# leadership ladders:

## STEPS TO A GREAT CAREER IN SOCIAL WORK

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# RETIRING? tips for closing your private practice

Retiring a solo or group practice can be challenging especially when working in a high volume practice. Because there are many things to consider, it's important to retire your practice with careful planning to avoid any problems after your practice has officially closed. This Leadership Ladder outlines several important areas to help you as you terminate your practice.

### » FIRST STEPS

After you have selected a date for retirement, your patients should be amongst the first to be informed of your retirement. Inform current patients face-to-face early on about your plans at least 60 days in advance. Early notification will provide you time to work on termination and separation issues and allow time for patients to locate another psychotherapist if continued services are warranted. Former patients should also be informed of your retirement. Since there continues to be concerns about confidentially using online resources, a formal letter by postal service may be the best source of communication in this situation. The letter should inform the patients when your practice is closing, how they can arrange to transfer their records, where the records will be stored, and how to access their records in the future should a copy be needed. You may also notify a former patient by publishing a public notice in the legal section of a newspaper. A retirement announcement in the community or local newspaper, school bulletins, neighborhood or organizational newsletters are secondary sources to consider.

Third-party payers with whom you provide services are an important group to make aware of your plans to retire. Review your provider contract for proper notice of termination procedures. If there is no formal contract, contact the third-party payer to learn of their termination policies to determine if they pertain to you.

When you have selected a retirement date, it will be necessary to place your National Provider Identifier (NPI)

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*When retiring a private practice there are many things to do including terminating with patients, documenting services, making appropriate referrals, and contacting third-party payers.*

Number in inactive status. This can be done by calling the National Provider Identifier Enumerator Call Center at 800-465-3203 or going to **https://nppes.cms.hhs.gov** to change your NPI status online.

Notify all groups, organizations, and others with whom you have a legal contract about the retiring of your practice. Utility companies, your landlord, the cable company, the postal service, and other support services should also be notified.

## » RECEIVING AND MAKING REFERRALS

Referrals may continue after the announcement of your retirement. Setting a date when new referrals will not be accepted is important and new patients should be informed of the retiring date during the initial referral and given an opportunity to accept or deny services.

If continued services are required, patients should be given several options for treatment and at least three referrals. Patients should also be informed of the credentials, name, address, and phone numbers of the clinicians or organizations to whom you are referring them. Web sites, pamphlets, business cards, and other information about the referral sources would be helpful. To facilitate referrals of their choice, patients should sign the appropriate release of information forms.

## » CLOSING OR TRANSFER DOCUMENTATION

The closing or transfer treatment record should include a psychosocial assessment, treatment plan, and progress notes and documentation of all visits and contacts. In addition, a closing or transfer summary of each patient is recommended to assist in a smooth transition to future services. The following information is helpful to include:

- Summary of the case, including a diagnosis and treatment plan
- Progress in meeting treatment plan
- Transfer or closing plans
- Follow-up recommendation

## » STORAGE OF RECORDS

Retain all of your clinical records for all patients, including those who have died. Many states have statutes of limitations for professional liability and regulate how long you need to keep records. Because statues of limitations are based on when the injured party realizes or should have known that the clinical social worker harmed him or her, NASW recommends that you retain your records indefinitely in the event a malpractice suit arises against you later.

Proper storage of records is very important and special safeguards should be taken to protect them. You may store them at your home in a dry, secure, fireproof file cabinet or other container or rent storage space at a facility. Many clinical social workers store records electronically. In such instances, special HIPAA security measures, including encryption software and firewalls should be followed when maintaining an electronic file. An emergency back-up file for electronic records should be maintained in the event of a natural disaster or other emergency.

## » MALPRACTICE INSURANCE

Your professional liability insurance agency should be notified that you are closing your private practice prior to your retirement date. Continuous payment of your malpractice insurance will avoid any gaps in coverage. Most professional liability policies offer an option to extend coverage after you close your practice. The extended reporting period, also known as "tail," provides coverage for future claims based on events that occurred before your practice was closed. Maintaining continuous extended liability coverage after retiring your practice is important because it protects you from liabilities from former patients who may sue you at any time. Discuss your options with your insurance carrier prior to retiring your practice. If you have professional malpractice insurance through NASW, visit www.naswassurance.org to find out about extending your coverage.

## » PROFESSIONAL WILL

Clinical social workers in private practice should have a professional will. If you do not have one at the time of retirement, it is best practice to prepare a professional will that provides instructions on how patient records should be maintained and appoints a custodian for the patients' records in the event of your death. Consulting with an attorney or legal representative can be helpful in preparing a professional will, estate planning, and other legal issues concerning the retirement of your practice.

## » OTHER TIPS

For 60 to 90 days, maintain a simple message on your business voicemail regarding the closing of your practice and how emergency services can be obtained if necessary. In the event patients try to contact you by e-mail, your practice e-mail address should have a response informing others of the closing of your practice and how emergency services can be obtained. If appropriate, make arrangements to remove Web sites that you maintain for your practice and complete a change of address form with your local post office.

Retiring a practice can be emotionally draining due to the work involved and the termination of a way of life that you have had for many years. You may experience emotions such as anxiety and depression in situations of a forced or voluntary retirement. In such cases, it is important to take care of yourself and seek help as needed.

## » SUMMARY

Retiring a private practice can be a long process and just as challenging as starting a private practice. There are many things to do including terminating with patients, documenting services, making appropriate referrals, and contacting third-party payers. The tips provided help organize retiring activities for a smooth transition in closing your practice. The checklist that follows serves as a guide to help you close your practice successfully.

## SAMPLE CHECK LIST FOR CLOSING YOUR PRACTICE

| Task | Date Completed | Task | Date Completed |
|---|---|---|---|
| Select Retirement Date | | Prepare a Professional Will | |
| Select Deadline for Accepting New Referrals | | Prepare Closing Message for Voicemail | |
| Review Provider Contracts for Termination Procedures | | Prepare Closing Message for E-mail | |
| Inform Current Patients | | Complete Change of Address Form | |
| Send Letters to Former Patients | | Notify Utility Companies of Closing | |
| Place Legal Notice in Newspapers | | Contact Movers | |
| Contact National Provider Identifier Enumerator | | Obtain "Tail" Liability Coverage | |
| Inform Third-Party Payers | | Disconnect Cable | |
| Inform Appropriate Agencies/ Organizations/Landlord | | | |
| Obtain Release of Information Forms When Appropriate | | | |
| Make Appropriate Referrals | | | |
| Complete Closing Documentation | | | |
| Locate Proper Storage for Records | | | |

## REFERENCES


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