

MATERIAL CHANGE NOTICE SUBMISSION DETAILS

MCN Number	2025-10-09-1422
OHCA Review Start Date	12/16/2025
Anticipated date (unless tolled per regulation) by which OHCA could waive cost and market impact review	1/30/2026 TOLLED
Anticipated date (unless tolled per regulation) by which OHCA could determine cost and market impact review required	2/16/2026 TOLLED

SUBMITTER**HEALTH CARE ENTITY CONTACT FOR PUBLIC INQUIRY**

Title	Gen. Partner Pres.
First Name	Taddese
Last Name	Desta, M.D.
Email Address	taddese@3dcinc.com
Street Address	292 Euclid Avenue
City	San Diego
State	CA
Postal Code	92114

GENERAL

Business Name	Euclid EndoscopyCENTER, L.P.
Website	www.eecsd.com
Ownership Type	Other Ownership
Other Ownership	Limited Partnership
Tax Status	For-profit
Federal Tax ID	20-3197449
Description of Submitting Organization	Euclid EndoscopyCENTER, L.P. ("EEC") is a California limited partnership with a corporate general partner (Desta Investments, Inc.) and 4 physician limited partners, each of whom hold their respective interest in EEC directly or through a family trust. EEC's general partner, Desta Investments, Inc., is a single shareholder California medical corporation wholly owned by Taddese Desta, M.D., one of the physician limited partners of EEC. Dr. Desta is the sole officer and director of the general partner. The sole purpose of Desta Investments, Inc. is to serve as general partner of EEC. A copy of EEC's organizational chart is attached to Section 11, Question 6 in the Documents to be Submitted Section. EEC operates two licensed endoscopy ambulatory surgery centers in Southern California, one at 286

	Euclid Avenue, Suite 109, San Diego, California 92114 and the other at 2732 Navajo Road, El Cajon, California 92020. EEC specializes in endoscopy procedures (including upper and lower diagnostic and therapeutic endoscopy procedures) and colonoscopies, and its centers are accredited by the American Association for Accreditation of Ambulatory Surgery Facilities (AAAASF).
Health Care Provider	Yes
For Providers: Desc. of Capacity or Patients served in California	EEC operates two licensed endoscopy ambulatory surgery centers in Southern California, one at 286 Euclid Avenue, Suite 109, San Diego, California 92114 and the other at 2732 Navajo Road, El Cajon, California 92020. EEC specializes in endoscopy procedures (including upper and lower diagnostic and therapeutic endoscopy procedures) and colonoscopies, and its centers are accredited by the American Association for Accreditation of Ambulatory Surgery Facilities (AAAASF).

LOCATIONS

Counties	San Diego
California licenses and numbers	<p>San Diego Center Location:</p> <ol style="list-style-type: none"> 1. Medicare PTAN, ID Number: S051794 2. Medi-Cal, ID Number: SUR01794F 3. CDPH, Clinical Laboratory Registration, ID Number: CLR-00334794 4. CLIA, ID Number: 05D1058216 5. DEA, ID Number: BS9804849 6. CA Board of Pharmacy Clinic Permit, ID Number: CLN 1772 7. City of San Diego Certificate of Payment of Business Tax, ID Number: B2006003468 <p>El Cajon Center Location:</p> <ol style="list-style-type: none"> 1. Medicare PTAN, ID Number: PB280259 2. Medicare PTAN, ID Number: CB280259 3. CMS ASC Certification, ID Number: 05-C0002190 4. CLIA, ID Number: 05D2136172

	5. CDPH, Clinical Laboratory Registration, ID Number: CLR-00351495 6. DEA, ID Number: FD6986105 7. CA Board of Pharmacy Clinic Permit, ID Number: CLN 3231 8. City of El Cajon Business License, ID Number: 026398 9. County of San Diego Dept. of Environmental Health & Quality Unified Program Facility Permit, ID Number: DEH2018-HUPFP-004610
Other States Served	None
Other state(s) licenses and numbers	None.
Primary Languages used when providing services	English; Arabic; Spanish; Tagalog
Other language if not listed above	Chaldean, Pashtu, Dari, Amharic, Somali

MATERIAL CHANGE

ADDITIONAL ENTITIES

Business Name	Description of the Organization	Ownership Type	Additional MCN Submission
AmSurg Holdings, LLC	Please see attached Section 10_Aditional Entities.pdf	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;	No
A health care entity with annual revenue, as defined in section 97435(d) , 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	No
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	Yes
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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%;

