

## MATERIAL CHANGE NOTICE SUBMISSION DETAILS

MCN Number	2026-04-17-1509
OHCA Review Start Date	5/12/2026
Anticipated date (unless tolled per regulation) by which OHCA could waive cost and market impact review	6/26/26
Anticipated date (unless tolled per regulation) by which OHCA could determine cost and market impact review required	7/13/26

## SUBMITTER

### HEALTH CARE ENTITY CONTACT FOR PUBLIC INQUIRY

Title	Co-Founder/COO
First Name	Paulo
Last Name	Marques da Costa
Email Address	paulo@commonsclinic.com
Street Address	13160 Mindanao Way
City	Marina del Rey
State	California
Postal Code	90292

### GENERAL

Business Name	Commons Clinic MSO CA, LLC
Website	commonsclinic.com
Ownership Type	Limited Liability Company
Tax Status	For-profit
Federal Tax ID	87-3605723
Description of Submitting Organization	Please refer to the document titled "Section 3 – Description of the Submitting Organization" attached in Section 12, Folder 11 of the submission.
Health Care Provider	No

### LOCATIONS

Counties	Los Angeles
California licenses and numbers	Please refer to the document titled "Section 4: Licenses and Registrations" attached in Section 12, Folder 11 of the submission.
Other States Served	None
Other state(s) licenses and numbers	None.
Primary Languages used when providing services	English

## MATERIAL CHANGE

## ADDITIONAL ENTITIES

Business Name	Description of the Organization	Ownership Type	Additional MCN Submission
Long Beach NSC, LLC	Please see description of business lines and segments provided pursuant to Section 10 of AmSurg's MCN submission.	Limited Liability Company	Yes
Commons Clinic Medical Network, PC	CCMN participates in value-based care arrangements to lower costs of care for patients, primarily through bundled payment programs with health plans, employers, and associations.	Corporation	Yes

## CRITERIA

A health care entity with annual revenue, as defined in <a href="#">section 97435(d)</a> , 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 <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>	No

## 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	Yes
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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%;	
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**TRANSACTION DETAILS**

Anticipated Date of Transaction Closure	6/1/2026
Description of the Transaction	Please refer to the document titled “Section 6 – Description of the Transaction” attached in Section 12, Folder 11 of the submission.
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	Please refer to the document titled “Section 9 – Description of Current Services Provided and Expected Post-Transaction Impacts on Health Care Services”, attached in Section 12, Folder 11 of the submission.
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.	Acquisition of Majority Ownership Interest in Marina Orthopedic & Spine Institute (“MOSI”): On March 25, 2024, Commons MSO acquired a majority interest in MOSI in Marina del Rey, which increased regional access to ambulatory orthopedic, joint replacement, and spine procedures.
Description of Potential Post Transaction Changes	Please refer to the document titled “Section 9 – Description of Post-Transaction Changes to Ownership, Governance, and Operational Structure”, attached in Section 12, Folder 11 of the submission. Please also refer to the document titled “Organizational Charts” for the current structure and post-acquisition structure, attached in Section 12, Folder 6 of the submission.
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	None.

### **Section 3 – Submitter Business Information**

#### **Description of the Submitting Organization:**

Commons Clinic is a physician-led, multi-specialty medical group providing ambulatory medical services throughout the Los Angeles and Long Beach regions. Clinical operations focus on conservative care and surgical interventions across General Orthopedic, Ortho Spine, Sports Medicine, Interventional Pain Management, Physiatry, and related musculoskeletal subspecialties, supported by integrated ancillary services including diagnostic imaging and care coordination.

Commons Clinic delivers services through outpatient clinic locations and holds a majority ownership interest in Marina Orthopedic & Spine Institute, LLC (“MOSI”), an ambulatory surgery center located in Marina del Rey, California (13160 Mindanao Way, Suite 150). MOSI is CMS- and AAAHC-accredited, operates three operating rooms with ten beds, and provides outpatient orthopedic, spine, joint replacement, and interventional pain management procedures.

