

Problematic Health Care Joint Venture Arrangements

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The Office of Inspector General of the Department of Health & Human Services (the "OIG") provided recent guidance on when certain health care joint venture arrangements may be problematic and in violation of federal health care statutes and regulations. In OIG Advisory Opinion No. 11-03 issued on April 7, 2011 (the "Opinion"), the OIG discussed a proposed joint venture arrangement between a new long term care pharmacy ("NewCo") owned by long term care facilities (the "LTC Facilities") and an established long term care pharmacy ("OldCo") that provided services for the LTC Facilities. The OIG stated that this proposed arrangement may be in violation of the federal anti-kickback statute. Read more ...