

Closing a Medical Practice Checklist

(It is recommended to start this process at least 1 year prior to closing.)

Below is a checklist of information we hope you will find useful in closing your medical practice.

Administrative

- Publish local newspaper ads with details about the closing (recommended 3 months prior)
- Post signage in your office to notify visitors of the last day of business/service (recommended 3 months prior)
- Let your colleagues that you work with, or refer to, know of your decision to close
- Notify all utility service providers of the day you wish to discontinue service
- Process your accounts receivable, as much as possible, to collect money owed to you
- Obtain tail coverage extended liability insurance if necessary, which provides coverage against claims reported after the liability policy expires
- Plan to sell or lease office and medical equipment, if appropriate
- Consider using an answering service or prepare messaging for office phone calls after the closing date
- Contact the U.S. Postal Service to coordinate mail forwarding

Staff

- Organize a staff meeting to notify employees of practice closure (at least 2-3 months prior)
 - Prepare to hire temporary staff if current employees leave prior to closing
- Review your and your employees' insurance policies and update or cancel where appropriate (i.e. liability, health, life, disability, etc.)

Patients

- Prepare and send notification to patients listing the closing date and reason for closing (at least 3 months prior)
 - 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
 - Provide patient with a referral list
 - Inform patients how and where their medical records will be kept
- No new patients should be accepted once the closing date is announced (or sooner)
- Start restricting non-emergent appointments as much as possible

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Compliance

- Notify your state medical board, licensing board, credentialing organizations, professional memberships, etc.
- Inform the DEA of your wishes to either continue or surrender your DEA registration
- 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
- Notify the hospitals where you have privileges of your intention to close your practice
- Arrange for safe storage for both paper and electronic medical records
 - Determine the correct amount of time your medical records should be stored, as defined by state law
 - Notify your state medical board and local medical society of the storage location
 - 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
- Arrange for storage of personnel records according to state law
- Organize the disposal or proper storage of clinic documents
- Follow the federal guidelines for disposing of prescription drugs and medications
- Contact drug representatives to determine what to do with unused samples
- Destroy all prescription pads

Vendors/Business Partners

- Notify ancillary services such as labs, MRI facilities, etc. that you refer patients to
- Inform medical suppliers, office suppliers, collection agencies, laundry services, housekeeping services, hazardous waste disposal services, magazine subscriptions, etc.
- Consider employing a collection agency or staff member to reconcile accounts after the practice has closed

Do you have any other questions?

The El Paso County Medical Society, powered by ProPractice will gladly help you find the answers, contact us at (719) 591-2424 or epcms@epcms.org.