§ 4550. Definitions. For the purposes of this article, the following terms shall have the following meanings:

1. "Control" means the possession, direct or indirect, of the power to direct or cause the direction of the management, administrative functions, and policies of a health care entity, whether through the ownership of voting securities or rights, control, either directly or indirectly, by contract (except a commercial contract for goods or non-management services) or otherwise; but no person shall be deemed to control another person solely by reason of being an officer or director of a health care entity. "Control" shall be presumed to exist if any person directly or indirectly owns, controls, or holds with the power to vote ten percent or more of the voting securities of a health care entity.

2. "Health care entity" shall include but not be limited to a physician practice, group, or management services organization or similar entity providing all or substantially all of the administrative or management services under contract with one or more physician practices, provider-sponsored organization, health insurance plan, or any other kind of health care facility, organization or plan providing health care services in this state; provided, however, that a "health care entity" shall not include an insurer authorized to do business in this state, or a pharmacy benefit manager registered or licensed in this state. An "insurer" shall not include non-insurance subsidiaries and affiliated entities of insurance companies regulated under the insurance law or this chapter.

3. "Health equity" shall mean achieving the highest level of health for all people and shall entail focused efforts to address avoidable inequalities by equalizing those conditions for health for those that have experienced injustices, socioeconomic disadvantages, and systemic disadvantages.

4. "Material transaction" shall mean:

(a) any of the following, occurring during a single transaction or in a series of related transactions that take place within a rolling twelve

month time period, and meet or exceed thresholds, for factors including but not limited to changes in revenue:

(i) a merger with a health care entity;

(ii) an acquisition of one or more health care entities, including but not limited to the assignment, sale, or other conveyance of assets, voting securities, membership, or partnership interest or the transfer of control;

(iii) an affiliation agreement or contract formed between a health care entity and another person; or

(iv) the formation of a partnership, joint venture, accountable care organization, parent organization, or management services organization for the purpose of administering contracts with health plans, third-party administrators, pharmacy benefit managers, or health care providers as prescribed by the commissioner by regulation.

(b) "Material transaction" shall not include a clinical affiliation of health care entities formed for the purpose of collaborating on clinical trials or graduate medical education programs and shall not include any transaction that is already subject to review under article twenty-eight, thirty, thirty-six, forty, forty-four, forty-six, forty-six-A, or forty-six-B of this chapter. "Material transaction" shall not include a de minimis transaction, which shall mean for purposes of this article a transaction or a series of related transactions which result in a health care entity increasing its total gross in-state revenues by less than twenty-five million dollars.