

## MATERIAL CHANGE NOTICE SUBMISSION DETAILS

MCN Number	2024-12-03-1272
OHCA Review Start Date	1/24/2025
Anticipated date (unless tolled per regulation) by which OHCA could waive cost and market impact review	3/10/25
Anticipated date (unless tolled per regulation) by which OHCA could determine cost and market impact review required	3/25/25

## SUBMITTER

### HEALTH CARE ENTITY CONTACT FOR PUBLIC INQUIRY

Title	Operating Partner
First Name	Dennis
Last Name	Nesta
Email Address	dennis@kaincap.com

### GENERAL

Business Name	Akeso Occupational Health
Website	www.akesomedical.com
Ownership Type	Limited Liability Company
Tax Status	For-profit
Federal Tax ID	71-0983832
Description of Submitting Organization	<p>Akeso Occupational Health (“Akeso”) is a workplace health resource company, focusing on the evaluation and treatment of health issues which arise from work or environmental exposures and enabling injured employees to return to work as soon as possible. Kain Akeso Medical Holdings LLC is a Management Services Organization (“MSO”) that provides administrative and management services to Coastal Occupational Medical Group d/b/a Akeso Occupational Health (“PC”) pursuant to a management services agreement (“MSA”). The PC retains control and responsibility for all aspects of the practice of medicine and delivery of medical services under its MSA with the MSO. The healthcare providers at Akeso clinics provide work-related care in occupational medicine and specific areas of ancillary and specialty medicine focused on work-related injuries.</p> <p>Coastal Occupational Medical Group is controlled by Dr. Eugene “Gene” Ma,</p>

	<p>Akeso’s Chief Medical Officer. Dr. Ma is Board Certified in Emergency Medicine, a Fellow of the American College of Emergency Physicians, and a Voluntary Assistant Clinical Professor of Medicine at UC San Diego. He graduated from UC San Francisco School of Medicine, completed his internship at Stanford School of Medicine, and completed his residency in Emergency Medicine at UC San Diego.</p> <p>Dr. Ma has been acknowledged ten times by his peers as a “San Diego Top Doctor” in Emergency Medicine. He has served as Chairman of the Department of Emergency Medicine and Chief of Staff at Tri-City Medical Center, along with being a board member of the Tri-City Hospital Foundation for a decade. He also previously served as Executive Director of Tri-City Emergency Medical Group. Prior to joining Akeso as Chief Medical Officer, Dr. Ma was Chief Executive Officer of WorkPartners Occupational Health Specialists.</p>
Health Care Provider	Yes
For Providers: Desc. of Capacity or Patients served in California	<p>Akeso clinics offer occupational health services in 20 locations, primarily throughout Southern California. Akeso and its subsidiaries and affiliates employ approximately 350 employees in clinics and corporate office functions. Clinical staff include nurse practitioners, physician assistants, physicians, and specialty providers such as physical therapists, acupuncturists, and others. Please see Exhibit E for a list of Akeso’s clinics.</p> <p>The two main service lines at Akeso clinics are Employee Services (42% of patient visits) and Workers’ Compensation (58% of patient visits). Employee services focuses on improving workplace health through injury prevention, ergonomic assessments, and return-to-work programs to boost employee productivity and wellness. Services include pre-employment physicals, drug testing, audio testing, respirator fit testing, and other services. Workers’ Compensation provides rehabilitation services for injured workers, helping them</p>

	<p>recover and safely return to work while coordinating with insurers and employees.</p> <p>In the last year, there were approximately 291,000 patient visits at the 20 Akeso clinics, distributed as shown in Exhibit C.</p>
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## LOCATIONS

Counties	Imperial; Los Angeles; Orange; Riverside; San Diego; San Luis Obispo; Santa Barbara; Ventura
California licenses and numbers	Please refer to Exhibit B.
Other States Served	None
Other state(s) licenses and numbers	Please refer to Exhibit B.
Primary Languages used when providing services	English; Spanish

## MATERIAL CHANGE

## ADDITIONAL ENTITIES

Business Name	Description of the Organization	Ownership Type	Additional MCN Submission
Agile Occupational Medicine, LLC	Please refer to the Narrative Responses provided.	Limited Liability Company	Yes

## CRITERIA

A health care entity with annual revenue, as defined in <a href="#">section 97435(d)</a> , 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	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 <a href="http://data.hrsa.gov">data.hrsa.gov</a> . To determine if you are located in a primary health care professional shortage area, please visit <a href="#">here</a>	Yes

## 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
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The transaction involves the sale, transfer, lease, exchange, option, encumbrance, or other disposition of 25% or more of the total California assets of the submitter(s).	Yes
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

### TRANSACTION DETAILS

Anticipated Date of Transaction Closure	3/2/2025
Description of the Transaction	Please refer to the Narrative Responses provided.
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	Please refer to the Narrative Responses provided.
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.	Please refer to the Narrative Responses provided.
Description of Potential Post Transaction Changes	Please refer to the Narrative Responses provided.
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	Please refer to the Narrative Responses provided.

