



Department of Health

KATHY HOCHUL
Governor

JAMES V. McDONALD, MD, MPH
Commissioner

JOHANNE E. MORNE, MS
Executive Deputy Commissioner

May 15, 2025

Dear Covered Entities:

The New York State Department of Health (the Department) Material Transactions Program recently published an electronic Material Transactions notice reporting form, which replaces its prior email submission process. Starting May 15, 2025, parties **must** submit the [Material Transaction Reporting Form](#) to report a material transaction to the Department.

This letter seeks to advise covered entities, their legal counsel if represented, and other interested parties of the new reporting format and to provide best practice guidance. Further detail about the new form is also provided on the [Material Transactions webpage](#).

Material Transactions Law: Background and Applicability

On August 1, 2023, Article 45-A of the Public Health Law (PHL) took effect. The law requires health care entities in New York State to provide notice to the Department of a material transaction at least 30 days prior to the closing of the transaction.

A **material transaction** is a legally-defined type of transaction that occurs during a single transaction or in a series of related transactions within a rolling 12-month period that result(s) in a health care entity increasing its total gross in-state revenues by \$25 million or more. Please see the Material Transactions [FAQs Question #5](#) for illustrative examples.

For a list of health care entities and transaction types that are subject to reporting under the law, please refer to the [Material Transactions webpage](#) and [Public Health Law section 4550](#).

Failure to notify the department of a material transaction shall be subject to civil penalties. Each day in which the violation continues shall constitute a separate violation. Health care entities that are party to a material transaction are also legally required to notify the Department upon the transaction's closing.

Electronic Reporting Form Requirements and Best Practices

Notice via email submission will no longer be accepted by the Department. To comply with the reporting requirements, all parts of the form must be completed, and the form must be electronically signed and submitted to the Department **at least 30 days** prior to closing the transaction. The form requires parties to submit detailed transaction information on areas including but not limited to:



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- Parties to the transaction, such as where they do business and any history of wrongdoing;
- Data related to the transaction's anticipated impact on cost, quality, access, health equity, and competition in any impacted New York markets;
- Financial statements from each party and transaction documents on behalf of all parties;
- Public notice to be posted for public comment by the Department.

Requests to provide the Department with less than 30 days' notice prior to closing will be considered only in clearly articulated exceptional circumstances. As a general principle, exceptional circumstances do not exist if the ground for the request is due to the parties' lack of familiarity with the new reporting form or the time it took parties to complete the form.

Accordingly, the Department strongly encourages parties and their legal counsel, if represented, to review the form questions in advance of the required 30-day notice period to ensure adequate time to review, exchange information among parties, and reach out to the Department with any questions concerning the form.

To review the cover page instructions and the reporting form questions in advance, please use the following links:

- [Download the cover page to the reporting form for further instructions](#)
- [Download the Material Transactions Form questions](#)

For questions about the form, please email MaterialTransactionDisclosure@health.ny.gov.

Sincerely,

A handwritten signature in black ink that reads "Jaclyn F. Sheltry".

Jaclyn F. Sheltry, Esq.
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Office of Primary Care and Health Systems
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