



Closing Your Practice Checklist

Contact an accountant and attorney for specific business and legal advice when closing a medical practice.

Notifications (60 to 90 days prior to closing).

✓ STAFF

- Organize a staff meeting to notify employees of practice closure.
- Prepare to hire temporary staff if current employees leave prior to closing date.

✓ PATIENTS

- Prepare and send notification to patients listing the closing date and reason for closing.
- Include an authorization form to transfer medical records to your patients' new providers.
- Place a dated copy of the notification in each patient's medical record.

✓ THE PUBLIC

- Publish local newspaper ads with details about the closing.
- Post signage in your office to notify visitors of your last day of business.

✓ PROFESSIONAL ASSOCIATIONS

- Notify your state medical board, licensing board, credentialing organizations, professional memberships, etc.

✓ DRUG ENFORCEMENT AGENCY (DEA)

- Inform the DEA of your wishes to either continue or surrender your DEA registration.

✓ HEALTH INSURANCE COMPANIES

- Inform all contracted payers of your intent to close your practice.
- Provide payers with a forwarding address to send payments that resolve after the office closes.

✓ HOSPITALS

- Notify the hospitals where you have privileges of your intention to close your practice.

✓ ANCILLARY SERVICES

- Contact ancillary services such as labs, MRI facilities, etc. that you refer patients to.

✓ SUPPLIERS/SERVICE CONTRACTS

- Inform medical suppliers, office suppliers, collection agencies, laundry services, housekeeping services, hazardous waste disposal services, magazine subscriptions, etc.
- Request final statements from these vendors to close your accounts with them.

✓ OTHER PHYSICIANS

- Let the colleagues that you work with, or refer to, know of your decision to close.

✓ UTILITIES

- Notify all utility service providers of the day you wish to discontinue service.

Tasks (30 to 60 days prior to closing).

✓ PATIENT SCHEDULING

- No new patients should be accepted once the closing date is announced.
- Start restricting nonemergent appointments as much as possible.
- Patients who need continual follow-up and care should be referred to another provider.

✓ ACCOUNTS RECEIVABLE

- Process your accounts receivable, as much as possible, to collect money owed to you.
- Consider employing a collection agency or staff member to reconcile accounts after the practice has closed.

✓ INSURANCE POLICIES

- Review your and your employees' insurance policies and update or cancel where appropriate: i.e., liability, health, life, disability, workers compensation, etc.
- Obtain tail coverage extended liability insurance if necessary, which provides coverage against claims reported after the liability policy expires.

✓ MEDICAL RECORDS

- Arrange for safe storage for both paper and electronic medical records.
- Notify your state medical board of the storage location.
- Determine the correct amount of time your medical records should be stored, as defined by your state law.
- Make sure the storage facility has experience handling confidential patient information and HIPAA agreements.
- Establish a mailing address or PO Box for medical record requests after closing.

✓ CLINIC DOCUMENTS & EQUIPMENT

- Arrange for storage of personnel records according to your state law.
- Organize the disposal or proper storage of clinic documents such as financial records, patient education materials, brochures, etc.
- Plan to sell or lease office and medical equipment, if appropriate.

✓ MEDICATIONS

- Follow the federal guidelines for disposing of prescription drugs and medications.
- Contact drug representatives to determine what to do with unused samples, if applicable.
- Destroy all prescription pads.

✓ PHONE SERVICE

- Consider using an answering service or prepare messaging for office phone calls after the closing date.

✓ MAIL SERVICE

- Contact the U.S. Postal Service to coordinate mail forwarding details.