# EXHIBIT B

## Akeso Clinics Licensing Tracker

as of November 27, 2024

Clinic Name	County	Address	Business License/Sales Tax Registration		CDPH Radiology		CDPH CLIA	
			License #	Exp Date	License #	Exp Date	License #	Exp Date
Chula Vista	San Diego	1510 Sweetwater Rd, Ste B, National City, CA 91950	9049737	12/31/2024	FAC00087171	5/31/2025	90000932	9/3/2025
Commerce	Los Angeles	6538 Telegraph Rd, Commerce, CA 90040	8934308	12/31/2024	FAC00087173	5/31/2025	Pending	Renewal Submitted 08.17.24
El Centro	Imperial	1441 W State St, Ste B, El Centro, CA 92243	391118	3/31/2025	FAC00089527	9/30/2026	Pending	Renewal Submitted 08.17.24
Huntington Beach	Orange	17122 Beach Blvd, Ste 104, Huntington Beach, CA 92647	A312490	2/29/2024	FAC00089697	9/30/2026	90014209	11/11/2025
Irvine	Orange	17232 Red Hill Ave, Irvine, CA 92614	220000734	5/31/2024	FAC00085685	10/30/2024	Pending	Renewal Submitted 08.17.24
La Mirada	Los Angeles	15330 Valley View Ave, Ste 1, La Mirada, CA 90638	37266	6/30/2025	FAC00087174	5/31/2025	Pending	Renewal Submitted 08.17.24
Lakewood	Los Angeles	5203 Lakewood Blvd, Ste. B, Lakewood, CA 90712	28090	6/30/2025	FAC00087166	5/31/2025	Pending	Renewal Submitted 08.17.24
Mission Valley	San Diego	7485 Mission Valley Rd., Ste 100, San Diego CA 92108	B2023000391	1/31/2025	N/A	N/A	90000931	11/8/2024
National City	San Diego	444 W 8th Street, Ste 101-102, National City, CA 91950	9049737	12/31/2024	FAC00087051	4/30/2025	00321205	3/18/2025
Oceanside	San Diego	3156 Vista Way, Ste 100, Oceanside, CA 92056	1275503	2/28/2025	FAC00087170	5/31/2025	00343620	8/25/2025
Oxnard	Ventura	1901 Outlet Center Dr, Ste 100, Oxnard, CA 93036	25-00084663	8/31/2025	FAC00063357	12/31/2025	90013725	9/3/2025
Paramount	Los Angeles	7300 Alondra Blvd, Ste 100, Paramount, CA 90723	16815006	1/31/2025	Pending	Submitted on 11/27/2024	Pending	Renewal Submitted 08.17.24
Riverside	Riverside	3579 Arlington Ave, Ste 300, Riverside, CA 92506	12371663	1/31/2025	FAC00087176	5/31/2025	90014210	11/11/2025
San Diego	San Diego	1620 5th Ave, Ste 200, San Diego, CA 92101	B2023010619	10/31/2024	FAC00088513	12/31/2025	90011211	12/5/2024
Santa Fe Springs North	Los Angeles	11817 Telegraph Rd, Santa Fe Springs, CA 90670	15810842	6/30/2025	FAC00042897, FAC00085686	6/30/2026, 10/31/2026	90010556	9/20/2025
Santa Fe Springs South	Los Angeles	13440 Imperial Hwy, Santa Fe Springs, CA 90670	15809417	6/30/2025	FAC00085687	10/31/2026	90010557	9/20/2025
Santa Maria	Santa Barbara	3070 Skyway Dr, Ste 106, Santa Maria, CA 93455	22142	9/30/2025	FAC00089695	9/30/2026	90006296	6/12/2025
Templeton	San Luis Obispo	350 Posada Ln, Ste 102, Templeton, CA 93465	6010828	7/31/2025	FAC00088133	2/28/2026	90009679	7/2/2025
Thousand Oaks	Ventura	75 E Thousand Oaks Blvd, Ste E, Thousand Oaks, CA 91360	44918	12/31/2024	FAC00086030	9/30/2026	90009389	9/4/2025
Vista	San Diego	2365 S Melrose Dr, Vista, CA 92081	000-39176	9/30/2025	FAC00087172	5/31/2025	90013661	8/18/2025