Commons Clinic is composed of four entities, including Commons Clinic MSO CA, LLC (“CCMSO”), Commons Clinic Inc. (“CCINC”), Commons Clinic Medical Network, PC (“CCMN”), and Commons Clinic Medical Group (“CCMG”). CCMSO serves as the management services organization, responsible for partnering with Commons Clinic physicians to provide non-clinical management and administrative services across both clinic and surgery center operations, including operational management, staffing support, revenue cycle management, vendor contracting, marketing, compliance support, and business infrastructure.

Commons Clinic Inc., a Delaware C-Corporation, is the parent entity that wholly owns CCMSO. Commons Clinic Inc. employs the executive leadership team and centralized business operations personnel, including functions such as finance, marketing, revenue cycle management, and corporate operations, which support CCMSO and its affiliated clinical entities.

Clinical services are provided through physician-owned professional entities in compliance with California’s Corporate Practice of Medicine requirements. CCMN is a California professional corporation that participates in value-based care arrangements to lower costs of care for patients, primarily through bundled payment programs with health plans, employers, and associations. CCMN maintains a management services agreement (“MSA”) with CCMSO to utilize CCMSO’s administrative and operational infrastructure. CCMN also maintains a provider services agreement with the physician-owned medical group, CCMG, which delivers professional medical services and is owned by Commons Clinic physicians.

Together, these entities operate in a coordinated structure designed to maintain clinical integration amongst physicians and care teams while enabling centralized operational support, value-based contracting capabilities, and efficient delivery of safe, efficacious outpatient care. This structure allows Commons Clinic to expand access to ambulatory services, support physician-led governance through a group practice composition, and comply with applicable state regulatory requirements while maintaining consistency across clinical and business operations.



	<u>License / Registration Type</u>	<u>Issuing Agency</u>	<u>License / Registration No.</u>
<b><u>MSO</u></b>	<u>Medicare Enrollment (Part B – Group)</u>	<u>Centers for Medicare &amp; Medicaid Services (CMS)</u>	<u>CMS-855B / PECOS ID: 836546001</u>
	<u>Medicare Reassignment (Physicians to Group)</u>	<u>CMS</u>	<u>CMS-855R (multiple providers)</u>
			<u>Long Beach - Bixby: FAC 89907</u> <u>Santa Monica: FAC 90809</u> <u>Marina Del Rey: FAC 91159</u> <u>Lakewood: FAC 91330</u>
	<u>Radiologic Equipment Registration</u>	<u>CA Dept. of Public Health – Radiologic Health Branch</u>	<u>Long Beach - Douglas Park: FAC 91464</u>
	<u>Medical Corporation Registration</u>	<u>CA Secretary of State</u>	<u>Entity No.: 202131910203</u>
	<u>Federal Employer Identification Number</u>	<u>Internal Revenue Service</u>	<u>EIN: 87-3605723</u>
	<u>California Employer Payroll Registration</u>	<u>CA Employment Development Department</u>	<u>EDD Acct No.: 162-9210-4</u>
<b><u>CCMN</u></b>	<u>Federal Employer Identification Number</u>	<u>Internal Revenue Service</u>	<u>EIN: 87-3653577</u>
<b><u>CCMG</u></b>	<u>Federal Employer Identification Number</u>	<u>Internal Revenue Service</u>	<u>EIN: 87-3606339</u>
<b><u>CCINC</u></b>	<u>Federal Employer Identification Number</u>	<u>Internal Revenue Service</u>	<u>EIN: 86-3550268</u>

