

EDITORIAL

Philanthropy is much more than a marketing plan

“We hope that gifts, given as we wrap up our 125th anniversary celebration, continue to strengthen organizations that make Allegan County such an exceptional place for Perrigo to grow and prosper.”

JOE PAPA

Bill and Melinda Gates' Giving Pledge, by which they invited fellow billionaires to agree to give half of their wealth to charity, has garnered more than 92 committed individuals since last reported in September, including Warren Buffett, Netflix CEO Reed Hastings and Facebook founder Mark Zuckerberg.

Gates was quoted in the national media: "Their thoughtfulness and deep commitment to philanthropy are an inspiration to me, and I'm sure to many others."

The billionaires in West Michigan have walked that thought for generations, and their example has inspired a community of givers in hundreds of ways and with millions of dollars.

The business community is often pilloried for the very foundation of its existence to make a profit. Business Journal reports often include the headlines of charitable giving throughout the year — not only as the holiday season counts down.

The philanthropy in this region has been genuine and generally not associated with a marketing plan. Most notable is that it has continued despite federal tax law changes reducing deductions for such giving.

In just the past month, Amway put numbers to its legion of volunteers and their efforts. Amway's

2012 Corporate Social Responsibility Report noted the company has reached 10 million children through its One by One Campaign for Children, which has been building momentum since it launched in 2003.

Perrigo Co.'s Charitable Foundation announced a donation Nov. 25 of \$275,000 to the city of Allegan and five local nonprofit organizations. Chairman and CEO Joe Papa told the Business Journal, "We hope that gifts, given as we wrap up our 125th anniversary celebration, continue to strengthen organizations that make Allegan County such an exceptional place for Perrigo to grow and prosper."

Meijer Inc.'s beneficence to the community is constant throughout the year. A few weeks ago, Feeding America West Michigan reported it had received three semi-trucks worth \$26,000 each for its program to deliver 2 million pounds of food in 40 West Michigan counties. Meijer also has been the major donor of food items for that distribution.

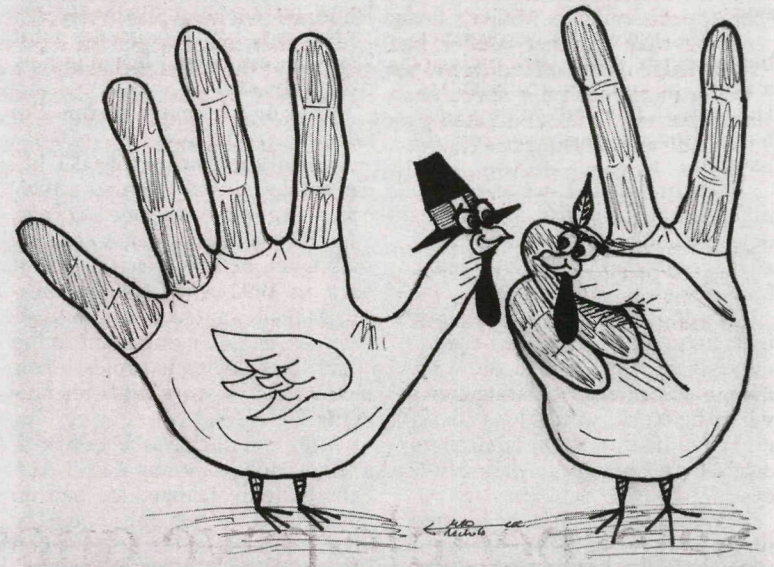
Cooley Law School has enlisted more than 200 attorneys across the state to provide pro bono assistance to military personnel who are deploying or serving, and has become a model for other states.

Baudville employees on Oct. 28 counted 1,400 volunteer hours of planning and building a therapeutic riding trail on more than 34 acres of the Equest Center for

Therapeutic Riding.

Kids' Food Basket has delivered 6,000 sack lunches or sack suppers to children throughout Kent County this year with the help of a legion of volunteers and donations.

These are only the very recent examples, and a full list would likely stretch to the North Pole. The Business Journal finds it appropriate to note the beneficence as charitable giving ends in one tax year and extends to the next.



GUEST COLUMN

Rob M. Davies

Telemedicine leases: So the doctor can always 'see' you

The doctor will see you now — even though he's in a hospital 200 miles away.

We can thank the rise of telemedicine for this phenomenon, which allows physicians to deliver health care services to patients without being in the same room. While telemedicine has been on the scene for the past four decades, the past several years have seen explosive growth in the practice — and with federal health care reform looming, we only expect this trajectory to continue.

At its most basic level, telemedicine involves two-way communication in real time between a patient and a remote-site physician. The technology can be as straightforward as computer monitors set up to videoconference with one another, or as sophisticated as RP-VITA remote presence robots. These mobile devices stand 5 feet tall, feature a screen that projects the physician's face and can zip to a patient bedside or ER automatically for a remote consult.

