

GOT EXCLUSIVITY?

A good reminder for leases between health care entities and physician groups is that under the Stark regulations, the space rented is reasonable and necessary for the legitimate business purposes of the lease and is used exclusively by the lessee (during such times when the lessee is using the space) and is not shared with or used by the lessor or an affiliate of lessor. In addition, the lessee may make payments for the use of common area space if the payments do not exceed the lessee's *pro rata* share of expenses for the space based upon the ratio of space used exclusively by the lessee to the total amount of space (other than common areas) occupied by all persons using the common areas.