

Hospital-Physician Integration

As health care delivery and financing shifts from a volume-based to a value-based business model, Hooper, Lundy & Bookman leads the way in helping hospitals and physicians align their services through the development and operation of integrated delivery systems, clinically integrated networks, and Medicare and private payor accountable care organizations (ACOs) that are critical to success in this evolving patient care landscape.

With our exclusive focus on health care law, HLB has unmatched experience representing and advising hospitals, health systems, and physician practice groups in integration transactions and related combinations and ventures. Our focus is on crafting seamless and compliant business models that deliver both the anticipated financial benefits and efficiencies and improve the quality of patient care.

The firm's hospital-physician integration capabilities extend to every aspect of these arrangements, with attorneys who focus their practices on specific and relevant disciplines, from financing to mergers and acquisitions to medical staff matters and credentialing to reimbursement issues. As with any consequential transaction in this heavily regulated industry, compliance issues are always front and center in clinical integrations, and few firms can even approach HLB's regulatory knowledge and insights.

We counsel physician organizations, hospitals, and other providers in developing ACOs and other innovative provider contracting networks, including design, organization, contracting, governance, application for government contracts, and compliance. The firm has assembled a dedicated ACO Task Force that focuses exclusively on ACO-related issues and regularly provides educational services about ACOs to hospitals, physician groups, and other health care attorneys through presentations and comprehensive reports and articles.

We advise clients on all clinically integrated network and ACO-related issues, including:

- Specific ACO models and qualifications
- The viability of ACO implementation/participation
- ACO formation, capitalization, and governance
- Structuring compensation and bonus incentive arrangements among physicians, hospitals, and other ACO providers
- Operational issues
- · Regulatory issues related to ACOs, including
 - o <u>Stark</u>
 - Fraud & Abuse
 - o Civil Monetary Penalties
 - o Corporate Practice of Medicine
 - Antitrust
 - o Tax exemption issues
- · Partial capitation and other risk-sharing models
- Implications for existing managed care contracting arrangements
- Structuring multi-hospital clinically integrated networks
- Structuring private direct-contract ACOs between large employers and health systems for employers' self-funded health plans

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