
Convenient Medical Clinics Overview



What Is a Convenient Medical Clinic?



Operated by either a venture firm, health system or physician group, a typical convenient medical clinic (CMC) provides predefined, basic medical services, without an appointment, in a retail setting.



Insight + Action = Success

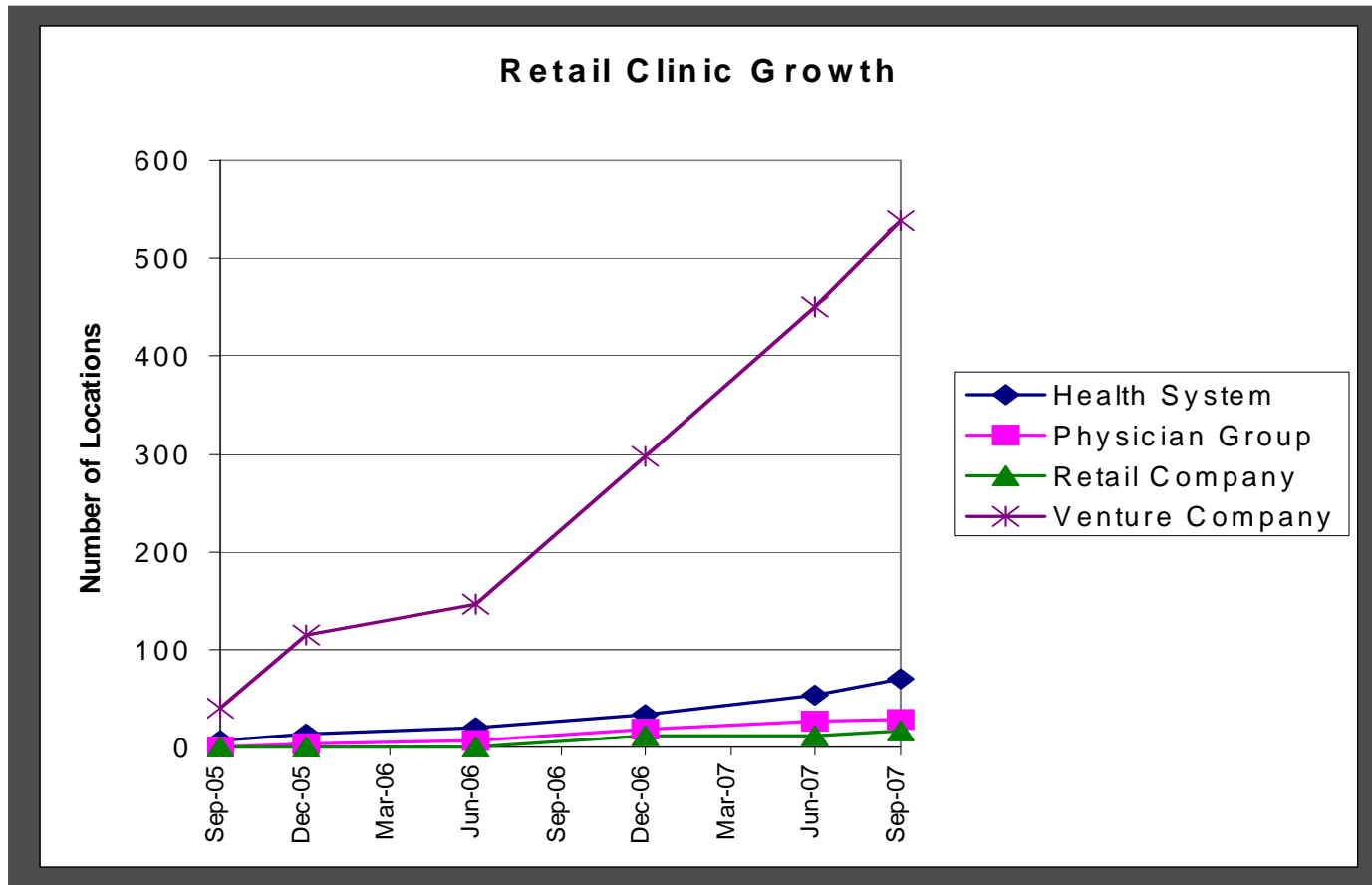
A Convenient Medical Clinic Is...

- Not a physician's office
- Not a replacement for a patient's primary care physician (PCP); the patient record is sent to the PCP immediately following the visit
- Designed to provide quick, convenient care for basic illnesses, immunizations and screenings; offers extended weekend and evening hours
- A potential referral source for PCPs for those CMC patients who do not have a PCP



● Current CMC locations

CMC Growth – 9/30/05 to 9/14/07



Source:
DMI Transitions

Company Type	9/30/05	12/31/05	6/30/06	12/31/06	6/1/07	9/14/07
Health System	7	14	20	34	53	69
Physician Group	0	3	7	18	26	28
Retail Company	0	0	0	12	12	17
Venture Company	40	115	147	298	450	539
Total Locations	47	132	174	362	541	653

Stark and Anti-Kickback Statute

- Stark (Federal Physician Self-Referral Law)
 - Will the CMC arrangement create a financial relationship with a physician?
 - Will the CMC provide designated health services?
 - Will services be reimbursed by Medicare/Medicaid?
 - » Stark may be applicable even if the CMC does not seek reimbursement from Medicare/Medicaid

- Anti-Kickback Statute
 - Compensation arrangements should comply with AKS safe harbors
 - Lease arrangements should be fair market value
 - Investment interests should meet small entity safe harbor

Health System Business Model Options

1. Compete by opening a health-system branded CMC
2. Develop a CMC joint venture with a physician or group
3. Establish an affiliation or franchise agreement with a venture firm
4. Support a venture firm CMC by providing medical oversight and referral sources
5. Do nothing

Contact Information

DMI Transitions

8748 Brecksville Road

Suite 125

Brecksville, OH 44141

Tel: 440.838.8551

Email: info@dmitransitions.com

www.dmitransitions.com

