

Closing your practice: What to consider

Kaustubh G. Joshi, MD

Closing your practice can be a stressful experience, and it requires careful planning. The process requires numerous steps, such as informing your staff, notifying your patients, closing accounts with your vendors and suppliers, storing medical records, and following applicable federal and state laws for dissolving your practice.^{1,2} Many of these steps may require consulting with an attorney, an accountant, and your malpractice insurance carrier.^{1,2} Although the recommendations I provide in this article are not exhaustive, when faced with closing your practice, be sure to consider the following factors.

Notify staff and patients. Select a date to close your practice that will allow you to stop taking new patients, provides adequate leeway for your staff to find new employment and for you to hire temporary staff if needed, ensures you meet your obligations to your staff, such as payroll, and gives you time to set up appropriate continuity of care for your patients. In addition to verbally notifying your patients of your practice's closing, inform them in writing (whether hand-delivered or via certified mail with return receipt) of the date of the practice's closure, reason for the closure, cancellation of scheduled appointments after the closure date, referral options, and how they can obtain a copy of their medical records.^{1,2} Make sure your patients have an adequate supply of their medications before the closure.

Notify other parties. Inform all suppliers, vendors, contracted service providers, insurance broker(s) for your practice, and payers (including Medicare and Medicaid,

if applicable) of your intent to close your practice.^{1,2} Provide payers with a forwarding address to send payments that resolve after your practice closes, and request final invoices from vendors and suppliers so you can close your accounts with them. If you don't own the building in which your practice is located, notify the building management in accordance with the provisions of your lease.^{1,2} Give cancellation notices to utilities and ancillary services (eg, labs, imaging facilities) to which you refer your patients, and notify facilities where you are credentialed and have admitting privileges.^{1,2} Inform your state medical licensing board, your state's controlled substance division, and the Drug Enforcement Administration, because these agencies have requirements regarding changing the status of your medical license (if you decide to retire), continuing or surrendering your state and federal controlled substance registration, and disposal of prescription medications and prescription pads.^{1,2} Contact your local post office and delivery services with your change of address.

Address other considerations. Set up a medical record retention and destruction plan in accordance with state and federal

Dr. Joshi is Associate Professor of Clinical Psychiatry and Associate Director, Forensic Psychiatry Fellowship, Department of Neuropsychiatry and Behavioral Science, University of South Carolina School of Medicine, Columbia, South Carolina.

Disclosure

The author reports no financial relationships with any companies whose products are mentioned in this article, or with manufacturers of competing products.

doi: 10.12788/cp.0226

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regulations, arrange for the safe storage for both paper and electronic medical records, and make sure storage facilities have experience handling confidential, Health Insurance Portability and Accountability Act (HIPAA)-sensitive patient information.^{1,2} In addition, establish a process for permanently deleting all HIPAA-sensitive

patient information from any equipment that you don't intend to keep.^{1,2}

References

1. Funicelli AM. Risk management checklist when closing your practice. *Psychiatric News*. 2020;55(23):11.
2. American Academy of Family Physicians. Closing your practice checklist. Accessed January 21, 2022. https://www.aafp.org/dam/AAFP/documents/practice_management/admin_staffing/ClosingPracticeChecklist.pdf

Choose a date that gives all parties adequate time to prepare for the closure of your practice



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