

Principal Business Considerations

The following are key considerations for an affiliation between a community provider and another health system:

- Scope of contractual arrangement or venture
- Name use rights
- Governance structure and management
- Capital contributions and distributions and financial relationships
 - Leases
- Fraud and abuse considerations
 - Stark Law
 - Anti-Kickback Statute (AKS)
 - False Claims Act and Civil Monetary Penalties
 - State Fraud and Abuse
- Bond restrictions
- Obligated group issues
- Dilution
- Tax-exemption considerations
- Noncompetition and other restrictive covenants
- Term/termination
- Buy-in/buy-out
- Dispute resolution
- Succession planning