

# NY DOH Publishes Electronic Material Health Care Transaction Reporting Form, Increasing Disclosure Requirements to Include Potentially Sensitive Business Information

**Health Care Law Brief** on May 22, 2025

On May 15, 2025, the New York State Department of Health (“DOH”) announced the launch of the electronic [Material Transaction Reporting Form](#) for health care transactions (“Electronic Form”). To assist reporting entities in preparing their submissions, the DOH has also released [a list of all questions](#) included in the Electronic Form.

Collectively, the reporting requirements set forth in the Electronic Form appear significantly more extensive than those imposed by other states, including California’s health care transaction reporting framework. Notably, the Electronic Form includes obligations to disclose potentially sensitive business information, such as investor materials.

## ***Existing Statutory Authority***

Proskauer has tracked the evolving reporting obligations in a [series of posts](#), including one published last month that discussed the latest [DOH guidance](#) concerning the reporting obligations.

Pursuant to PHL § 4552, a health care entity shall submit to the DOH “written notice, with supporting documentation as described below and further defined in regulation developed” by the DOH. Such written notice “shall include, but not be limited to:”

- The names of the parties to the material transaction and their current addresses;
- Copies of any definitive agreements governing the terms of the material transaction, including pre- and post-closing conditions;
- Identification of all locations where health care services are currently provided by each party and the revenue generated in the state from such locations;

- Any plans to reduce or eliminate services and/or participation in specific plan networks;
- The closing date of the proposed material transaction; and
- A brief description of the nature and purpose of the proposed material transaction.

As of the publication date of this post, the DOH has not promulgated regulations concerning the law. Nevertheless, the Electronic Form outlines a range of documents and information that reporting entities must submit to the state as part of a material transaction report.

### ***Reporting Obligations to Consider***

Below are certain categories of information requested in the Electronic Form that may raise particular concerns for investors and sponsors. Some of the requested categories are sensitive in nature, and careful attention should be paid to ensuring that the DOH treats the submitted information as confidential. Other categories of requested information may require significant effort to analyze and prepare a response, particularly for larger enterprises.

<b>Reporting Obligation Contained in Electronic Form</b>	<b>Impact and Considerations</b>
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**Part 2, Section  
A.10**

-Provide the identities of and interrelationships among the Party and all persons known to control or to be controlled by or under common control with the Party, in a chart that clearly presents the relationships.

-Additionally, the organizational chart must identify (1) voting percentage: the percentage of voting securities for each person identified in the organizational chart and (2) other control: if control of any person is maintained other than by the ownership or control of voting securities, then indicate the basis of such control for each relevant party identified in the organizational chart; as to each person, indicate the type of organization (e.g., corporation, trust, partnership) and the State or other jurisdiction of domicile.

*The form appears to require broad disclosure of ownership and control rights of each Party. Of note, the form asks for the disclosure of "all persons known to control or to be controlled by or under common control with the Party," which may require analysis and review in highly complex, sponsor-backed deal structures to disclose affiliates of the Party.*

*Any "Party" to the "Material Transaction" must report historic "transaction activity." The Electronic Form does not clarify whether the disclosure obligation*

**Part 3, Section B-C**

**-Projected annual revenue (in \$ millions) of the Surviving Entity over the next three years.**

*concerns all other historic Material Transactions, or if the DOH expects a party to disclose all historic*

**-Provide information on all transaction activity in the past 3 years by each Party to this Material Transaction.**

*transactions involving health care entities in the state, regardless of size over the prior 3 years. The historic transaction reporting obligation may require careful review and consideration by entities who consistently engage in transactions in the ordinary course of business.*

**Part 3, Section  
D,  
Subparagraphs  
(c)-(d)**

-How many transactions has the Surviving Entity from this Material Transaction engaged in within the prior 12 months (from the anticipated close of this Material Transaction) that have increased gross in-state revenues?

-Considering the most recent of these transactions: Submit the Surviving Entity's standalone gross in-state revenue before the transaction's close date. Submit the combined gross in-state revenue of the Parties to this transaction as of the transaction's close date.

*In posing this question, it appears that the DOH is requiring parties to submit information as to prior transactions in a 12-month period in order to potentially determine whether the Parties have complied with the reporting obligations.*

*Notice: Any series of transactions designed to evade the threshold provisions of this article shall be deemed a Material Transaction and subject to the notice requirements of Article 45-A of the Public Health Law.*

### **Part 3, Section E**

For all Parties,  
submit Financial  
Statements in  
conformity with  
U.S. Generally  
Accepted  
Accounting  
Principles  
("GAAP") or  
other accounting  
principles  
prescribed or  
permitted under  
law (audited with  
an independent  
CPA's opinion  
thereof,  
preferred but not  
required) of the  
Parties to this  
Material  
Transaction as  
of the end of the  
last two fiscal  
years.

*The Electronic  
Form requires  
all Parties to the  
Material  
Transaction to  
submit financial  
information.*

These financial  
statements shall  
include the  
following  
components:  
Balance Sheet;  
Income  
Statement;  
Statement of  
Cash Flows;  
Notes to  
Financial  
Statement  
(Narrative); and  
For the Surviving  
Entity, also  
submit projected  
financial  
statements  
dated one day  
after closing.

**Part 4, Section A, Subparagraph (a)-(c)**

-Describe the health care services provided by each Party to the Material Transaction at all locations of operation within New York.

-Does any party to this transaction directly or indirectly employ physicians? If so, each party that directly or indirectly employs physicians should fill out the "[Physician Locations Spreadsheet](#)" and upload it in question A(d).

*The question asks an entity to report **all** locations in which it operates in New York. For **each** location, the Electronic Form asks for gross in-state commercial, Medicare, Medicaid, and other revenue. In addition, if any Party to the Material Transaction employs physicians, the entity is to upload an additional worksheet, titled "Physician Location Spreadsheet". The spreadsheet requires detailed reporting of physician relationships, including whether the physician is employed or otherwise affiliated with the Party, including their NPI, and hours worked at each location.*

**Part 4, Section  
B**

Which best  
describes this  
transaction?

**An acquisition  
resulting in a  
Surviving  
Entity**

-For each  
acquired entity,  
in the 12-month  
period preceding  
the proposed  
transaction,  
what is the  
**average  
contracted  
commercial  
payor rate for  
each service  
line** identified in  
Question A (a)  
(v) ("Services  
Offered at  
Location")? Your  
response should  
be expressed in  
a dollar (\$)  
amount.

-For the  
surviving entity,  
what is the  
**anticipated  
overall  
contracted  
commercial  
payor rate by  
service line** in  
the year  
immediately  
following the  
Material  
Transaction  
close date for  
the Surviving  
Entity as a result  
of this  
transaction?

**A merger or  
other  
transaction  
resulting in the  
formation of a  
New Entity  
("NewCo")**

-For each entity  
involved in the  
formation of

*The question  
requires the  
reporting entity  
to submit  
confidential and  
detailed  
information  
concerning  
health plan  
reimbursements  
for each  
"service line."  
The Electronic  
Form does not  
define what a  
"service line" is,  
a term*



## Part 5

-Required Documents: Definitive Transaction Document(s) (e.g., Asset Purchase Agreement); Charter and Bylaws; Operating Agreements or Partnership Agreement(s); and Financing Agreements or documents.

*The broad document request covers a host of documents that are treated as highly confidential in the ordinary course of business.*

-As Applicable Documents: Fairness Opinions, Offering Memoranda, Private Placement Memoranda, Investor Disclosure Statements, and Other Investor Solicitation Materials.

[View original.](#)

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