

“An Option Worth Exploring, Franchising Your Medical Group,” co-author, Group Practice Journal, a publication of the American Medical Group Association

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The word "franchise" likely conjures thoughts of fast food chains, coffee houses, and hotels for most people. But health care?

In fact, health care franchising is more common than one might think, according to Gray Plant Mooty attorney Jesse Berg, and it is expected to grow more rapidly in coming years because of externalities in the health care marketplace.

The rewards of franchising can be substantial, Berg says, but navigating the highly-regulated legal framework also poses challenges.

"Like health care, franchising is heavily regulated at both the federal and state levels," says Berg, writing in the June 2015 Group Practice Journal, published by the American Medical Group Association. "Failure to comply with federal and state laws can be costly, including governmental investigations and fines, criminal penalties, and potential equitable relief and damages to the harmed franchisee."

Berg, a principal attorney who specializes in counseling health care providers, writes that "the franchise model presents great opportunities and benefits for healthcare practices and professionals"—if they can avoid the pitfalls of this highly regulated marketplace.

Read the full article at the Group Practice Journal.