

---

# *Physician/Hospital Business Ventures*



# *What are Physician/Hospital Business Ventures?*

---

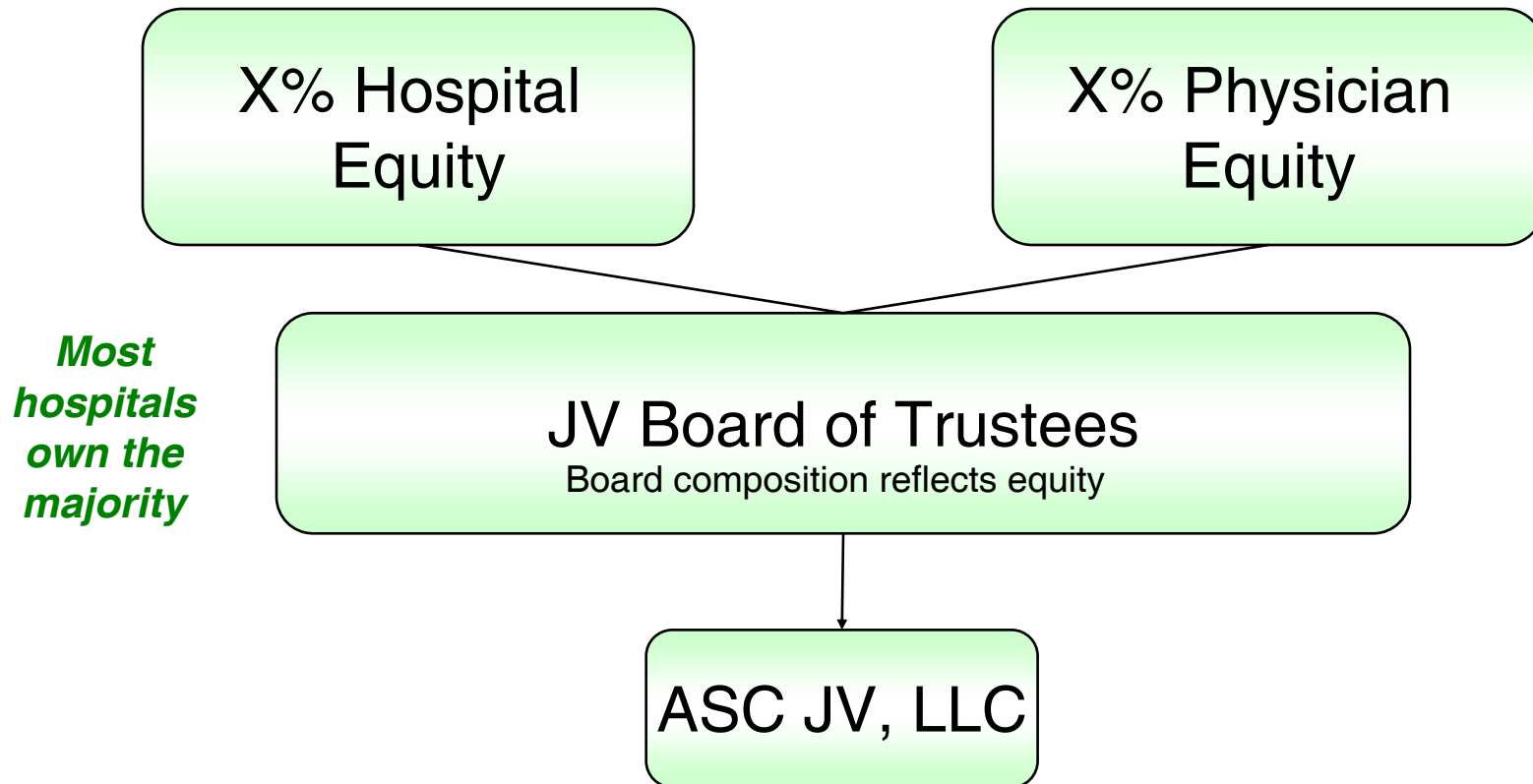
- *Hospital and a physician or group of physicians are engaged in some type of legal and financial arrangement involving services, equipment, facility or real estate.*

