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Massachusetts HPC Expands Material Change Filing Requirements Under 2026 Regulations

Earlier this year, the Massachusetts Health Policy Commission (HPC) amended its regulation, Notices of Material Change and Cost and Market Impact Reviews (958 CMR 7.00), to codify its prior guidance that significantly expanded the categories of transactions and activities that are considered material changes requiring prior notice to the HPC (the Regulation). The revised Regulation follows the HPC's prior 2025 guidance with several key differences.

New Material Change Notice (MCN) Filing Triggers

Out-of-State Providers: The Regulation adds a new material change notice trigger for acquisitions, mergers, corporate or contracting affiliations with carriers, or employment agreements with out-of-state entities where the transaction involves a Massachusetts provider, provider organization, or management services organization. This trigger significantly expands the geographic scope of the HPC's review authority by explicitly extending MCNs to entities outside of Massachusetts when at least one party involves healthcare services provided in Massachusetts.

Revenue from Capacity: When initially introduced in the 2025 guidance, the requirement to file an MCN for "significant expansions in capacity" was limited to transactions requiring a Determination of Need (DoN) application for substantial capital expenditure as defined in 105 CMR 100. The Regulation retains that requirement and adds a second, independent filing trigger: any increase in capacity that would result in an increase in annual Net Patient

Service Revenue (NPSR) equal to or greater than the “Revenue Increase Threshold,” based on the expected revenue of the planned new capacity. This is a significant expansion from the 2025 guidance: a project that falls below the DoN threshold can still trigger an MCN filing if projected revenue meets the new Revenue Increase Threshold. As of May 8, 2026, the Revenue Increase Threshold is \$25 million.

Private Equity: The 2025 guidance described the equity investor filing trigger broadly to include any investment in excess of \$10 million that results in an equity investor having “significant control” over a provider or provider organization, including specific examples such as the ability to appoint board members or make key business decisions like hiring or terminating staff. The Regulation replaces that open-ended standard with two new defined terms: “Private Equity Company” and “Significant Equity Investor.” A Private Equity Company is defined as any entity that raises capital to buy, directly or through an entity it owns or controls, an ownership interest in a provider, provider organization, or management services organization. Venture capital firms that exclusively fund start-ups are excluded. Building on that term, a Significant Equity Investor is any Private Equity Company with a financial interest in such organizations, as well as any investor or group of investors holding a direct or indirect equity interest exceeding 10%, subject to the same venture capital carve-out and an additional carve-out for licensed healthcare professionals who are active full or partial owners. Now, the Regulation makes clear that a filing trigger exists for any transaction involving a Significant Equity Investor and a provider, provider organization, or management services organization.

Post-Transaction Review

Lastly, prior guidance addressed the HPC’s pre-closing reporting but contained no mechanism for the HPC to maintain oversight of a transaction after closing. The Regulation authorizes the HPC to conduct post-transaction reviews of material changes. Now the HPC may require, for a period of up to five years following the completion of any material change, that any party involved in the material change submits data and information necessary for the HPC to assess the post-transaction impacts of the material change. Included in this new process is the ability of the HPC to report on the results of its post-transaction reviews and to make referrals to other agencies based on such reporting.

Key Takeaways

The Regulation introduces significant complexity for proposed projects and transactions involving healthcare services, including new and expanded MCN filing triggers which will require more changes to be subject to HPC review than prior years.

Any changes to healthcare services, providers, and provider organizations should be closely reviewed against the Regulation to determine if an MCN trigger is met. The HPC is independently reviewing public transactions and may require a filing after the fact. If the HPC determines an MCN should have been filed, it may make a referral to the Attorney General's Office.

Contact Us

If you have questions about this alert or the Regulation's material change notice filing triggers, please contact Crystal Bloom, Kasey Ciolfi, or your Husch Blackwell attorney.

This article provides general legal information. It does not constitute legal advice to the reader and does not create an attorney-client relationship between the reader and Husch Blackwell LLP. The reader should seek legal advice if they have questions about how this legal information may apply to their own circumstances.