# EXHIBIT E

### Akeso Occupational Health Clinics

<b>Group</b>	<b>County</b>	<b>Clinic Name</b>	<b>Address</b>	<b>City</b>	<b>State</b>	<b>Zip</b>
Akeso Occupational Health	San Diego	Chula Vista	1510 Sweetwater Rd, Ste B	National City	CA	91950
Akeso Occupational Health	Los Angeles	Commerce	6538 Telegraph Rd	Commerce	CA	90040
Akeso Occupational Health	Imperial	El Centro	1441 W State St, Ste B	El Centro	CA	92243
Akeso Occupational Health	Orange	Huntington Beach	17122 Beach Blvd, Ste 104	Huntington Beach	CA	92647
Akeso Occupational Health	Orange	Irvine	17232 Red Hill Ave	Irvine	CA	92614
Akeso Occupational Health	Los Angeles	La Mirada	15330 Valley View Ave, Ste 1	La Mirada	CA	90638
Akeso Occupational Health	Los Angeles	Lakewood	5203 Lakewood Blvd, Ste B	Lakewood	CA	90712
Akeso Occupational Health	San Diego	Mission Valley	7485 Mission Valley Rd, Ste 100	San Diego	CA	92108
Akeso Occupational Health	San Diego	National City	444 W 8th Street, Ste 101-102	National City	CA	91950
Akeso Occupational Health	San Diego	Oceanside	3156 Vista Way, Ste 100	Oceanside	CA	92056
Akeso Occupational Health	Ventura	Oxnard	1901 Outlet Center Dr, Ste 100	Oxnard	CA	93036
Akeso Occupational Health	Los Angeles	Paramount	7300 Alondra Blvd, Ste 100	Paramount	CA	90723
Akeso Occupational Health	Riverside	Riverside	3579 Arlington Ave, Ste 300	Riverside	CA	92506
Akeso Occupational Health	San Diego	San Diego	1620 5th Avenue, Ste 200	San Diego	CA	92101
Akeso Occupational Health	Los Angeles	Santa Fe Springs North	11817 Telegraph Rd	Santa Fe Springs	CA	90670
Akeso Occupational Health	Los Angeles	Santa Fe Springs South	13440 Imperial Hwy	Santa Fe Springs	CA	90670
Akeso Occupational Health	Santa Barbara	Santa Maria	3070 Skyway Dr, Ste 106	Santa Maria	CA	93455
Akeso Occupational Health	San Luis Obispo	Templeton	350 Posada Ln, Ste 102	Templeton	CA	93465
Akeso Occupational Health	Ventura	Thousand Oaks	75 E Thousand Oaks Blvd, Ste E	Thousand Oaks	CA	91360
Akeso Occupational Health	San Diego	Vista	2365 S Melrose Dr	Vista	CA	92081



**Akeso Occupational Health – California Notice of Material Change Transaction**

<b>Information Requests</b>	
<b>1</b>	<b>General information regarding the submitter:</b>
	<p>A. Business Name.</p> <p>Akeso Occupational Health</p>
	<p>B. Business Website.</p> <p>www.akesomedical.com</p>
	<p>C. Business Mailing Address.</p> <p>7700 Irvine Center Drive Suite 870 Irvine, CA 92618</p>
	<p>D. Description of organization, including, but not limited to, business lines or segments, ownership type (corporation, partnership, limited liability company, etc.), governance and operational structure (including ownership of or by a health care entity).</p> <p>(i) For health care providers or fully integrated delivery systems, include a summary of provider type (hospital, physician group, etc.), facilities owned or operated, service lines, number of staff, geographic service area(s), and capacity (e.g., number of licensed beds) or patients served (e.g., number of patients per county) in California in the last year.</p> <p>(ii) For health care service plans, health insurers, risk-bearing organizations, and fully integrated delivery systems, include number of enrollees per county in the last year.</p> <p>Akeso Occupational Health (“<b>Akeso</b>”) is a workplace health resource company, focusing on the evaluation and treatment of health issues which arise from work or environmental exposures and enabling injured employees to return to work as soon as possible. Kain Akeso Medical Holdings, LLC is a Management Services Organization (“<b>MSO</b>”) that provides administrative and management services to Coastal Occupational Medical Group d/b/a Akeso Occupational Health (“<b>PC</b>”) pursuant to a management services agreement (“<b>MSA</b>”). The PC retains control and responsibility for all aspects of the practice of medicine and delivery of medical services under its MSA with the MSO. The healthcare providers at Akeso clinics provide work-related care in occupational medicine and specific areas of ancillary and specialty medicine focused on work-related injuries.</p> <p>Coastal Occupational Medical Group is controlled by Dr. Eugene “Gene” Ma, Akeso’s Chief Medical Officer. Dr. Ma is Board Certified in Emergency Medicine, a Fellow of the American College of Emergency Physicians, and a Voluntary Assistant Clinical Professor</p>

	<p>of Medicine at UC San Diego. He graduated from UC San Francisco School of Medicine, completed his internship at Stanford School of Medicine, and completed his residency in Emergency Medicine at UC San Diego.</p> <p>Dr. Ma has been acknowledged ten times by his peers as a “San Diego Top Doctor” in Emergency Medicine. He has served as Chairman of the Department of Emergency Medicine and Chief of Staff at Tri-City Medical Center, along with being a board member of the Tri-City Hospital Foundation for a decade. He also previously served as Executive Director of Tri-City Emergency Medical Group. Prior to joining Akeso as Chief Medical Officer, Dr. Ma was Chief Executive Officer of WorkPartners Occupational Health Specialists.</p> <p>Akeso clinics offer occupational health services in 20 locations, primarily throughout Southern California. Akeso and its subsidiaries and affiliates employ approximately 350 employees in clinics and corporate office functions. Clinical staff include nurse practitioners, physician assistants, physicians, and specialty providers such as physical therapists, acupuncturists, and others. Please see Exhibit E for a list of Akeso’s clinics.</p> <p>The two main service lines at Akeso clinics are Employee Services (42% of patient visits) and Workers’ Compensation (58% of patient visits). Employee services focuses on improving workplace health through injury prevention, ergonomic assessments, and return-to-work programs to boost employee productivity and wellness. Services include pre-employment physicals, drug testing, audio testing, respirator fit testing, and other services. Workers’ Compensation provides rehabilitation services for injured workers, helping them recover and safely return to work while coordinating with insurers and employees.</p> <p>In the last year, there were approximately 291,000 patient visits at the 20 Akeso clinics, distributed as shown in Exhibit C.</p>
	<p>E. Federal Tax Identification Number and tax status as for-profit or non-profit.</p> <p>The business includes the following three legal entities, which are all for-profit entities.</p> <ol style="list-style-type: none"> <li>1. Coastal Occupational Medical Group d/b/a Akeso Occupational Health; 71-0983832.</li> <li>2. Kain Akeso Medical Holdings, LLC; 84-4210914.</li> <li>3. Downtown Occupational Partners, LLC; 33-1882665.</li> </ol>
	<p>F. List of current California health care-related licenses issued by regulatory agencies such as the Department of Managed Health Care, the Department of Insurance, and the Department of Public Health; state and local business licenses related to the provision of health care services; registration(s) with the Secretary of State held by the submitter, if any; and for any current health-care related license(s) held outside of California, identification of license type and state of issuance. For purposes of this subsection, provide the health care license type and numbers only for those facilities, services, and professions involved</p>