<b><u>MOSI</u></b>	<u>Medicare ASC Certification</u>	<u>Centers for Medicare &amp; Medicaid Services (CMS)</u>	<u>CMS Certification No.: 05C0002291</u>
	<u>AAAHAC Accreditation</u>	<u>Accreditation Association for Ambulatory Health Care</u>	<u>Accreditation ID: B0049D6E7140</u>
	<u>Radiologic Equipment Registration</u>	<u>CA Dept. of Public Health – Radiologic Health Branch</u>	<u>Facility Reg. No.: FAC00089336</u>
	<u>Clinical and Public Health Laboratory License</u>	<u>CDPH</u>	<u>License No.: CLR-00334407</u>
	<u>CLIA Certificate (if applicable)</u>	<u>CMS</u>	<u>CLIA No.: 05D1052088</u>
	<u>DEA License</u>	<u>DEA</u>	<u>#BP9625837</u>
	<u>Federal Employer Identification Number</u>	<u>Internal Revenue Service</u>	<u>EIN: 37-2064423</u>
	<u>Medical Corporation / Operating Entity Registration</u>	<u>CA Secretary of State</u>	<u>Entity No.: 201424810086</u>
<b><u>State and Local Business Licenses</u></b>	<u>Marina Del Rey - Clinic</u>	<u>City Business License</u>	<u>0003290388-0001-1</u>
	<u>Santa Monica - Clinic</u>	<u>City Business License</u>	<u>240766</u>
	<u>Bixby Knolls- Clinic</u>	<u>City Business License</u>	<u>BU05089623</u>
	<u>Lakewood - Clinic</u>	<u>City Business License</u>	<u>002091</u>
	<u>Douglas Park - Clinic</u>	<u>City Business License</u>	<u>BU22308707</u>
	<u>Marina Orthopedic and Spine Institute</u>	<u>City Business License</u>	<u>0002017815-0002-5</u>

## **Section 6: Description of the Transaction**

Commons Clinic MSO CA, LLC, a California limited liability company (“Commons MSO”) and Commons Clinic Medical Network, P.C., a California physician-owned professional corporation, (“CCMN,” and together with Commons MSO, “Buyer”) will acquire from Long Beach NSC, LLC, a Tennessee limited liability company and an affiliate of AmSurg Holdings, LLC (“Seller”), 100% of Seller’s partnership interests in Long Beach Surgery Center, L.P., a California limited partnership that owns and operates Long Beach Surgery Center, an ambulatory surgery center (“ASC”) located at 2880 Atlantic Avenue, Suite 160, Long Beach, California (“SCLB”).

. The physician transactions are ancillary to Buyer’s acquisition of the Purchased Interests and are expected to close contemporaneously or in close proximity to the closing of Buyer’s acquisition, subject to customary conditions.

The proposed transaction is necessary to prevent the imminent closure of SCLB resulting from SCLB’s financial instability and an expiring facility lease in April, which would otherwise reduce access for community members and potentially increase cost of care by pushing ambulatory surgical cases to higher-cost hospital settings. By preserving and stabilizing SCLB, the transaction is expected to maintain and expand access to outpatient surgical care for commercially insured, Medicare, and Medi-Cal beneficiaries in the Long Beach and surrounding South Bay communities (including Lakewood, Seal Beach, Cerritos, and Garden Grove) and increase affordability by keeping appropriate procedures in a lower-cost ASC setting, with no negative impact upon the availability/accessibility or quality of health care services. Buyer intends to re-establish consistent

operating room block schedules, restore five-day-per-week operations as volumes return, and continue acceptance of Medi-Cal and Medicare beneficiaries with no planned restrictions.

Post-transaction, Buyer will maintain existing service lines at SCLB—including orthopedics, total joint replacement, ophthalmology, and ENT—and focus on restoring utilization and access within SCLB’s existing licensed and regulatory scope. There are no anticipated changes to services provided, leadership, or clinical or administrative staffing as a result of the transaction; and any enhancements will occur within current licensure and are intended to increase access and utilization without altering SCLB’s scope of services.

The acquisition will not negatively affect patient choice or competition in the local market but, rather, it is expected to preserve and expand lower-cost ambulatory capacity in Los Angeles County. Buyer currently operates outpatient clinics and holds a majority interest in Marina Orthopedic & Spine Institute (“MOSI”), and has no existing ASC in Long Beach. Commons MSO’s entry as a new ASC operator in Long Beach is expected to increase competition and patient choice locally. At the California market level, the transaction has no impact on business line concentration or competition; and it will not lessen competition, create a monopoly, or entrench or extend the dominant market position of any health care entity.