Telemedicine is gaining the most traction in rural or remote settings, which often don't have ready access to specialty physicians. For example, rather than asking a Baldwin woman with a high-risk pregnancy to make the long trip to Grand Rapids to see her doctor, she can arrange to have an ultrasound in a facility near home and let her physician manage the screening via

remote technology.

Of course, new technology brings with it a host of issues that the law has yet to address. While the U.S. House is beginning to consider the Telemedicine for Medicare Act of 2013, health care providers are struggling with unanswered questions over these types of leasing and licensing arrangements.

For physicians not practicing at their own hospital, they will need to lease or license space at the health care facility where they will be "seeing" a telemedicine patient. This may be a one-time temporary agreement or an ongoing arrangement.

In either case, the Stark Law and the federal anti-kickback law and regulations will come into play. Among other compliance issues, these federal laws prohibit physicians from accepting payment — either directly or indirectly — in exchange for a referral. Stark has strong mandates relating to lease and licensing arrangements between hospitals and physicians, requiring the payment of fair market value rent, prohibiting per patient payment relationships, length of term of leasing arrangements and other compliance mandates.

Let's say, for example, a hospital commits to filling a physician's schedule for two days a week for telemedicine consults. In this scenario, a number of considerations come to mind:

- How do you come to a fair market value conclusion? Often, it is necessary to hire an appraiser to complete an appraisal of these arrangements, which is a costly undertaking with regard to a very short term and low cost leasing arrangement.

- If a physician is unable to fill his schedule, can the lease be amended? Under Stark regulations, leases must be set in advance using specific time periods and establishing costs. Failure to do so could generate large penalties. In the case of a telemedicine lease at a rural hospital, though, the demand may fluctuate and require more flexibility.

- How are personnel issues handled? Say a technician who has been hired to run a piece of equipment gets fired. Is the physician required to send someone to the remote site on his dime? Does the remote hospital have to provide a fill-in? What happens under the lease if scheduled days are missed because of staffing turnover or a federal holiday?

- Who pays for technology costs? Sometimes it may be as simple as providing an Internet connection,

while at other times it may require more sophisticated equipment. The state of Michigan is giving grants to some rural hospitals to assist in the cost of buying the specialty equipment needed for telemedicine visits to help defray overhead expenses. However, there's no guarantee that all health care facilities will have access to the necessary equipment at the appropriate time.

There are a number of other issues involved as well, from credentialing to billing. But the benefits of telemedicine — expanding access to care, improving quality and managing difficult patient populations — ensure that the practice is around to stay. Now we just need to be sure that the proper lease and license documents are in place so that the doctor can be seen — and paid.

Rob M. Davies is a partner at Warner Norcross & Judd LLP. He concentrates his practice in real estate law and commercial finance law with an emphasis on leases, development, acquisitions, sales and loan documentation. He can be reached at rdavies@wnj.com.



Website: www.grbj.com; General Editorial Inquiries: editorial@grbj.com; General Sales Inquiries: advertisingsales@grbj.com

PUBLISHER
John H. Zwarenstein:
jzwarenstein@geminipub.com

EDITOR
Carole Valade: cvalade@geminipub.com

MANAGING EDITOR
Tim Gortsema: tgortsema@geminipub.com

COPY EDITOR
Donna Ferraro: dferraro@geminipub.com

STAFF REPORTERS
David Czurak: dczurak@geminipub.com
Pete Daly: pdaly@geminipub.com

ONLINE EDITOR
Chris Ehrlich: cehrlch@geminipub.com

ONLINE REPORTERS
Charlsie Dewey: cdewey@geminipub.com
Mike Nichols: mnichols@geminipub.com

STAFF RESEARCHER/REPORTER
Pat Evans: pevans@geminipub.com

STATE LEGISLATIVE REPORTER
Capital News Service: freedma5@msu.edu

CONTRIBUTING WRITERS
Jeffrey Gitomer, Paul A. Hense, Brian Long, Bill Rohn, Bill Roth, Ardon Schambers, David Smith

NEW MEDIA, DESIGN & PRODUCTION MANAGER
Scott Sommerfeld:
ssommerfeld@geminipub.com

ASSISTANT DESIGN & PRODUCTION MANAGER
Chris Pastotnik: cpastotnik@geminipub.com

ART COORDINATOR
Kelly J. Nugent: knugent@geminipub.com

DESIGNERS/PRODUCTION ASSISTANTS
Melissa Brooks: mbrooks@geminipub.com
Kristen VanOostenbrugge:
kristenv@geminipub.com
Robin Vargo: rvargo@geminipub.com

CONTRIBUTING PHOTOGRAPHERS
Michael Buck, Jim Gebben, Johnny Quirin

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