



# Principle Valuation LLC

*A Member of Prism Healthcare Partners*

## Referral Source Compliance

Principle Valuation provides fair market value (FMV) and commercial reasonableness support for regulatory compliance in all appraisal disciplines. Clients rely on our expertise to meet the strict standards imposed by the Stark Law and Anti-Kickback Statutes.

Services provided include:

- Valuation of the business enterprise of physician practices and joint ventures
- Valuation of specific assets of physician practices including medical records, assembled work force, trade names and furniture and equipment
- Compensation studies including an analysis of the fair market payment for services rendered including variable pay based on the level of production
- Compensation studies related to hospital-based coverage arrangements including Medical Directorships and call coverage
- Fair rental studies of real estate and equipment
- Fair market value of Management Agreements
- Valuation of Provider Service Arrangements (PSA) to substantiate FMV payouts

Healthcare organizations turn to us for referral source compliance reports because:

- They trust that our studies will be accurate and fair, and will be performed in a timely manner
- Our studies are performed by professionals with specific expertise in a wide variety of physician compensation requirements

### Projects

- Business enterprise valuation of a 15-physician pediatric practice for potential acquisition by a hospital system, including the analysis of compensation and a “black box” analysis of the insurance plan rates for the practice versus the hospital
- Stockholders’ equity valuation of a surgery center owned as a joint venture between physicians and the hospital system for potential purchase by the hospital system
- PSA valuation of ED staffing arrangement providing staffing and system ED Director to regional hospital system

### About Principle Valuation

Principle Valuation, a Member of Prism Healthcare Partners, is a national, full-service valuation firm exclusively dedicated to the healthcare and seniors housing industries. Our clients find our healthcare and seniors housing valuations and appraisals helpful in their efforts to comply with government and accounting reporting requirements, including Stark Law compliance and purchase price accounting for acquisitions; obtain financing for purchase, sale, expansion or renovation; reduce depreciation expense and insurance costs; and lengthen the expected life of structural assets and extend bond amortization periods.

**We are ready to help you. Please call us at 312.422.1010 or email us at [info@PrincipleValuation.com](mailto:info@PrincipleValuation.com)**