# *Joint Venture Equity Model*

---

- Management Company – Board
- Governed by physicians
- Hospital representation on Board
- X% physician owned
- X% hospital owned
- Service contract

# Equity Joint Venture Ambulatory Surgery Center



# *When Should an Equity JV be Utilized?*

---

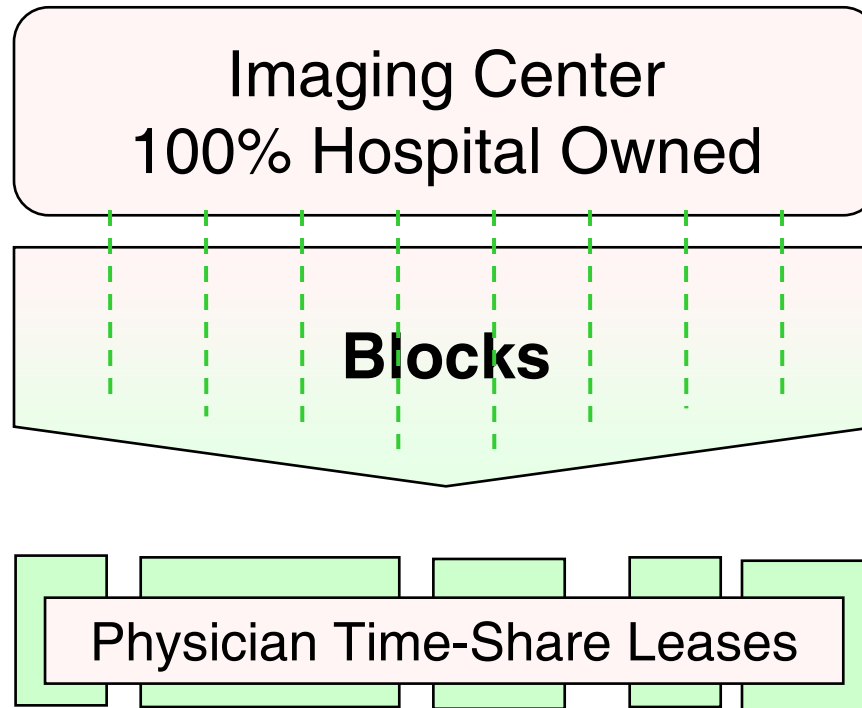
- Ability to meet federal, state, and regulatory criteria
- Available capital funds
- Physicians are looking to align with a hospital brand and share in the technical fees
- A positive investment for both the physicians and the hospital can be achieved
- Supports hospital strategic initiatives to align with physicians

# *Time-Share, Hospital Owned*

---

- Hospital builds and manages medical office building with imaging center
- Hospital time-shares blocks of time per month to physicians at fair market value
- One year contract
- Meets Stark II office extension rules