	<p>in the transaction. Individual professional license information is not required to be provided.</p> <p>Please refer to Exhibit B.</p>
	<p>G. Contact person, title, e-mail address, and mailing address for public inquiries.</p> <p>Dennis Nesta  Chief Financial Officer  <a href="mailto:dennis.nesta@akesomedical.com">dennis.nesta@akesomedical.com</a>  7700 Irvine Center Drive  Suite 870  Irvine, CA 92618</p>
2	<p><b>List of primary languages used by submitter when providing services to the public as well as any threshold languages, as determined by the Department of Health Care Services, used when providing services to Medi-Cal beneficiaries.</b></p> <p>English and Spanish. The transaction will enable Akeso to offer services in Vietnamese to patients.</p>
3	<p><b>Identification of all other parties to the transaction and indication whether any health care entities who are parties to the transaction will be submitting a notice. For each other entity that is a party to the transaction, to the extent the submitter has access to the information, describe the following:</b></p>
	<p>A. The entity’s business (including business lines or segments);</p> <p>Please see response in 3F.</p>
	<p>B. Ownership type (corporation, partnership, limited liability company, etc.), including any affiliates, subsidiaries, or other entities that control, govern, or are financially responsible for the health care entity or that are subject to the control, governance, or financial control of the health care entity;</p> <p>Please see response in 3F.</p>
	<p>C. Governance and operational structure (including ownership of or by a health care entity);</p> <p>Please see response in 3F.</p>
	<p>D. Annual revenue for the three most recent fiscal years used in calculating revenue in accordance with section 97435(d);</p>

	<p>2024 (as of September 30): \$30,781,540 2023: \$23,961,717</p> <p>Records prior to 2023 are not available due to a change in data systems. Estimated revenues for prior years are provided below:</p> <p>2022: \$6,028,308</p> <p>2021: \$5,845</p>
	<p>E. Current county or counties of operation;</p> <p>Alameda, Kern, Merced, Los Angeles, Monterey, Orange, Sacramento, San Benito, San Joaquin, Santa Cruz, Shasta, and Yuma County, Arizona.</p>
	<p>F. If a health care provider is party to the transaction, include a summary of provider type (hospital, physician group, etc.), facilities owned or operated, service lines, number of staff, geographic service area(s), and capacity (e.g., number of licensed beds) or patients served (e.g., number of patients per county) in California in the last year</p> <p>The parties to the transaction are Agile Occupational Medicine (“Agile”) and Akeso Occupational Health (“<b>Akeso</b>”). See Section 1D for a description of Akeso and its affiliates.</p> <p>Agile Occupational Medicine, LLC (“<b>Agile</b>”) is a workplace health resource company, focusing on the evaluation and treatment of health issues which arise from work or environmental exposures. Agile is a MSO that provides administrative and management services to the multispecialty physician group Agile Occupational Medicine PC pursuant to a management services agreement between Agile and Agile Occupational Medicine PC. The healthcare providers at Agile clinics provide work-related care in occupational medicine and specific areas of ancillary and specialty medicine focused on work-related injuries. Agile drives better outcomes for patients receiving care pursuant to workers compensation programs and other employee services by helping healthcare providers efficiently deliver patient-centered care at quality facilities. The MSO is a limited liability company.</p> <p>Agile Occupational Medicine PC is a professional corporation owned by Dr. Minh Nguyen, a board-certified occupational medicine physician with over twenty years of experience in California occupational medicine. Dr. Nguyen is a physician leader in California who serves as the California Delegate to the American Osteopathic Association and a current board member of the California Coalition on Workers’ Compensation. Agile Occupational Medicine PC retains control and responsibility for all aspects of the practice of medicine and delivery of medical services under its management services agreement with Agile.</p> <p>Agile provides administrative and management services for 21 clinics, primarily located throughout Northern California. Please see Exhibit I for a list of Agile’s facilities in</p>

