

## MATERIAL CHANGE NOTICE SUBMISSION DETAILS

MCN Number	2025-12-31-1461
OHCA Review Start Date	<b>2/13/2026</b>
Anticipated date (unless tolled per regulation) by which OHCA could waive cost and market impact review	3/30/2026 <b>TOLLED</b>
Anticipated date (unless tolled per regulation) by which OHCA could determine cost and market impact review required	4/14/2026 <b>TOLLED</b>

## SUBMITTER

### HEALTH CARE ENTITY CONTACT FOR PUBLIC INQUIRY

Title	CEO
First Name	Doug
Last Name	Morton
Email Address	dmorton@sandiegobloodbank.org
Street Address	3636 Gateway Center Avenue
City	San Diego
State	CA
Postal Code	92102

### GENERAL

Business Name	San Diego Blood Bank d/b/a Southern California Blood Bank
Website	<a href="https://sandiegobloodbank.org">https://sandiegobloodbank.org</a>
Ownership Type	Corporation
Tax Status	For-profit
Federal Tax ID	95-1696732
Description of Submitting Organization	San Diego Blood Bank is a 501(c)(3) non-profit corporation that owns and operates a community blood bank and maintains several clinical laboratories. San Diego Blood Bank provides a comprehensive range of services to support patients, hospitals, and the broader community, which includes: blood and blood component collection; laboratory testing services; blood product manufacturing and distribution; transfusion support services; cord blood storage and distribution; support for medical research and emerging therapies; donor recruitment and community outreach; and hospital and clinical partnerships.
Health Care Provider	Yes
For Providers: Desc. of Capacity or Patients served in California	San Diego Blood Bank operates a community blood bank and maintains clinical laboratories. Services are not provided directly to patients, and all

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laboratory services performed are solely for blood-screening purposes or for services performed on behalf of hospitals. San Diego Blood Bank provides the following services: blood and blood component collection; laboratory testing services; blood product manufacturing and distribution; transfusion support services; cord blood storage and distribution; support for medical research and emerging therapies; donor recruitment and community outreach; and hospital and clinical partnerships.

San Diego Blood Bank owns and operates several facilities, which are listed as follows: Coastal Donor Center; Clairemont Mesa Donor Center; Carmel Valley Donor Center; East County Donor Center; Irvine Business District Donor Center; Liberty Station Donor Center; North County Donor Center; Chula Vista Donor Center; San Diego Blood Bank - Main Donor Center; Sabre Springs Donor Center; and the HS-2 Distribution Center in Santa Fe Springs.

The number of staff at each facility that San Diego Blood Bank owns and operates is as follows: Gateway Location (3636 Gateway Center Avenue, Suite 100): 245 (includes all mobile collections staff); North County Donor Center (NCDC): 7; Coastal Donor Center (CDC): 9; East County Donor Center (ECDC): 15; Sabre Springs Donor Center (SSDC): 12; Carmel Valley Donor Center (CVDC): 6; Liberty Station Donor Center (LSDC): 7; Chula Vista Donor Center (SBDC): 6; Clairemont Mesa Donor Center (CMDC): 6; Irvine Business District Donor Center (IBDC): 6; San Diego Blood Bank Distribution Site – Santa Fe Springs: 5.

The geographic service areas served by San Diego Blood Bank are: San Diego, Los Angeles, Orange, Imperial, and Riverside Counties.

San Diego Blood Bank does not maintain data regarding the number of patients served per county in California in the last year.