# Time-Share, Hospital Owned Example



# *When Should an Imaging Time Share be Utilized?*

---

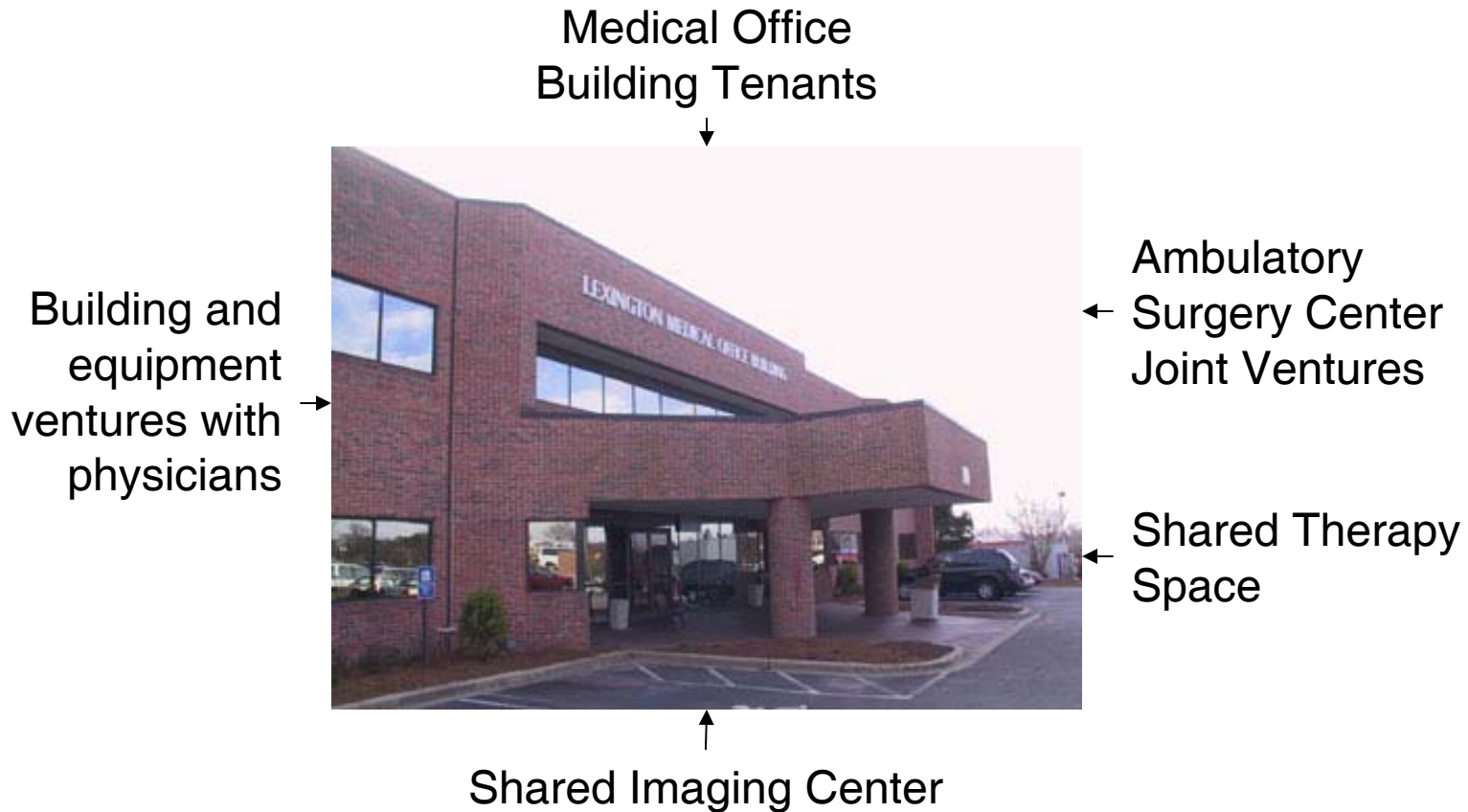
- Ability to meet federal, state, and regulatory criteria
- Availability of capital funds is limited
- Physicians are looking to align with a hospital's name brand and want to share in the technical fees
- A positive investment for both the physicians and the hospital can be achieved
- Supports hospital strategic initiatives to align with physicians

# *Enterprise Model Definition (MediPlex)*

---

- *The enterprise model is an alignment arrangement in which an ambulatory site is built in partnership with physicians that is both convenient for patient visits and efficient for the physician practice. The enterprise model provides an opportunity for primary care physicians, specialists, and the hospital to share in the investment.*
- *Enterprise may include:*
  - *Medical office building (MOB) tenants or co-owners*
  - *Building and equipment JV*
  - *ASC JV*
  - *Shared Ancillary Services*

# Enterprise Model for Physician Partnerships



# *Three Types of MediPlexes Utilizing the Enterprise Model*

---

- **MediPlex:** Full scope of outpatient services in one location
- **Limited MediPlex:** Limited range of outpatient services in one location
- **Virtual MediPlex:** Range of outpatient services in close proximity, but not at the same location

# *When do you use each MediPlex type?*

---

- The following factors will influence the type of MediPlex (Fully developed, limited or virtual):
  - Strategic initiatives
  - Capital funds available
  - Real estate acquisitions
  - Geographical locations
  - Physician support and availability
  - Population growth factors
  - Projected outpatient volumes
  - Competitor profile

# *Contact Information*

---

## **DMI Transitions**

8748 Brecksville Road

Suite 125

Brecksville, OH 44141

Tel: 440.838.8551

Email: [info@dmitransitions.com](mailto:info@dmitransitions.com)

[www.dmitransitions.com](http://www.dmitransitions.com)