Governance and operational control of SCLB will transition from Seller to Buyer upon closing in accordance with the Purchase Agreement, with Buyer becoming the sole general partner. Commons MSO will enter into a management services agreement with SCLB at closing, and Seller will provide limited transition services under a transition services agreement to ensure continuity of operations. No adverse workforce impacts are anticipated; existing employees are expected to maintain their roles and employee protections, with incremental hiring anticipated as volumes stabilize and expand. No changes are contemplated to physician clinical autonomy, medical decision-making, or professional governance at the facility level; and no city or county contracts for health services are implicated by the transaction.

There are no anticipated changes in SCLB’s ASC licensure other than ownership changes contemplated by the proposed transaction; SCLB’s existing licenses, certifications, and payor enrollments will continue without interruption; and no changes are required to the licensed services or scope of practice. As a condition to closing, the Purchase Agreement provides for customary regulatory approvals, renewals, and confirmations, and for the renewal of the facility lease for the SCLB premises.

As noted above, Commons MSO has previously expanded ambulatory surgical capacity in the Los Angeles region through its March 25, 2024 acquisition of majority interests in MOSI in Marina del Rey, which increased regional access to ambulatory orthopedic, joint replacement, and spine procedures. The SCLB acquisition is a continuation of this outpatient expansion strategy, oriented toward preserving access, improving quality, and lowering total cost of care by shifting appropriate procedures into high-quality, community-based ASC settings.

## **Section 9: Pre and Post Transaction Services**

The principal post-transaction change is the addition of SCLB as a second ambulatory surgery center affiliated with Commons Clinic Inc., alongside Marina Orthopedic & Spine Institute, LLC. There are no planned changes to the SCLB's ASC licensure other than the ownership updates pursuant to proposed transaction; no changes to services, leadership, or clinical/administrative staffing; and no changes to city or county contracts for the provision of health care services. Licenses, certifications, and enrollments are expected to continue

without interruption, and operations will remain materially consistent with pre-closing practices under Commons MSO's standard MSO model. The transaction has no impact on business line concentration or competition, and it will not lessen competition, create a monopoly, or entrench or extend the dominant market position of any health care entity. The management services arrangement between Commons MSO and the surgery centers owned and operated by Commons Clinic, Inc. and its affiliates, remains consistent with existing structures, and no change is contemplated to physician clinical autonomy, medical decision-making authority, or professional governance. Physician owners will continue to participate at the facility level in accordance with applicable regulatory requirements.

### **Employee Staffing Levels, Job Security, and Workforce Impacts:**

The transaction is not expected to result in reductions in employee staffing levels. AMSURG currently employs approximately 820 personnel at its California ASCs. As a result of this transaction, AMSURG anticipates no changes to its California ASC employee staffing levels, job security, retraining policies, wages, benefits, working conditions, and/or employment protections. Further, as surgical volumes are stabilized and expanded at SCLB, Buyer anticipates incremental hiring over time. Existing employees of the surgery center are expected to continue in their roles, with no planned layoffs or displacement as a result of the transaction. Buyer does not anticipate changes that would adversely affect job security, working conditions, or employment protections. Where appropriate, employees may be offered access to Buyer's standardized training, onboarding, and professional development resources to support consistency across facilities. No material adverse changes to wages or working conditions are anticipated as a result of the transaction. Buyer expects to align benefits administration, human resources policies, and employment practices with its existing platform over time, which is intended to provide consistency and stability rather than reduce compensation or benefits. Any such alignment would be implemented in compliance with applicable employment laws and with continuity of patient care as a guiding principle.

### **City or County Contracts**

The transaction does not involve the assumption, termination, or modification of any city or county contracts for the provision of health care services by SCLB or AMSURG's ASCs. No local governmental health service agreements are expected to be impacted by the transaction.