## LOCATIONS

Counties	Imperial; Los Angeles; Orange; Riverside; San Diego
California licenses and numbers	<p>California License for the Production of Biologics – San Diego Blood Bank (Blood Bank ID No. 9096); Santa Fe Springs Distribution Center (HS2) (Blood Bank ID No. 9752)</p> <p>California Clinical Laboratory License Certificate of Deemed Status – San Diego Blood Bank (SDBB) (State ID CDF-00001236); East County Donor Center (ECDC) (State ID CDF-00001236-1); North County Donor Center (NCDC) (State ID CDF-00001236-2); Coastal Donor Center (CDC) (State ID CDF-00001236-3); Liberty Station Donor Center (LSDC) (State ID CDF-00001236-4); Irvine Business District Donor Center (IBDC) (State ID CDF-00001236-5); Chula Vista Donor Center (SBDC) (State ID CDF-00001236-6); Clairemont Mesa Donor Center (CMD) (State ID CDF-00001236-7)</p> <p>CA Clinical Laboratory Registration – Sabre Springs Donor Center (SSDC) (State ID CLR-00338419); Carmel Valley Donor Center (CVDC) (State ID CLR-00344266)</p> <p>State of California Continuing Education Accrediting Agency for Clinical Laboratory Science – San Diego Blood Bank (LFS Registration No. 70)</p> <p>Board of Registered Nursing, State of California Department of Consumer Affairs – Continuing Education Provider (Provider No. CEP1732)</p> <p>California Department of Public Health Certificate of Registration – X-Ray Irradiator (Registration No. FAC00083643)</p> <p>California Tissue Bank License, San Diego Blood Bank, 3636 Gateway Center Avenue, Suite 100, San Diego, CA 92101. CTB 00082217</p> <p>CMS Clinical Laboratory Improvement Amendments (CLIA) Certificate of Accreditation, San Diego Blood Bank,</p>

	CLIA ID Number: 05D0643088 CMS Clinical Laboratory Improvement Amendments (CLIA) Certificate of Waiver, Sabre Springs Donor Center, CLIA ID Number: 05D1097904; Carmel Valley Donor Center, CLIA ID Number: 05D2060275
Other States Served	None
Other state(s) licenses and numbers	Not Applicable
Primary Languages used when providing services	English; Spanish

### MATERIAL CHANGE

#### ADDITIONAL ENTITIES

Business Name	Description of the Organization	Ownership Type	Additional MCN Submission
Vitalant	<p>Vitalant is an Arizona nonprofit corporation established in 1943, providing health systems and hospitals across the U.S. a safe blood supply, specialized laboratory services, transfusion medicine expertise and world-renowned research. Vitalant has a broad network supporting donor recruitment, blood collections, blood processing, blood testing and related logistics to serve hospitals nationwide.</p> <p>Vitalant does not have any member owners. Vitalant's Board of Trustees retains sole governance oversight for the business and affairs of the corporation, including financial control, and is responsible for the conduct of the business</p>	Corporation	Yes

<p>and exercises all powers of the corporation.</p> <p>Vitalant has several wholly-owned and controlled subsidiaries, including Vitalant Foundation, Canyon State Insurance Company, Canyon State Property Holding Company, LLC, PlasmaSource, LLC and The Hemophilia Center of Western Pennsylvania.</p> <p>Vitalant has three main service lines: Blood Services, Biotherapies Services, and the Vitalant Research Institute.</p> <p>In addition to its blood collection, processing and distribution operations, Vitalant provides hospital and laboratory services to support health care practitioners who specialize in transfusion, transplantation and regenerative medicine through service arrangements entered into with fully integrated delivery systems and hospitals, not with individual health care practitioners. Vitalant does not provide any health care services directly to patients in the state of California, and does not bill patients or any third-</p>		
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	party payers for services rendered in the state of California.		
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### 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 proposed fair market value of the transaction is \$25 million or more and the transaction concerns the provision of health care services.	Yes
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
The transaction involves the formation of a new health care entity, affiliation, partnership, joint venture, or parent corporation for the provision of health care services in California that is projected to have at least \$25 million in California-derived annual revenue at normal or stabilized levels of utilization or operation, or transfer of control of California assets related to the provision of health care services valued at \$25 million or more	No

## TRANSACTION DETAILS

Anticipated Date of Transaction Closure	3/30/2026
Description of the Transaction	<p>As set forth in more detail in the Corporate Member Transaction Agreement (“Agreement”), as of the closing date, Vitalant will become the sole corporate member of SDBB. SDBB will then be operated by Vitalant initially as a wholly owned subsidiary. As of the close of the transaction, the SDBB Board of Directors (“SDBB Board”) will be reconstituted with representatives from both the Vitalant Board of Trustees and the current SDBB Board to help oversee a seamless transition and integration before SDBB is merged into Vitalant at a later date.</p> <p>Please see additional submitted information that provides further detail of the transaction.</p>
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 see additional information submitted.
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.	San Diego Blood Bank has not been involved in any prior mergers or acquisitions.
Description of Potential Post Transaction Changes	Please see additional information submitted.
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	Other than the transaction that is the subject of this filing, there are no additional material changes planned between Vitalant and any other entity domiciled or operating in the state of California.

