



Closing a Physician Practice Checklist

Closing a medical practice can be complex and overwhelming. Every detail requires careful attention to avoid complications, from notifying patients to managing financial obligations. Yeo & Yeo understands these challenges and offers support to ensure a seamless transition. Below is a checklist to guide you through this process.

PREPARATIONS & NOTIFICATIONS (60 - 90+ DAYS OUT)

- Letters of Termination/Notification**
Prepare and send official letters to patients, vendors, and partners to notify them of the practice's closure. Include details about continuity of care and access to records.
- Professional Organizations**
Notify all professional organizations, including medical boards and specialty associations, of the practice's closure. Update your status accordingly.
- Lease Terminations**
Handle the termination of office space and equipment leases. Review the lease agreements for any early termination clauses or required notice periods.
- Terminate Service Contracts**
Cancel service contracts with vendors, IT providers, or other third-party companies supporting the practice.
- Address Changes**
Submit address change notifications to relevant entities, including vendors, insurance companies, and financial institutions.
- Medical License Notification**
Notify the appropriate state medical boards or licensing agencies about the closure of your practice and any necessary license adjustments.
- Subscription Cancellations**
Cancel any subscriptions for medical journals, publications, and other professional resources related to the practice.
- Insurance**
Review and update all insurance policies, including malpractice and business liability coverage, to reflect the practice's closure.
- Employees**
Notify and provide proper documentation for all employees regarding the closure, including severance, final paychecks, and benefit termination.

TASKS (30 - 60 DAYS OUT)

- Maintenance of Records**
Determine who will be the Managing Custodian for patient and business records (accounting and employee files) and where records will be stored and maintained. Ensure compliance with HIPAA, federal, and state regulations for record retention.





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Corporate Structure

Review and finalize the dissolution or reorganization of the practice's legal structure. Ensure compliance with all legal requirements, including any filings with state agencies.

Asset Valuation

Conduct an appraisal of the practice's assets, including equipment, furniture, and intellectual property, to determine their value for potential sale or disposal.

Financial Estimates

Prepare a detailed financial forecast to account for remaining liabilities, outstanding invoices, and any final business expenses.

Accounts Receivable (AR)

Develop a plan for managing outstanding AR, either by collecting it yourself or outsourcing it to a service that specializes in closing medical practices.

Premium Refunds

Request refunds or rebates for any prepaid premiums, such as insurance, software, or maintenance contracts, for the period following the closure.

Payables

To avoid legal complications, ensure all outstanding bills and invoices are paid, including utilities, lease payments, and vendor contracts.

Creditors

Notify creditors of the practice's closure and arrange to pay any outstanding debts to avoid further collection efforts.

Banking

Close all business bank accounts after settling final transactions and clearing pending payments.

Books/Texts/Journals

Properly dispose of, donate, or archive medical books, journals, and educational materials used within the practice.

Document Destruction

Shred or securely destroy sensitive documents that are no longer needed, such as financial statements and patient records older than those required to be retained under federal and state law. Destroy all provider prescription pads.

Computers

Securely wipe all electronic devices, including computers and servers, to protect patient information and other sensitive data.

Medications

Properly dispose of any remaining medications following state and federal guidelines or return them to suppliers if possible.

Telephones

Terminate or transfer business telephone lines and voicemails to provide a message about the practice's closure.

We are here to help.

Yeo & Yeo offers holistic healthcare solutions through the combined knowledge of more than 250 professionals, including credentialed medical billing and practice consultants, experienced CPAs, and technology specialists. We serve healthcare clients ranging from solo physician offices and multi-specialty groups to home health agencies. Whether you're starting, buying, selling, or closing a practice, our dedicated team has the experience and insight to guide you every step of the way.