### **Comparable Health Care Services Within 20 Miles**

Within a 20-mile radius of Buyer's clinic locations and affiliated surgery centers, patients currently have access to comparable orthopedic, spine, and musculoskeletal services offered by hospital outpatient departments, independent ambulatory surgery centers, and hospital-affiliated surgical facilities. Within 20 miles of each of AMSURG's ASCs in the eleven California counties where AMSURG provides services, there are at least 120 other outpatient surgery centers providing comparable services operated by California health systems, hospitals, and independent and

national corporate ASC chains. Certain ASCs only offer one line of health care services, while other ASCs are multi-specialty and offer different lines of health care services.

The proposed transaction does not eliminate any existing provider from the market. Instead, it preserves and expands outpatient surgical capacity in a lower-cost ambulatory setting, increasing patient choice and maintaining competition among providers offering similar services in the region.

## **Section 9: Pre and Post Transaction Services**

**i. *Counties where services are currently performed and any post-transaction changes thereto:***

**a. Long Beach Surgery Center (“SCLB”)**

SCLB currently performs surgical services in Los Angeles County, operating in Long Beach, California.

**b. AMSURG**

AMSURG currently performs services in Alameda, Fresno, Los Angeles, Marin, San Bernardino, San Diego, San Luis Obispo, Sacramento, San Mateo, Santa Clara, and Shasta counties.

**c. Post-Transaction Changes**

With the proposed transaction, Commons Clinic MSO CA, LLC (“Commons MSO”) and Commons Clinic Medical Network, PC (together, with Commons MSO, the “Buyer”) intend to maintain SCLB’s existing Long Beach, California location and preserve and strengthen the SCLB’s proven physician-led model and continuity of care for the Long Beach community. Post-transaction services will continue to be delivered in Los Angeles County, primarily serving communities in Long Beach, Lakewood, Seal Beach, Cerritos, Garden Grove, and the surrounding South Bay region.

**ii. *Levels and type of health care services currently offered, and any post-transaction changes thereto:***

**a. SCLB**

SCLB currently provides outpatient surgical services in Los Angeles County, including orthopedic, total joint replacement, ophthalmologic, and ENT procedures. Procedures are performed in an ambulatory outpatient setting with no emergency or inpatient services provided. SCLB’s current transfer agreement with Long Beach Memorial Medical Center (across the street) further complements SCLB’s commitment to quality and safety should a complication or adverse event occur.

**b. AMSURG**

The AMSURG ambulatory surgical centers (“ASCs”) operating in California primarily offer gastrointestinal services. SCLB provides orthopedics, total joint replacement, ophthalmology, and ENT services. With the proposed transaction, Buyer will maintain the existing service lines at SCLB and focus on restoring utilization and access within SCLB’s existing licensed and regulatory scope.

**c. Post-Transaction Changes**

Upon closing, Buyer intends to maintain existing service lines while re-establishing full operating capacity and introducing additional service line capabilities supported by Buyer's existing clinical infrastructure and physician network. New and expanded offerings will include:

- Minimally Invasive Spine Program
  - Outpatient spine decompressions, microdiscectomy, endoscopic spine surgery, and select fusion procedures appropriate for ambulatory settings.
- Advanced Orthopedic Surgery Expansion
  - Increased case volume in sports medicine arthroscopy, foot and ankle reconstruction, hand and wrist, and fracture care.
  - Increased case volume of outpatient robotic-assisted joint replacement.
- Interventional Pain Management & Procedural Spine Care
  - Increased volume of fluoroscopic-guided injections, epidurals, nerve ablations, and minimally invasive pain procedures to reduce reliance on hospital ORs and increase access.
- Care Pathway Standardization
  - Use of Buyer's evidence-based clinical pathways to decrease unnecessary hospital referrals and avoidable readmissions.
  - Standardized post-operative navigation and outcomes monitoring through outpatient clinic follow-up.