	<p>California (there is a single clinic in Arizona which is not listed). Agile and its subsidiaries and affiliates employ approximately 290 to 300 employees.</p> <p>In the last year, there were approximately 166,000 patient visits at 20 California clinics (not including the clinic in Arizona), distributed as shown in Exhibit G. Approximately 70% of patient visits provide treatment for work-related injuries covered under workers' compensation. The remaining 30% of patient visits are for a variety of employment-related health services, such as Department of Transportation, fire, and police physical examinations, fit-for-duty examinations, drug testing, and exposure monitoring.</p>
	<p>G. Primary and threshold languages, as determined by the Department of Health Care Services, used;</p> <p>English and Spanish are the two languages spoken daily at the California clinics. Dr. Nguyen is fluent in Vietnamese and provides services in Vietnamese at the California clinics at which he practices and through telemedicine appointments. Interpreting services are available when other language skills are needed. Interpreter services for patients are scheduled through One Call and other vendors.</p>
	<p>H. If a payer is a party to the transaction, include a list of all counties where coverage is sold, counties in which they are licensed to operate by the Department of Managed Health Care and/or the Department of Insurance, and the number of enrollees residing in each listed county in the year preceding the transaction; and</p> <p>N/A</p>
	<p>I. Include the business addresses, if known, of all new entities that will be formed as a result of the transaction.</p> <p>This is to be determined, but the business address of any new entities would be either the current business mailing address for Akeso (7700 Irvine Center Drive, Suite 870, Irvine, CA 92618) or the current business mailing address for Agile (3200 Bristol Street, Suite 600, Costa Mesa, CA 92626).</p>
<b>4</b>	<p><b>Proposed or anticipated date of transaction closure.</b></p> <p>The parties intend to close the transaction as soon as practicable after obtaining all necessary regulatory clearances and after all relevant closing conditions are met.</p>
<b>5</b>	<p><b>Description of transaction, which shall include the following:</b></p>
	<p>A. The goals of the transaction;</p> <p>This transaction seeks to bring together two geographically complementary providers (with minimal geographical clinic overlap) of occupational health services, enabling providers to efficiently cover employer needs and use interoperable or shared systems, share operational learnings to improve wait times, expand the services available to include additional services</p>

	<p>such as physical therapy, acupuncture, and chiropractor services, expand coverage to serve new customers, and improve the quality of service provided to patients and employers. Agile clinics are located primarily in northern California, and Akeso clinics are located exclusively in southern California. Both sets of clinics offer work-related care in their respective geographies. The combination will enable healthcare providers at the clinics to serve more patients and employers with better quality and improved customer service. This will be especially beneficial for employers in California who have operations in several major population areas (such as large retailers, transportation companies, staffing companies, and state of California employees) who would prefer to work with a clinic group that can cover most or all of their locations through a single relationship, reducing employer burdens. Agile and Akeso clinics together could provide another efficient option for employers with employees spanning northern and southern California.</p>
	<p>B. A summary of terms of the transaction;</p> <p>Pursuant to a letter of intent between Agile and Kain Akeso Medical Holdings, LLC (the MSOs), the Agile business (conducted by Agile Occupational Medicine, LLC and its affiliates) intends to combine with the Akeso Occupational Health business (conducted by Kain Akeso Medical Holdings, LLC). The clinics that are currently operated by professional corporations affiliated with the Agile or Akeso MSOs, as applicable, will continue to be operated by the same professional corporations under a newly organized parent holding entity (the “<b>Company</b>”). The Company will own no clinical assets, but intends to enter into agreements to manage clinical assets owned by medical professionals upon mutually agreed terms.</p> <p>Immediately following the consummation of the transaction, the aggregate capital equity interests in the Company will be owned 50% by Agile’s sponsor organization, Angeles Equity Partners, LLC (“<b>AEP</b>”) or one or more of its affiliates, and 50% by Akeso’s sponsor organization, Kain Capital LLC (“<b>Kain</b>”) or one or more of its affiliates, as described in Exhibit A. The sponsor organizations, AEP and Kain, are not parties to the transaction.</p>
	<p>C. A statement of why the transaction is necessary or desirable;</p> <p>By bringing together two clinic groups with complementary geographic footprints, the combined entity will realize significant benefits (including with respect to employer needs and interoperable or shared systems) and efficiencies that enable providers to address employer and patient needs and reduce costs, improve wait times, and deliver more cost-effective and high-quality care and additional healthcare services such as physical therapy. Larger clinic groups can drive efficiencies and savings can be invested into improving existing clinics and opening new clinics that will expand access to care, especially to underserved communities, and improve customer service and other outcomes. Capital investments in clinics will also enable providers to increase capacity and improve quality by updating technology, physical spaces, and services offered.</p>
	<p>D. General public impact or benefits of the transaction, including quality and equity measures and impacts;</p>

