

## Hospital-Physician Alignment

As Medicare reimbursements decline and overhead costs increase for physician practices, the "cordial but distant" relationship between these practices and hospitals is changing, especially when physicians begin making technological investments and add on ancillary services to their practices to improve revenue streams. By providing MRI, CT scans and other services in-house, physicians have made themselves viable partners for hospitals. Some of these arrangements pay for call duty for neurosurgery or general surgery, while others compensate doctors for directorship roles or IT support, ranging from gain sharing to management service organizations. Trustees not only have to become educated about their hospital's specific physician alignment, but they also need to become familiar with the legal framework that governs the structure to ensure the arrangement does not run afoul of Stark Law, an antikickback measure. Moreover, **trustees and boards will want to engage physicians in the strategic planning process.**

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