TRANSACTION DETAILS

Anticipated Date of Transaction Closure	12/31/2025
Description of the Transaction	See Attached Section 6_Description of 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	EEC currently provides a full range of endoscopy procedures (including upper and lower diagnostic and therapeutic endoscopy procedures) and colonoscopies from two locations in San Diego County. With the proposed transaction, AmSurg intends to maintain EEC's existing locations and to provide AmSurg's proven model of physician-led joint ventures and governance. EEC has typically provided care to over 4,000 patients per year (4,299 patients in 2024). Although specific patient demographic information is not collected for EEC's patients, the patient population generally consists of adult ambulatory patients (ages 18+) and includes a demographically diverse patient population, including individuals of various ages, genders, racial and ethnic backgrounds, preferred language and disability status. EEC maintains a broad payor mix, encompassing commercial insurance, Medicare and Medicare Advantage plans, Medicaid and managed Medicaid programs, TRICARE, various private payor plans (including both managed care and PPO's) and self-pay arrangements. AmSurg does not intend to change the type of patients currently served by EEC, but anticipates that the number of patients treated at the centers will increase following the closing.

	<p>Under AmSurg's ownership, the surgery centers will be operated and managed in a manner that continues to (i) provide access to patient care services based upon 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, or payor source, and (ii) provide access to patient care services to individuals covered by Medicare, Medicaid, and other state or federal health care programs. Neither EEC nor AmSurg formally maintains any charity care or community benefit programs. Patients may, however, apply for financial assistance on a case-by-case basis.</p>
<p>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.</p>	<p>Acquisition of Ownership Interest in Spinal Diagnostics and Treatment Center: On March 1, 2017, AMSURG acquired an ownership interest in Daly City CA Pain, d/b/a Spinal Diagnostics and Treatment Center, a pain management center located at 901 Campus Dr. Ste 310. Daly City, CA. The Spinal Diagnostics and Treatment Center was closed and a Certificate of Cancellation for the LLC was filed on November 29, 2018 with the California Secretary of State.</p> <p>Acquisition of Ownership Interest in Folsom Sierra Endoscopy Center: On September 8, 2018, AMSURG acquired an ownership interest in Folsom CA GI, d/b/a Folsom Sierra Endoscopy Center, an ambulatory surgery center specializing in gastroenterology located at 1671 Creekside Drive, Suite 100, Folsom, CA. On March 22, 2024, AMSURG exercised a buy-up option and purchased additional ownership interest in Folsom Sierra Endoscopy Center.</p>
<p>Description of Potential Post Transaction Changes</p>	<p>See attached Section 9_Potential Post-Transaction Changes.</p>
<p>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</p>	<p>None.</p>

SCHEDULE A

DESCRIPTION OF OTHER OWNERSHIP

Submitter Business Information

<p>Business Name *</p> <p>Euclid EndoscopyCENTER, L.P.</p> <p>Business Website *</p> <p>www.eecsd.com</p> <p>Business Mailing Address *</p> <p>286 Euclid Ave.</p> <p>Business Mailing Address: Street 2</p> <p>Suite 109</p> <p>Business Mailing Address: City *</p> <p>San Diego</p> <p>Business Mailing Address: State *</p> <p>CA</p> <p>Business Address: Zip *</p> <p>92114</p> <p>Ownership Type of Submitting Organization *</p> <p><input type="radio"/> Other Ownership</p> <p><input checked="" type="radio"/> Other Ownership</p> <p><input type="radio"/> Limited Partnership</p>	<p>Description of Submitting Organization (Character limit is 3,000) * Euclid EndoscopyCENTER, L.P. ("EEC") is a California limited partnership with a corporate general partner (Desta Investments, Inc.) and 4 physician limited partners, each of whom hold their respective interest in</p> <p>Federal Tax ID *</p> <p>20-3197449</p> <p>Tax Status *</p> <p><input checked="" type="radio"/> For-Profit <input type="radio"/> Non-Profit</p> <p>Health Care Provider or Fully Integrated Delivery System *</p> <p><input type="radio"/> No <input checked="" type="radio"/> Yes</p> <p>For health care providers or fully integrated delivery systems - Provide a summary of provider type (hospital, physician group, etc.), facilities owned or operated, service lines, number of staff, geographic services area(s), and capacity or patients served in California (e.g., number of licensed beds, number of patients per county in the last year).</p> <p>EEC operates two licensed endoscopy ambulatory</p> <p>Health Care Services Plan, Health insurers, risk-bearing organization, or Fully Integrated Delivery System *</p> <p><input type="radio"/> No <input checked="" type="radio"/> Yes</p> <p>For health care services plans, health insurers, risk-bearing organizations, or fully integrated delivery systems - provide the number of enrollees per county in the last year</p>
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Section 6