	<p>This merger will enable Agile and Akeso clinics to serve more patients with a focus on additional clinical quality, allowing for improved patient care and customer service. Integrated clinics will allow better continuity of care for patients that transition between different clinics and provide options for better continuity of care without geographic gaps in coverage. A large portion of the patient population served by these clinics includes migrant workers who move from farms in northern California to farms in southern California, and continuity of care for this population is a particular concern that will be better addressed by clinics as a result of this transaction. Further, scale will enable capital investments and will ensure the combined clinics have the necessary equipment and facilities to offer the services needed in the communities they serve and, in some cases, provide access to services not previously available. These communities will increasingly include agricultural communities of immigrant farmers and their families, through Agile’s ongoing partnership with United Ag, which enables the Agile clinics to treat migrant workers for both work-related and non-work-related injuries and illnesses.</p>
	<p>E. Narrative description of the expected competitive impacts of the transaction; and</p> <p>This transaction will not reduce competition statewide in California or in any local geography. Instead, by combining clinics located primarily on opposite ends of the state, which are supported by MSOs that provide administrative and management services for such clinics, the transaction will provide employers the option of working with a clinic group that provides even broader geographic coverage for their employees. The transaction will also augment the breadth of healthcare provider expertise that is currently available to patients, since additional healthcare providers will be available.</p> <p>The clinic locations are largely geographically complementary and serve distinct patient populations. In the two counties where there are overlapping clinics, competition for the services provided by Agile and Akeso is robust. The only counties where both Agile and Akeso clinics are located are Los Angeles and Orange. Agile has only 5 clinic locations in those two counties (Mission Hills, Glendale, Gardena, and Wilmington in Los Angeles County and Anaheim in Orange County) and Akeso has 8 clinic locations in these two counties (Commerce, La Mirada, Lakewood, Paramount, Santa Fe Springs North, and Santa Fe Springs South in Los Angeles County and Irvine and Huntington Beach in Orange County). There are many other competitors in very close proximity to each of the clinic groups’ locations (including clinics operated by both Kaiser on the Job and Concentra, which are the two largest providers of occupational healthcare services in the state). The competitors that provide employee services and workers compensation related services similar to Agile and Akeso include occupational health providers, urgent care facilities, and many others.</p> <p>For Akeso, for example, there are at least 163 competitors within 20 miles of the Commerce clinic in Los Angeles County (some of which are located in Orange County) and at least 54 competitors within 10 miles. Similarly, there are at least 151 competitors located within 20 miles of Akeso’s La Mirada clinic in Los Angeles County (some of which are located in</p>



	<p>Orange County), and at least 41 competitors located within 10 miles; at least 148 competitors within 20 miles of Akeso’s Lakewood clinic in Los Angeles County (some of which are located in Orange County), and at least 46 within 10 miles; at least 152 competitors within 20 miles of Akeso’s Paramount clinic in Los Angeles County (some of which are located in Orange County), and at least 51 within 10 miles; at least 162 competitors located within 20 miles of Akeso’s Santa Fe Springs clinics in Los Angeles County (some of which are located in Orange County), and at least 37 within 10 miles; at least 179 competitors located within 20 miles of Akeso’s Huntington Beach clinic in Orange County (some of which are located in Los Angeles County), and at least 48 within 10 miles; and at least 88 competitors within 20 miles of Akeso’s Irvine clinic in Orange County (some of which are in Los Angeles), and at least 48 within 10 miles. A list of known competitors within 20 miles of each Akeso clinic, based on publicly available information, is included at Exhibit H.</p> <p>Further, even within Los Angeles and Orange Counties, the Akeso and Agile clinics have complementary geographic locations with minimal overlap in patient populations. The closest distance between an Agile clinic and an Akeso clinic in these counties is approximately 7.9 miles. However, in densely populated LA County, this translates to roughly 32 minutes driving time. Most patients do not travel more than 7.5 miles or 30 minutes (in the densely populated Los Angeles and Orange Counties) to receive care for the types of conditions treated by these occupational health clinics, and there are many more convenient alternatives.</p> <p>Finally, the transaction will not reduce access to healthcare. Given the complementary clinic locations, as well as driving distances between clinics, there are no plans to close any clinics, or reduce capacity at any clinics, as a result of the transaction. All clinics serve distinct patient populations based on geographies, and the MSOs plan to provide administrative and management services to each clinic to enable the clinics to serve more patients while improving quality and customer service.</p>
	<p>F. Description of any actions or activities to mitigate any potential adverse impacts of the transaction on the public.</p> <p>There are no anticipated adverse impacts of the transaction on the public. The primary change for existing clinic patients will be a transitioning of their patient histories in electronic medical records (“EMR”) that are on legacy systems or systems that will be upgraded or converted to a new EMR system. The parties have processes to backup all claims histories in searchable formats, and processes and vendors that assist with loading histories of active patients onto new EMR systems. Extensive email and mail campaigns will clearly communicate any changes in clinic branding, contact information, and other logistical information to ensure clinic patients are aware of and can navigate such changes.</p>
<p><b>6</b></p>	<p><b>The submission date and nature of any applications, forms, notices, or other materials submitted or required regarding the proposed transaction to any other state or federal agency, such as, but not limited to, the Federal Trade Commission or the United States Department of Justice.</b></p>



	N/A
<b>7</b>	<b>Whether the proposed transaction has been the subject of any court proceeding and, if so, the:</b>
	N/A
	A. Name of the court;
	N/A
	B. Case number; and
	N/A
	C. Names of the parties
	N/A
<b>8</b>	<b>A description of current services provided by the health care entity and expected post-transaction impacts on health care services, which shall include, if applicable:</b>
	A. Counties where services are currently performed and any post-transaction changes thereto;
	Akeso clinics perform services in the counties listed in Section 1D. As discussed in Section 9C, Akeso’s clinic in Napa closed in December 2023. Following the transaction, the counties in which clinic services shall be provided will include: Los Angeles, Orange, San Diego, Santa Barbara, Imperial, San Luis Obispo, Ventura, Riverside, Alameda, Kern, Merced, Monterey, Sacramento, San Benito, San Joaquin, Santa Cruz, Shasta, and Yuma County, Arizona. There are no plans to close any clinics (or reduce staffing at any clinics), as there are no overlaps in coverage that make any locations candidates for combination.
	B. Levels and type of health care services currently offered, such as 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, and any post-transaction changes thereto;
	Akeso clinics perform services listed in Section 1D, and there are no expected post-transaction changes thereto.
	C. Summary that includes the number and type of patients currently served, including, but not limited to, age, gender, race, ethnicity, preferred language spoken, disability status, and payer category, and any post-transaction changes thereto;