iii. *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.*

a. SCLB

SCLB serves a diverse adult population, and accepts both Medicare and Medi-Cal patients. Buyer anticipates a progressive ramp-up in utilization as service lines are reinstated and new programs are added. Capacity expansion is not expected to exceed the physical or licensed limits of the facility, and case types will remain within ambulatory scope as regulated.

b. AMSURG

In 2024, AMSURG's California ASCs collectively served approximately 125,298 patients and 49,484 patients in Los Angeles County. In 2024, SCLB performed 1,654 outpatient cases. All AMSURG's California ASCs provide care to a demographically diverse patient population, including individuals of all ages (from infants to the elderly), genders, racial and ethnic backgrounds, preferred language, and disability status. While many patients do not provide

information regarding their demographics, the majority of patients providing such information identify as either non-Hispanic or Hispanic/Latino, and the ASCs also serve patients identifying as American Indian or Alaska Native, Asian, Black or African American, and Native Hawaiian or other Pacific Islander. The ASCs maintain a broad payer mix, encompassing commercial insurance, Medicare and Medicare Advantage plans, Medicaid and managed Medicaid programs, TRICARE, and self-pay arrangements. There will be no post-transaction changes to the number and type of patients served by AMSURG. Further, post-transaction, there will be no change to the number and types of patients currently served at SCLB.

c. Post-Transaction Changes

There will be no post-transaction changes to the number and type of patients served by AMSURG. Further, post-transaction there will be no change to the number and type of patients currently served at the SCLB. Capacity expansion is not expected to exceed the physical or licensed limits of the facility, and case types will remain within ambulatory scope as regulated.

iv. *Current community needs assessments, charity care, and community benefit programs, and any post-transaction changes thereto:*

a. SCLB

In the absence of this transaction, SCLB would be expected to close down completely when its lease expires on April 30, 2026, reducing or eliminating access for existing patients and driving cases into higher-cost hospital settings.

b. AMSURG

AMSURG has not conducted any community needs assessments and does not formally maintain any charity care or community benefit programs. However, at many of AMSURG's California ASCs, patients may apply for financial assistance on a case-by-case basis.

c. Post-Transaction Changes

Under Buyer's ownership, SCLB will be operated and managed in a manner that (1) provides access to patient care services based on medical necessity, without regard to the patient's age, race, color, creed, ethnicity, religion, national origin, marital status, sex, sexual orientation, gender identity or expression, disability, veteran or military status, payer source, or ability to pay, (2) provides access to patient care services to individuals covered by Medicare, Medicaid, and other state or federal health care programs, and (3) provides financial assistance on a case-by-case basis. Following the transaction, Buyer will immediately focus on:

- Re-establishing consistent operating room (OR) block schedules and recruiting procedural volume

- Hiring additional clinical staff to restore 5-day-per-week operations
  - Continuing acceptance of Medi-Cal and Medicare beneficiaries with no planned restrictions
  - Maintaining community access to lower-cost site-of-service options
  - Increasing procedure availability for patients covered by commercial payers, Medicare, and Medi-Cal
  - Quality Assurance & Performance Improvement (QAPI) Program Excellence: As an accredited surgery center focused on quality and safety, execution of a thorough QAPI program is critical in systematically enhancing patient care and maintaining quality standards. Under Buyer's ownership, SCLB will use a data-driven approach to continuous quality improvement, fostering a culture of accountability, reducing errors (e.g., complications, patient falls, proper transition of care), and boosting staff engagement. SCLB, with management oversight from Commons MSO, will remain committed to complying with all regulatory requirements, while being focused on exceptional health outcomes and patient satisfaction.
- v. *Whether Medi-Cal and Medicare patients are currently accepted and any post-transaction changes thereto:*

Yes, the AMSURG California ASCs and SCLB do accept Medi-Cal and Medicare eligible patients. Following the proposed transaction, SCLB intends to continue accepting Medi-Cal and Medicare patients.