



## John B. Beard

Shareholder

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John Beard concentrates his practice in business and health care transactions and has extensive experience with tax-exempt health care organization matters.

Mr. Beard's practice is focused on hospital/physician practice acquisitions, physician compensation and compensation models, hospital/physician alignment and affiliation structures, joint ventures and physician hospital organizations, mergers and acquisitions, health care tax exemption issues for hospitals, and other exempt organizations, private offerings and securities compliance matters, and corporate, limited liability company and partnership matters.

He has extensive experience with respect to tax exempt health care organization matters. Mr. Beard's practice also includes business, tax, corporate and federal and state health care regulatory compliance matters for exempt, governmental or for-profit health care providers, including the Stark law, the Anti-Kickback law, civil monetary penalties, the corporate practice of medicine, provider-based facilities, and service line structures involving medical and radiation oncology, cardiology, neurosurgery, cardiovascular surgery, pulmonology, gastroenterology, nephrology, primary care physicians and multi-specialty clinics.

Other areas of Mr. Beard's practice include analysis of antitrust matters for health care entities and employee benefit matters.

### Representative Matters

- Represented a regional nonprofit health system in an integration transaction with respect to a large multi-specialty physician clinic with over 100 physicians.
- Represented a large multi-specialty physician clinic with more than 100 physicians in an integration transaction with a regional nonprofit health system.
- Represented a regional non-profit health system in structuring three whole-hospital joint ventures to build and operate new hospitals, including private placement syndications to contemplated physician medical staff members, with transaction values and capital investments of approximately \$100 million each.
- Represented a regional nonprofit health system in its purchases of numerous primary care and specialist physician practices and structuring fair market value wRVU-based and collections based compensation models, including physicians in family medicine, internal medicine, gastroenterology, cardiology, oncology, pulmonology, pediatrics and orthopedic surgery and a total exceeding 100 employed physicians.
- Represented a nonprofit hospital in the sale of a long term acute care (LTAC) hospital to a publicly traded for-profit hospital company, with a transaction value of \$7 million.
- Represented a regional nonprofit health system in purchasing a 17-physician cardiovascular group.
- Represented large nonprofit health system in structuring joint venture model clinical co-management arrangement between health system and affiliated cardiology group with respect to cardiovascular services.
- Represented governmental health system in structuring contract model clinical co-management arrangement between hospital and affiliated physician group with respect to nephrology services.
- Represented nonprofit hospital in implementing contract model clinical management agreement between hospital and independent group with respect to general surgery services.

- Advised nonprofit safety net hospital with respect to clinical co-management contract terms and benchmarks with respect to orthopedic services.
- Represented an independent community hospital in acquiring numerous primary care and specialist physician practices, applying a Professional Services Agreement (PSA) model approach, resulting in provider-based physician clinic status. Structured fair market value wRVU-based compensation models, including physicians in medical oncology, cardiology, nephrology, orthopedic surgery, and gynecology.
- Represented a nonprofit health system in obtaining tax exempt status for seven integrated delivery system (IDS) medical foundations involving physician-controlled board governance structures, but with sufficient reserve powers in favor of the health system corporate member to maintain exempt status.
- Represented a for-profit insurance holding company in a \$360 million business combination of ancillary health insurance lines (dental, disability, etc.) by seven Blue Cross/Blue Shield plans.
- Represented regional nonprofit health system in structuring and consummating a physician joint venture to form an independent diagnostic imaging facility (IDTF), including regulatory and compliance advice with respect to meeting the conditions of participation, and a related private offering and syndication of investment units to community physicians.
- Represented a regional nonprofit health system in the purchase of three medical oncology physician practices.
- Represented a publicly traded health care company in settling an employee classification audit with the Internal Revenue Services (IRS) that could have resulted in an assessment of millions of dollars. The audit involved a proposed reclassification of thousands of surgeons and optometrists as employees and not independent contractors. We assisted our client in the management and settlement of this audit for a nominal sum.
- Represented a regional nonprofit health system in purchasing an ambulatory surgery center joint venture and its conversion to provider-based status.
- Represented a large teaching hospital in its negotiations with faculty practice plan physicians to form a new faculty practice plan structure.
- Represented a nonprofit hospital in establishing coverage and hospitalist professional services arrangements with various specialties, including cardiovascular surgery, cardiology, pulmonology/intensivist, neurology and telemedicine services, and structuring fair market value compensation.
- Represented an independent community hospital in negotiating a strategic affiliation agreement to join a clinically integrated network.
- Represented a for-profit company in purchasing a 140-bed acute care hospital from a local governmental instrumentality.
- Represented nonprofit hospital in structuring and consummating a physician joint venture serve as a freestanding radiation oncology clinic.
- Represented a Mississippi hospital in the sale of its behavioral health unit for \$15 million.
- Represented a Mississippi hospital in the sale and joint venture of its inpatient rehabilitation facility, with an approximate transaction value of \$11 million.
- Represented a joint venture to acquire a large multi-specialty physician group, a 35-physician practice with 7 clinic locations. The \$4 million transaction involved the purchase of stock of the medical practice and an acquisition of the assets of its independent, unrelated management services organization.
- Represented a nonprofit health system in its purchase of the remaining 50 percent membership interest in two outpatient imaging centers owned by LLCs, through a cross purchase of the local radiology group's membership interest, and an asset purchase of a related billing and management services LLC owned by the radiologists in exchange for a cash purchase price of approximately \$6 million.

