

Super Groups: Legal Issues Associated with the Formation of Large Multi-site Medical Groups

a presentation for the
New Jersey Institute for Continuing Legal Education
by:

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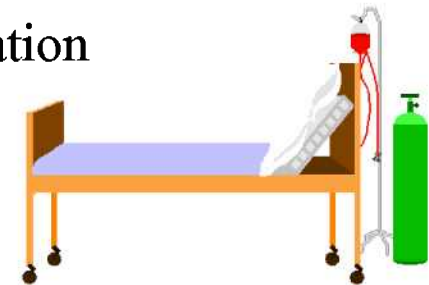
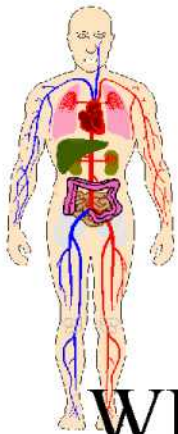
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I. Overview

- Changes in the Health Care Environment
- Physician Associations
 - Are Super Groups the Answer?
- Traps for the Unwary: Assessing prospective Groups
- Questions & Answers



II. Changes in the Health Care Environment



- Managed Care
 - market penetration
 - provider panels
 - reduced fees
 - consolidation
- Greater Efficiency forced by Market
 - reduced fees
 - reduced staff
 - reduced overhead
 - greater patient volume

II. Changes in the Health Care Environment

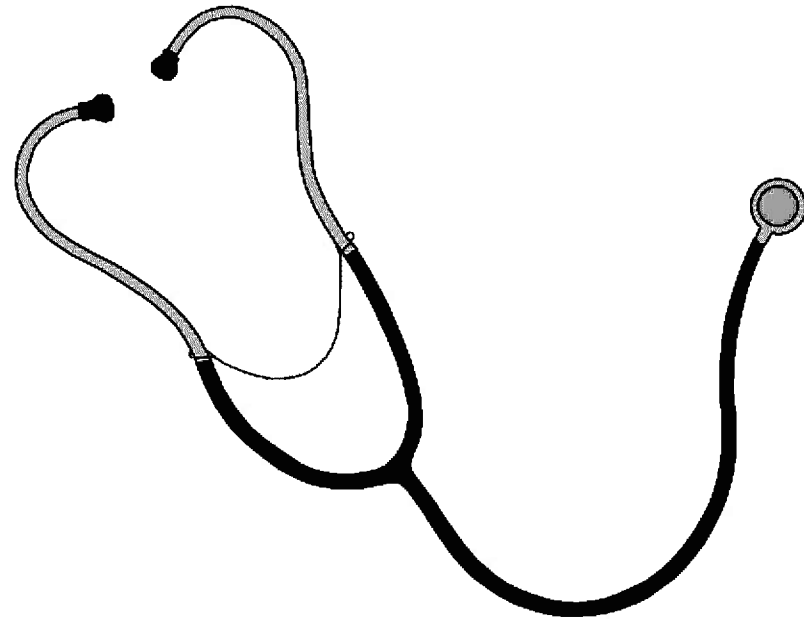


- Regulatory change & uncertainty
 - “reform” still looming
 - Medicare/Medicaid will change
 - CMS recently postponed most of the Anti-mark-up provisions to 1/09 from 1/08
 - Reimbursement Changes

III. Physician Associations

OPTIONS

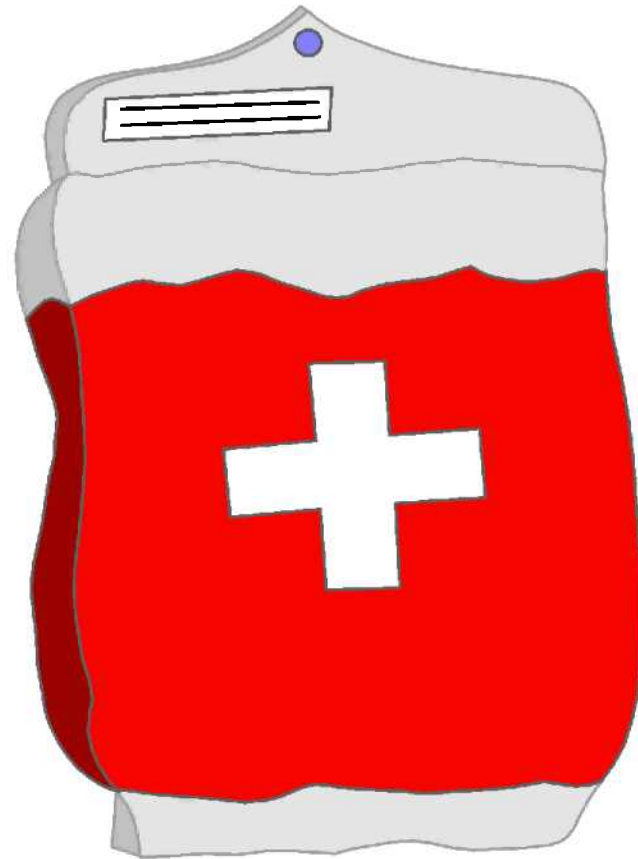
- Employment in private practice; no ownership
- Employment by hospital or other entity
- Solo practice
- Group Practice
 - small; 2-5 Drs.
 - medium; 6-15 Drs.
 - large; 16- 25 Drs.
 - Super Groups; 26+ Drs.



III. Physician Associations

Your Client's **CURRENT SITUATION**

- What does he/she want?
 - personal needs
 - financial needs
 - career needs
- Current Likes & Dislikes
- Characteristics
 - age
 - culture
 - personality



III. Physician Associations

WHAT ALTERNATIVES EXIST?

- All's Fine
- Sell Practice & Retire
- Sell Practice & Work
- Contract Away Administration
 - Management Service Organization (MSO)
 - Physician Practice management Company (PPMC)
- Merge or Combine Practice
 - Into existing Super Group?
 - Start a new Super Group?



III. Physician Associations

MAJOR CONSIDERATIONS

- **Compensation**
 - How much will your client make?
- **Group Practice**
 - Rights & Obligations
 - Control?
- **Centralized Management**
 - Benefits
 - Costs

