date	9/17/2024
Anticipated date (unless tolled per regulation) by which OHCA could waive cost and market impact review	10/31/2024
Anticipated date (unless tolled per regulation) by which OHCA could determine cost and market impact review required	11/15/2024

SUBMITTER

HEALTH CARE ENTITY CONTACT FOR PUBLIC INQUIRY

Title	CEO
First Name	Jennifer
Last Name	Malone
Email Address	jenniferm@wsmcmed.org

GENERAL

Business Name	Western Sierra Medical Clinic, Inc.
Website	https://wsmcmed.org/
Ownership Type	Other Ownership
Tax Status	Non-profit
Federal Tax ID	94-2279011
Description of Submitting Organization	Western Sierra Medical Clinic, Inc. ("WSMC") is a California nonprofit public benefit corporation, 501(c)(3), and a Federally Qualified Health Center ("FQHC") serving its community through the provision of comprehensive medical, chiropractic, dental, and behavioral health care to the community, regardless of income or insurance coverage. WSMC serves Nevada County, Placer County, Sierra County, and Yuba County.
Governance and Operational Structure	Board of directors
Health Care Provider	Yes
For Providers: Desc. of Capacity or Patients served in California	See above. WSMC has seven clinics in the counties noted above and services approximately 17,500 patients and 67,000 visits per year. The number of staff is 148.

LOCATIONS

Counties	Nevada; Placer; Sierra; Yuba
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California licenses and numbers	-California Department of Public Health, Facility License: 230000339, 230000145 -California Department of Public Health/CMS, CLIA: 05D2135211, 05D2127832, CLR-90010669, 05D0617228, CLR-00331732, 05D1021089, CLR-90010836, CLR-90010472, 05DD2290645 -California Department of Public Health, Radiation: FC00073472 -California Department of Public Health, Medical Waste Management Program: 59904, 59911, 59957, 59901, 59902, 59958, 59959
Other States Served	None
Primary Languages used when providing services	English; Spanish

MATERIAL CHANGE

ADDITIONAL ENTITIES

Business Name	Description of the Organization	Ownership Type	Additional MCN Submission	Created On
Sierra Family Medical Clinic	Sierra Family Medical Clinic (SFMC) is a nonprofit 501(C)(3), California public benefit corporation, and a Federally Qualified Health Clinic (FQHC). In 2023, SFMC served 2,048 patients in Western Nevada and Yuba Counties. Established 41 years ago, SFMC provides medical, dental, chiropractic and behavioral health services. SFMC employs 35 staff members.	Other	Yes	6/25/2024

	<p>SFMC is an essential safety net clinic to its rural service area. SFMC has a governing Board of Directors and an annual operating budget of around 4 million dollars for the past three years.</p>			
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CRITERIA

<p>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</p>	<p>Yes</p>
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CIRCUMSTANCES FOR FILING

<p>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:</p> <p>(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</p> <p>(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%;</p>	<p>Yes</p>
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TRANSACTION DETAILS

<p>Anticipated Date of Transaction Closure</p>	<p>11/1/2024</p>
<p>Description of Transaction</p>	<p>The strength of the combined health centers will help to preserve the availability of services to WSMC's and Sierra Family Medical Clinic's (SFMC's) underserved communities. WSMC and SFMC plan to merge, with WSMC as the surviving entity. This transaction is intended to secure the financial viability of SFMC, which might otherwise close. The parties do not</p>

	anticipate any adverse impacts of the transaction on the public.
Submitted to US Department of Justice or Federal Trade Commission?	No
Subject to court proceeding	No
Description of current services provided and expected post-transaction impacts on health care services	<p>WSMC is a non-profit FQHC that provides comprehensive healthcare and supportive services to residents at 11 sites in northeastern rural California, namely Sierra, Nevada, Placer, and eastern Yuba Counties. WSMC provided healthcare services to 17,557 patients last year, of all ages, genders, races, ethnicities, and disability statuses. WSMC's clinics primarily provide services in English and Spanish, however, WSMC has a robust translation service for any language to eliminate language barriers. WSMC provides medical, dental, and behavioral health services. Services are integrated and include primary care for all ages, including obstetrics and gynecological care; behavioral health services (mental health and substance use disorders treatment); LGBTQ+ care; dental care; and additional modalities such as podiatry, cardiology, ophthalmology, and chiropractic care. WSMC also provides a robust array of supportive services, including onsite laboratory and discounted pharmacy services; case management; health education; nutritional support; eligibility assistance; community outreach; and translation services. There are no anticipated changes to staffing levels, services, or locations. The community needs assessment shows a need for primary and pediatric care; women's and maternal care; dental care; behavioral health care services; substance use disorder services; case management; and specialty services, such as cardiology, podiatry, and chiropractic; all of which are offered at WSMC and will be shared resources at all sites of service. Both organizations currently offer, and will continue to offer post-transaction, a sliding fee discount program that allows for self-declaration if an individual is without an income. These individuals are eligible for waived fees once the application is completed. All sites of service are open to Medi-Cal and Medicare</p>

	patients, and will continue to be post-transaction.
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.	N/A.
Description of Potential Post Transaction Changes	SFMC will merge into WSMC, with WSMC as the surviving entity. The WSMC board will be expanded to include three seats which will be filled by former SFMC board members. Otherwise, WSMC and SFMC do not anticipate any changes in operating structure, employment or benefits, or city or county contracts. There is one health care entity within 20 miles, which is an Indian health center offering similar services to those of the merging organizations.
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.