- Represented an acute care medical facility in a \$10.5 million transaction to lease the facility to a nonprofit corporation. Drafted state legislation authorizing the county and the board of governors of the local county hospital to lease the facility.
- Represented a hospice provider in the sale of its companies to a private equity-backed buyer, with a transaction value of approximately \$25 million.
- Represented a hospital in the formation of a joint venture with a health insurance company to create a \$10 million medical services clinic. Assisted with all aspects of the joint venture, including the lease of office space, employee lease agreements, documentation for the new limited liability company, technology services agreements, and regulatory review issues.
- Represented a regional health care system in a \$4 million joint venture with a radiology group to form a new Independent Diagnostic Testing Facility (IDTF). Assisted with all aspects of the joint venture, including governance, leases, obtaining a certificate of need, and drafting agreements.
- Represented a tax exempt trade association in its sale of interest in an ePrescribing software platform to a private equity buyer, along with other industry owners, in a transaction valued at \$1.8 billion.
- Represented a large clinical laboratory services company in a joint venture with a nonprofit health system to combine outreach lab services in the state.



## Professional Honors & Activities

- Chairman – Governance Affinity Group, Business Law and Governance Practice Group – American Health Law Association, 2008 – 2015
- Named an Outstanding Physician Practice Lawyer by *Nightingale's Healthcare News*, 2008
- Vice Chairman (Membership) – Tax and Finance Practice Group – American Health Law Association, 2006 – 2008
- Listed in *Chambers USA* as a leading Corporate/Commercial in Mississippi (2024)
- Named the Best Lawyers® 2024 Mergers and Acquisitions "Lawyer of the Year" in Jackson-MS
- Listed in *The Best Lawyers in America*® since 2009 for Health Care Law, Non-Profit/Charities Law and Mergers and Acquisitions Law
- Listed in *Mid-South Super Lawyers* in Health, 2006 – 2012
- Advisor for Special Projects – Corporate Governance Task Force – American Health Law Association, 2006
- Vice Chairman (Publications) – Tax and Finance Practice Group - American Health Law Association, 2003 – 2006
- Member – Mississippi Society of Certified Public Accountants (T.E. Lott Silver Medal Award - 1987)
- Member – Taxation Section and Health Law Section of Mississippi Bar Association
- Member – Mississippi Bar Association



## Publications

- "IRS Rejects Tax Exempt Status of Non-MSSP ACOs: An Alternate Tax Subsidy Suggestion," AHLA Accountable Care Organization Task Force Newsletter (November, 2016)
- Lecturer and Author – "The Basics of Tax-Exempt Status for Healthcare Organizations," presented at Tax Issues for Healthcare Organizations, American Health Law Association (Arlington, Virginia)
- Lecturer and Author – "The Basics of Tax Exempt Status for Healthcare Organizations," presented at Tax Issues for Healthcare Organizations, American Health Law Association (Washington, D.C.)
- Lecturer and Author – "Tax Primer - The Basics of Tax-Exempt Status for Healthcare Organizations," American Health Law Association member teleconference, Tax Issues for Healthcare Organizations Program (Washington D.C.)
- "IRS Issues Governance Check Sheet for Examiners to Capture Data Regarding Tax-Exempt Organizations' Governance Practices," American Health Law Association, Business Law & Governance Practice Group - Member Briefing

- "IRS Approves Establishment of Physician Malpractice Reinsurance Subsidiary by Exempt Organization," American Health Law Association Tax & Finance Newsletter, Volume 5, Issue 1
- "FASB Delays Application of FIN 48 for Nonpublic Entities," American Health Law Association (Tax & Finance and Hospitals & Health Systems Practice Groups - Member Briefing)
- Co-author – "Exempt Charitable Organizations: Recent Changes and Current Issues," American Health Law Association (AHLA Corporate Governance Task Force - Member Briefing)
- Co-author – "Corporate Governance Implications on Nonprofit Executive Compensation," American Health Law Association, First Edition
- Co-author – "Carefirst Conversion: A Road Map for Non-Profit Corporate Responsibility," for the American Health Law Association (AHLA Member Briefing)



## Speaking Engagements

- "Health Care Valuation and its Unique Ethical Issues," Nashville Council of Health Care Attorneys CLE (November 2016)
- Lecturer – "Revenue Ruling 2004-51: Practical Implications for Nonprofits - A Roundtable Discussion," American Health Law Association member teleconference



## Webinars

- Keeping Your Group Good To Go: Practical Guidance for Ensuring Stark Law Practice Compliance (September 2023)



## Education

- New York University, LL.M. in taxation, 1991
- University of Mississippi, J.D., 1990 magna cum laude
- University of Mississippi, B.Accy., 1987, cum laude



## Admissions

- Mississippi, 1990
- U.S. Tax Court, 1991
- U.S. Court of Appeals, Fifth Circuit, 2001