	<p>Akeso serves approximately 100,000 patients. Please refer to Exhibit L for more information. Aside from the additional information provided in Exhibit L, no further clinic-specific information is maintained regarding patients’ age, gender, race, ethnicity, preferred language spoken, disability status, and payer category.</p> <p>No significant changes to patient populations are anticipated after the transaction.</p>
	<p>D. Current community needs assessments, charity care, and community benefit programs, and any post-transaction changes thereto; and</p> <p>Work-related injuries in California have consistently increased over the past decade at a rate of over two percent per year. In the current counties served by Akeso clinics, the work-related injury volume has increased by 2.3% per year, a rate higher than the rest of the state. The needs in these counties have increased following demographic trends and employment growth. Akeso continuously seeks to provide its clinics with the latest equipment and services, to provide the best possible care for patients, especially when it is most needed.</p> <p>Each year, Akeso hosts the ELEVATE workers’ compensation conference. ELEVATE brings together thought leaders in the occupational medicine space to network and discuss key trends impacting patients. In 2023 and 2024, ELEVATE included Akeso’s “Karaoke for a Cause” event. This is a fundraising event that, with the support of many of ELEVATE’s more than 400 attendees, raised funds for Hazel’s Hands, a foster youth charity. Akeso looks forward to continuing the ELEVATE tradition.</p> <p>Agile clinics serve employment communities in both rural and urban areas. In clinics that support agricultural communities, clinic services include those directed toward A1 visa workers, who are mostly immigrant farmers and their families, through a partnership with UnitedAg. Post-transaction, the parties anticipate that Akeso clinics that also serve immigrant workers and their families in agricultural communities will also be able to provide services to UnitedAg workers. As a result, immigrant workers in southern California where the Akeso clinics are located will have expanded access to clinic services. Akeso does not currently have a comparable partnership with UnitedAg. No further clinic-specific information about community needs assessments, charity care, community benefit programs, and any post-transaction changes thereto is available.</p>
	<p>E. Whether Medi-Cal and Medicare patients are currently accepted and any post-transaction changes thereto.</p> <p>Akeso does not provide group health services to Medi-Cal or Medicare patients. Akeso does not intend nor expect for this to change following the transaction.</p>
<p><b>9</b></p>	<p><b>If this transaction is a merger or acquisition, description of any other prior mergers or acquisitions that satisfy all of the following:</b></p> <p>Please see response in 9C.</p>

	<p>A. Involved the same or related health care services;</p> <p>Please see response in 9C.</p>
	<p>B. Involved at least one of the entities, or their parents, subsidiaries, predecessors, or successors, in the proposed transaction; and</p> <p>Please see response in 9C.</p>
	<p>C. Were closed in the last ten years.</p> <p>Akeso has grown in the past ten years both through organic growth and acquisitions of clinics throughout Southern California. With these acquisitions, Akeso upgrades facilities to the Akeso standard, expands clinical services, hires additional staff from local communities, provides robust benefits, enhances equipment and technology, including state of the art electronic medical record systems, and conducts significant outreach to local communities to increase awareness of Akeso’s services.</p> <p><b>ProCare</b> Two clinics (in Irvine and Huntington Beach) were acquired from ProCare on January 16, 2020. Both clinics are located in Orange County and provide a mix of occupational health services and treating workers from government agencies and municipalities (including the California Department of Labor).</p> <p><b>Oxnard</b> The Oxnard clinic was acquired on December 7, 2020. This acquisition was consistent with Akeso’s strategy of focusing on acquisitions of top performing clinics in major areas of California to bring together an enterprise-level solution that makes it easier and more efficient to work with great doctors when injured workers need care.</p> <p><b>Health First</b> On February 19, 2021, two clinics (Santa Fe Springs North and Santa Fe Springs South) were acquired from Health First.</p> <p><b>Wine Country Medicine</b> The Wine Country Medicine clinic was acquired on March 5, 2021. The clinic was located in Napa but closed in December 2023, following physician recruitment challenges and related financial burdens. Specifically, Akeso was unable to recruit any new physicians when needed and could not receive coverage from other Akeso providers given the location of this clinic, which was geographically isolated from Akeso’s other clinics in Southern California.</p> <p><b>South Coast Medical</b> On July 13, 2021, South Coast Medical Clinic was acquired. This clinic is focused on the industrial and service community and provides quality occupational medicine, including</p>