Description of Transaction

i. The goals of the transaction:

AmSurg Holdings, LLC (“AmSurg Holdings”) is a wholly-owned subsidiary and holding company of Ambulatory TopCo, LLC (“AMSURG”). The goal/purpose of the transaction is to gain access to AMSURG’s physician partnership model in order to leverage AMSURG’s expertise, technology, data analytics, patient engagement, and quality reporting to enable EEC’s physicians to more efficiently provide high quality surgical services to EEC’s patients and focus more on patient care instead of the nonclinical administrative aspects of the endoscopy centers. See attached document Section 10_Additional Entities for a description of AMSURG and its business.

ii. A summary of the terms of the transaction:

As set forth in more particular detail in the unsigned Membership Interest Purchase Agreement (“Purchase Agreement”), shortly before the closing of the purchase and sale transaction EEC will convert from a California limited partnership to a California limited liability company. At the closing of this transaction, the owners of EEC will collectively sell 51% of the issued and outstanding membership interests in EEC to AmSurg Holdings in exchange for the Purchase Price, as that term is defined in the Purchase Agreement. Under the operating agreement of EEC, as a member AmSurg Holdings will provide comprehensive management and administrative services to EEC.

iii. A statement of why the transaction is necessary or desirable:

The proposed transaction is necessary as EEC is seeking improved management and administrative support and expertise to continue providing high quality care in the community and attract additional physicians to the market in order to expand access to high quality endoscopy services within the communities which the endoscopy centers are located.

iv. General public impact or benefits of the transaction, including quality and equity measures and impacts:

The proposed transaction will not have any negative impact on the public. AmSurg Holding’s acquisition of a 51% interest of EEC and AMSURG’s provision of administrative and management related services will relieve EEC’s physicians from day-to-day administrative and nonclinical duties and obligations and allow the physicians to focus on providing high quality endoscopy services for all patient types, while simultaneously increasing patient access to a comprehensive list of endoscopy services at EEC’s two ASC locations. Following the closing of the proposed transaction there will be no change in the services, leadership or clinical or administrative staff at EEC.

v. Narrative description of the expected competitive impacts of the transaction:

The proposed transaction is not expected to have any negative impact on competition. The EEC providers will continue to provide professional services in the communities where EEC operates its two endoscopy centers, and will now have additional time to focus on patient care following EEC's outsourcing of much of its day-to-day non-clinical management obligations.

vi. Description of any actions or activities to mitigate any potential adverse impacts of the transaction on the public:

The parties do not anticipate the transaction to cause any adverse impacts on the public.

Section 9

Potential Post-Transaction Changes

(A) Ownership, governance, or operational structure of the parties to the transaction

Upon closing of the transaction, EEC will be a California limited liability company, 51% of which will be owned by AmSurg Holdings, and 49% owned by the four current limited partners of EEC. See organizational chart of EEC following the closing of the transaction attached to Section 11, Question 6 in the Documents to be Submitted Section. EEC will be managed by a board of managers consisting of four managers, two of which will be appointed by AmSurg Holdings and two of which will be appointed by the members holding the other 49% of EEC. Approval of a majority of the managers at a duly called meeting is required for the board of managers to take action. Most of the non-clinical administrative and management related duties will be handled by AMSURG.

There will be no post-transaction changes in the entities owning and holding applicable California licenses and permits, which will continue to be held by EEC, and no change in the services, leadership, or clinical or administrative staff of EEC. Further, there will be no post-transaction changes to any applicable city or county contracts regarding the provision of health care services. Following the closing of the transaction AMSURG intends to maintain the endoscopy centers' current operations in all material respects. As a consequence, the parties believe that the proposed transaction will not impact business line concentration or competition in the California market, and there is not expected to be any negative impact upon the availability, accessibility or quality of health care services. The transaction is not expected to result in the lessening of competition, creation of a monopoly or entrenchment or extension of a dominant market position of any health care entity.

(B) EEC's employee staffing levels, job security, retraining policies, wages, benefits, working conditions, and/or employment protections

The parties do not anticipate any reductions to EEC's staffing levels or negative impact on wages, benefits, working conditions or employment protections.

(C) City or county contracts regarding the provision of health care services between the parties to the transaction and cities or counties

None.

(D) If a provider, comparable health care services currently offered by other health care entities within 20 miles of any location where EEC offers health care services

Comparable health care services are offered within a 20-mile radius of EEC's endoscopy centers at the following facilities:

- Endoscopy center of Chula Vista
- Alpha Endoscopy center in Chula Vista
- Paradise valley hospital
- San Diego Endoscopy Center
- Combined Endoscopy Center at the Naval Medical Center San Diego