## **Additional Information Regarding the Transaction:**

**Goals of the Transaction:** Vitalant views this transaction as a substantial opportunity to build on SDBB's current, local strengths with Vitalant's national reach to enhance service to the Southern California communities. Together, the organizations can enhance blood supply resiliency, expand access to specialized laboratory services, support innovation in blood services and emerging therapies, and be better positioned to respond to evolving healthcare needs across Southern California. SDBB has a talented and experienced leadership team, access to many health and life science companies in the San Diego market, and a strong and committed blood donor base. In all, the partnership opens the door to many opportunities for Vitalant and SDBB to collaborate and enhance the quality, innovation, and breadth of services provided to the healthcare communities in Southern California.

**Statement of why the parties believe the transaction is necessary or desirable:** Vitalant does not currently have physical operations in Southern California, in SDBB's service area. Its closest facility is located in Ventura in the Central Coast. This transaction serves as a substantial opportunity for partnership between established blood centers to enhance blood supply resiliency, expand access to specialized laboratory services, support innovation in blood services and emerging therapies, and be better positioned to respond to evolving healthcare needs of hospitals and patients throughout California.

**General public impact or benefits of the Transaction, including quality and equity measures and impacts:** Vitalant will bring its 83-year history of successful operations, along with resources and innovation that comes with it, to the Southern California community. This partnership allows current customers of SDBB access to extended laboratory service offerings, cell and gene therapy products and services, as well as globally renowned research, innovation and advocacy. Additionally, it gives current customers of SDBB access to an extensive, nationwide blood supply, providing enhanced stability and business continuity to the health systems and hospitals located in Southern California. The Agreement sets forth the parties' desire to ensure continuity in the current services offered by SDBB during the transition. Doug Morton, SDBB's Chief Executive Officer ("CEO") will remain the CEO of SDBB to support the transition and integration activities, and SDBB will also continue to leverage its existing Community Advisory Committee to advance Vitalant and SDBB's shared mission of promoting the charitable operation of blood-related services.

**Description of the competitive impacts of the transaction:** This transaction is expected to have procompetitive benefits. Vitalant does not currently maintain operations in SDBB's service area. Thus, this transaction gives Southern California hospitals, health systems, and patients, access to new services and products that SDBB does not currently offer. Additionally, the transaction will enhance competition, especially with regard to innovation, with other blood centers that operate in the community, given Vitalant's ability to offer a wider range of high-quality products and services and its investment in research and innovation. These offerings will supplement the current services offered by SDBB to its community partners.

**Description of any actions/activities that may mitigate any potential adverse impacts of the transaction on the public:** The parties do not anticipate that the transaction will cause any adverse impacts to the public.

**Describe the current services provided by the health care entity and expected post-transaction impacts on health care services, including: 1) Comparison of Counties where services are currently performed and any post-transaction changes thereto; 2) Comparison of levels and type of health care services currently offered and post-transaction changes thereto; 3) 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; 4) Current community needs assessments, charity care, and community benefit programs, and any post-transaction changes thereto; and Medi-Cal and Medicare patients are currently accepted and any post-transaction changes thereto.**

Neither Vitalant nor SDBB provide health care services directly to patients in the state of California. Vitalant operates a network of blood donation centers across the U.S. and works with hospitals and health systems to ensure a safe blood supply. Vitalant also provides specialty laboratory services, has a bench strength of transfusion medicine expertise, and makes substantial investments into research and innovation. Vitalant currently operates twenty-five (25) donor centers and four (4) laboratories in the Central Coast and Northern California. Vitalant's thirty-three (33) total facilities in California serve as blood donation centers, mobile staging centers, manufacturing centers, laboratories, warehouse or storage, office buildings, and/or distribution centers.

San Diego Blood Bank provides a comprehensive range of services to support patients, hospitals, and the broader community, which includes: blood and blood component collection; laboratory testing services; blood product manufacturing and distribution; transfusion support services; cord blood storage and distribution; support for medical research and emerging therapies; donor recruitment and community outreach; and hospital and clinical partnerships.