	<p>worker injury care, physical therapy, drug testing, Department of Transportation physical exams, and pre-placement exams for underserved communities.</p> <p><b>Industrial Medical Group</b> The Santa Maria clinic was acquired on December 17, 2021. This clinic provides quality occupational medicine to the industrial, agriculture and aerospace communities, including work injury care, drug/alcohol testing, pre-placement exams and workers’ compensation evaluations. In addition to occupational testing and services, the clinic provides patients with DMV/DOT commercial driver license physicals, immigration physicals and FAA-certified pilot physicals.</p> <p><b>El Centro</b> On February 28, 2022, the El Centro clinic was acquired; the clinic serves a broad array of employers and workers in the agricultural, municipal, law enforcement and corrections industries.</p> <p><b>WorkPartners</b> Four clinics in Vista, Mission Valley, Chula Vista, and Oceanside were acquired from WorkPartners on June 30, 2022.</p> <p><b>MedWorks</b> On July 5, 2022, the Templeton Clinic was acquired from Medworks. This clinic provides care to a diverse group of local agricultural, hospitality and other industrial employers.</p> <p><b>Riverside</b> Inland Empire Occupational Medicine in Riverside was acquired on January 4, 2023.</p> <p><b>Immediate Medical</b> On January 12, 2023, four clinics from Immediate Medical were acquired. These clinics (La Mirada, Lakewood, Commerce, and Paramount) provide a full range of injury care, drug testing, physical examinations, physical therapy and on-site care. The clinics serve a wide range of industries, school districts and municipalities throughout southern California.</p>
<b>10</b>	<b>Description of potential post-transaction changes to:</b>
	<p>A. Ownership, governance, or operational structure of the parties to the transaction.</p> <p>Please refer to the response provided in 5B. The Company will own no clinical assets, but intends to enter into agreements to manage clinical assets owned by medical professionals upon mutually agreed upon terms. Clinics currently operated by professional corporations affiliated with Agile or Akeso will continue to be operated by those same professional corporations. Following the transaction, the Company’s board of managers will be comprised of: three managers designated by AEP, three managers designated by Kain, the then-current CEO of the Company, and two independent managers. The clinics will have regional (north and south) medical directors who are qualified physicians. For more information, please refer to Exhibit A.</p>

	<p>B. The submitter’s employee staffing levels, job security, retraining policies, wages, benefits, working conditions, and/or employment protections.</p> <p>All clinics are expected to maintain or increase current staffing levels. Clinics are currently staffed to ensure the clinics maintain an appropriate level of care and that patients are not subject to extended wait times. Clinics will be able to meet additional, anticipated growth and capacity post-transaction through the addition of staff.</p>
	<p>C. City or county contracts regarding the provision of health care services between the parties to the transaction and cities or counties.</p> <p>Akeso has contracts with the County of Orange and the County of San Diego. No changes are expected to these contracts.</p>
	<p>D. If a provider, comparable health care services currently offered by other health care entities within 20 miles of any location where the submitter offers health care services.</p> <p>There are many comparable health services providers located within 20 miles of Akeso’s clinics. The list of comparable clinics/groups within 20 miles of each Akeso clinic location is included as Exhibit H.</p>
<b>11</b>	<p><b>Description of the nature, scope, and dates of any material change transactions between the submitter and any other entity that are either pending or planned to occur within 12 months following the date of the notice.</b></p> <p>N/A</p>

<b>Document Submissions</b>	
1	<p>If the submitter has filed notice of the transaction with the Federal Trade Commission pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976 and 16 C.F.R. Parts 801-803, a copy of the Premerger Notification and Report Form and any attachments thereto.</p> <p>This transaction does not require notice pursuant to the HSR Act.</p>
2	<p>Copies of all current agreement(s) and term sheets (with accompanying appendices and exhibits) governing or related to the proposed material change (e.g., definitive agreements, affiliation agreements, stock purchase agreements).</p> <p>Please refer to Exhibit A for the current agreement between the parties related to the proposed material change. No other affiliation agreements, stock purchase agreements or other definitive agreements governing the terms of the transaction between the parties exist.</p>

3	<p>Documentation sufficient to show the valuation of transaction.</p> <p>Please refer to Exhibit K. This document is an internal management-prepared valuation analysis related to the businesses, tangible and intangible assets, services, and/or compensation related to the transaction. No other valuation documentation exists for this transaction.</p>
4	<p>Contact information for any individuals signing or responsible for the transaction or side or related agreements.</p> <p>Dennis Nesta  Chief Financial Officer  dennis.nesta@akesomedical.com  7700 Irvine Center Drive  Suite 870  Irvine, CA 92618</p>
5	<p>Any pro forma post-transaction balance sheet for any surviving or successor entity.</p> <p>No such documents exist.</p>
6	<p>A current organizational chart of the organization of any entity party to the transaction, including charts of any parent and subsidiary organization(s), and proposed organizational chart(s) for the same entities after the transaction.</p> <p>Please refer to Exhibit D.</p>
7	<p>Existing documentation identifying the number of patients per county or enrollees per county in the last year.</p> <p>Please refer to Exhibit C.</p>
8	<p>Certified financial statements for the prior three years and any documentation related to the liabilities, debts, assets, balance sheets, statements of income and expenses, any accompanying footnotes, and revenue of all entities that are parties to the transaction.</p> <p>Please refer to Exhibit F which provides information for Akeso.</p> <p>No further financial documentation exists for 2021 and 2022.</p>
9	<p>Articles of organization or incorporation, bylaws, partnership agreements, or other corporate governance documents of all entities that are parties to the transaction, including any proposed updates that occur as a result of the transaction.</p>

	Please refer to Exhibit J for corporate governance documents for Akeso, Kain Akeso Medical Holdings, LLC, and Downtown Occupational Partners, LLC.
10	<p>Any documentation related to the mitigation of any potential adverse impacts of the transaction on the public.</p> <p>No potential adverse impacts are anticipated and thus no such documentation exists.</p>
11	<p>Any analysis and/or documents supporting the submitter's responses to the narrative answers provided pursuant to the Notice.</p> <p>Documents supporting the submitter's responses to the narrative answers are included in response to the requests where applicable.</p>