



**MICHIGAN ENDOSCOPY CENTER**  
 30055 Northwestern Highway,  
 Suite L-60  
 Farmington Hills, MI 48334  
 Tel. 248-865-6555

**HOSPITAL PARTNER:**  
 Providence Medical Center

Center Opened: February 2003  
 Annual Procedures: 16,000  
 Number of Physicians: 17  
 Square Footage: 8,900  
 Operating Rooms: 3  
 Procedure Rooms: 3  
 Admit/Recovery Bays: 5/11

# Physician-Hospital Joint Venture

## Hospital Non-Equity Model

### CONTACTS:

John Poisson, Exec. VP  
 Physicians Endoscopy  
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 Tel. 215-589-9003

### REASON FOR THE JOINT VENTURE

The formation of MEC represents what Physicians Endoscopy believes is a newer trend within the EASC marketplace. This large physician coalition with tremendous case volume has successfully negotiated a strong and positive relationship with the home institution of many of the physicians. Although Providence Hospital Medical Center is not an equity owner in the facility, MEC enjoys a business relationship with the hospital that provided support during the CON application effort (via a formal support letter from the CEO to the state health department) and has been supported during payer contracting efforts by the hospital.

### POINT OF VIEW

#### The Physicians

Physicians Endoscopy is the glue that brought together our 17-physician coalition to form one of the largest physician-controlled endoscopy centers in Michigan. Their leadership resulted in an early approval of our CON application while maintaining a strong partnership with our local hospital without sacrificing any ownership. Their team of experts is a company you can trust and count on to deliver.



#### The Physicians

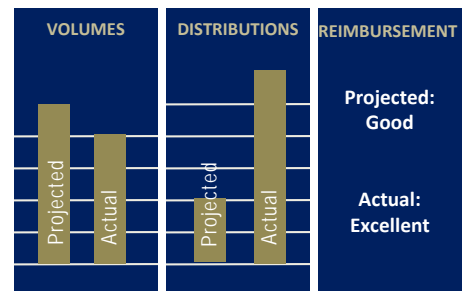
There were many reasons we could have chosen to utilize a consultant to develop MEC—in the end, we instead chose to partner with Physicians Endoscopy for one reason: the people. The management and staff of PE are experts in the EASC industry. They developed and executed a nearly flawless business plan for our center—and all along the way the center's performance has exceeded our expectations. Getting a large group of diverse physicians to work together can be a difficult thing. PE made it seem easy.



### OWNERSHIP DETAILS

Group	Equity Level
Hospital	Non-Equity
Physician Coalition	Majority
Business Partner	Minority

### FINANCIAL PERFORMANCE – 1<sup>ST</sup> YEAR



# Michigan Endoscopy Center

*A Physician-Hospital  
Joint Venture*



## MEDICAL TEAM

David Benkoff, MD  
Phillip Goldmeier, MD  
Alan Cutler, MD  
Randall Jacobs, MD  
Mark DeVore, MD  
Jean Jaffke, MD

Janice Fields, MD  
Jay Levinson, MD  
Michael Piper, MD  
Alasdair McKendrick, MD  
Laurence Stawick, MD  
Luis Maas, MD

Bradley Warren, DO  
Ralph Pearlman, MD  
Edward Yousif, MD  
Julia Greer, MD  
Sami Akkary, MD

## FACILITY GOVERNANCE

The facility has a five-member Board of Managers comprised of two Class A members (the physicians) and one Class B member (business partner).

## MEDICAL LEADERSHIP

Alan Cutler, MD  
Mark DeVore, MD

Co-Medical Director  
Co-Medical Director

## ABOUT PROVIDENCE MEDICAL CENTER

Providence Hospital, a 459-bed teaching hospital, located in Southfield, Michigan, traces its roots in the community to 1845 when the Daughters of Charity established its predecessor, St. Vincent's Hospital, in Detroit. In addition to the main Hospital, the Providence network now offers outpatient care at more than 25 primary care and specialty care centers. Providence Hospital is a member of St. John Health (SJH), a growing network of community-based health care services that provides comprehensive prevention, primary care and treatment programs.

## ABOUT PHYSICIANS ENDOSCOPY

Physicians Endoscopy, L.L.C. was formed in July 1998 with one purpose in mind – to raise the level of patient care and physician satisfaction through the development and management of freestanding ambulatory surgery centers. Our company was raised with an extensive GI focus, but always believed in being an advocate for our partners. Conceived as a business development and management company, we saw the opportunity to give physicians more autonomy and control over their work environment, while increasing their profitability and patient care standards.

Our expertise and commitment also extends to our Joint Venture Partnerships between physicians and hospitals. While most hospitals recognize that they know very little about how to manage a surgery center, which is totally different than managing a large facility with many services, they realize they need to work with their physicians to retain positive relationships.

Combining our expertise with the values a hospital can bring to the venture makes good business sense. The joint venture adds credibility and a referral base to the freestanding center, while still funneling a revenue stream back to the hospital. Moreover, many patients of the ASC are referred back to the hospital for ancillary tests and services. It is truly a "win-win" for both physician and hospital.



*Physicians Endoscopy*

[www.endocenters.com](http://www.endocenters.com)