Post-transaction, both Vitalant and SDBB will continue to operate in the ordinary course. The transaction is not expected to result in changes to SDBB's business plan or operations. Vitalant's role as the sole corporate member of SDBB post-transaction will be to expand SDBB's reach through access to Vitalant's national, extensive blood product inventory and network, capital resources, and specialty laboratory network. Any post-transaction impacts will be to enhance the ability of both Vitalant and SDBB to meet the current and future blood supply needs of their customers. Vitalant does not anticipate any major changes or limitations to the areas currently being served by SDBB in Southern California due to the transaction.

As mentioned throughout the notice application, neither Vitalant nor SDBB provide health care services directly to patients in California with the exception of accepting voluntary blood donations, and distributing processed blood products and related services to hospitals. Neither Vitalant nor SDBB anticipates any post-transaction changes that would impact the number or type of patients that are currently served by its integrated delivery system and hospital customers that contract with Vitalant or SDBB to provide blood and blood-related services to their facilities.

Given that neither Vitalant nor SDBB bill patients for services rendered in the state of California, there will be no impact of the transaction on Medi-Cal or Medicare patients or charity care or community benefit programs.

There will be no post-close changes to Vitalant's ownership, governance, or operational structure. As a result of the transaction, Vitalant will become the sole corporate member of SDBB. As of the close of the transaction, the SDBB Board will be reconstituted as a seven (7) member board with (i) four (4) representatives appointed from the current Vitalant Board and (ii) three (3) representatives appointed from the current SDBB Board (collectively, the "Reconstituted SDBB Board"). This Reconstituted SDBB Board will remain in place for eighteen (18) months and will be charged with overseeing the transition.

Initially, SDBB will remain a separate 501(c)(3) organization. That could change if the Vitalant Board elects, after a period of approximately 18-months from the close of the transaction, to merge SDBB into Vitalant to gain additional efficiencies and subsequently operate SDBB as part of its Blood Services operations for Southern California. At that point, SDBB would cease to separately exist and all of the rights, privileges, immunities, powers, assets, liabilities and obligations of SDBB would vest in Vitalant as an operation of law. Vitalant does not anticipate material post-closing changes to SDBB's operational structure as Vitalant intends to continue to provide and grow SDBB's pre-closing services post-close.

**Describe the potential post-transaction changes to SDBB's employee staffing levels, job security, retraining policies, wages, benefits, working conditions, and/or employment protections.** Vitalant does not anticipate any post-transaction changes to its own staffing levels, job security, retraining policies, wages, benefits, working conditions and/or employment protections due to the transaction with SDBB. Current SDBB employees will become employees of a Professional Employment Organization ("PEO") as of January 1, 2026 before the close of the transaction and Vitalant will work to develop an integration plan, including an onboarding plan, for those employees upon expiration of the PEO contract. Additionally, as part of the onboarding plan, Vitalant plans to credit all SDBB employees for their respective years of service with SDBB (including their time of service as employees of the PEO) for purposes of calculating years of service to determine eligibility for any benefits that are based on tenure within Vitalant.

**Describe the potential post-transaction changes to any city or county contracts regarding the provision of health care services between the parties to the transaction and cities or counties (*if those exist*).**

There will be no post-transaction changes to any applicable city or county contracts held by either Vitalant or SDBB as a result of the transaction, absent any compliance issues.

**Describe the potential post-transaction changes to comparable health care services (clinical laboratory/blood donation services) currently offered by other health care entities within 20 miles of any location where the submitter offers health care services.** While Vitalant and SDBB offer clinical laboratory services, these services are not offered directly to patients. Any laboratory offerings are associated with the services Vitalant and SDBB provide to integrated delivery systems and hospitals in connection with delivery of blood products and related services. This transaction will not impact blood services or clinical laboratory offerings of other entities.

**Describe the nature, scope, and dates of any material change transactions between the submitter (SDBB) and any other entity that are either pending or planned to occur within 12 months following the date of the notice.** Other than the transaction that is the subject of this filing, there are no additional material changes planned between Vitalant and any other entity domiciled or operating in the state of California.