Medical Practice Optimization

Open, Manage or Close Practice Efficiently and Effectively

A Guide for Richmond Community Family Practice Physicians
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Richmond
Division of Family Practice
An FPSC initiative

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PURPOSE:

Medical practice optimization is a comprehensive approach to maximizing the efficiency and effectiveness of a medical practice - office and clinic. This guide is developed to provide family medicine physicians with an overview of considerations, expectations, and helpful resources to assist in their medical practice journey.

This guide is divided into four “phases” reflective a medical practice’s lifecycle:

Phase I - setting up practice and establishing a solid foundation for success.

- ☐ During this phase, the plans for practice are developed. Mission, vision, and values are defined, business plans are completed, operational needs are identified, and operational policies and procedures are drafted.

Phase II – managing and monitoring the performance of a practice upon start and initial years of operation.

- ☐ During this phase, opportunities for improvement are identified further to enhance the practice’s overall efficiency and effectiveness. A practice evaluates financial, recruitment and retention, operational, team-based care, quality of care performance, and more.

Phase III - sustaining a family practice through quality improvement activities.

- ☐ During this phase, a practice enhances its existing operations and patient services by implementing quality improvement activities and participating in collaborations, partnerships and relationship building.

Phase IV - closing or retiring a practice.

- ☐ During this phase, a practice prepares an operational and continuity of patient care transition plan to close practice.

Note: *This guide is not intended to be used as an exclusive resource to influence a practice's decision-making process. A comprehensive approach is required that considers also local regulations, industry trends, and the unique needs of a practice and patients.*

PHASE I

Setting up a family practice and establishing a solid foundation for success

Opening a family practice is an exciting and important undertaking. It is recommended that a comprehensive plan be established to support the business and medical development of a family practice. A comprehensive plan supports preparation. It is something concrete by which to monitor and assess progress if a practice is efficient, effective, and sustainable.

PHASE I CHECKLIST:

Practice Plan

- ☐ Define your practice
  - In-clinic family practice and/or;
  - Specialty interest focus and/or;Care delivery to long-term care residents and/or;
  - Care delivery to maternity patients, new mothers and babes and/or;
  - Occasional Shift work at the local hospital and/or urgent primary care centre and/or;
  - Other

Business Plan

- ☐ Choose a business structure i.e., what would be shared vs not shared in the group practice (expenses, legalities, professional dues/responsibilities, income, liabilities)
  - Sole proprietorship
  - Partnership
  - Corporation
- ☐ Draft a business plan
- ☐ Define the clinics' organizational goals, structures and values

Financial Plan

- ☐ Obtain a financial advisor/accountant
- ☐ Open a business banking account
- ☐ Set up a payment (business credit card) and payroll process
- ☐ Establish a bookkeeping process

- ☐ Establish a system for tracking billing and operational expenses

Legal Plan

- ☐ Select a lawyer or a third-party person to review all business-related documentation
- ☐ Complete applications for professional licenses and registrations
  - Apply for a Medical Services Plan (MSP) billing number
  - Register with the College of Physicians and Surgeons of BC
  - Apply for hospital privileges/credentialing with the local Health Authority
  - Apply for an MSP facility number, to register and set up your group practice
- ☐ Business licensing and registrations
  - Choose and reserve your business name
  - Register your business with the city of Richmond (see link below)
  - Incorporate your business
  - Locate a commercial space
    - Check on the Richmond Interactive Map System to see the Zoning Bylaw
  - Consider trademarking your business
  - Obtain permits and licenses
    - Apply for a municipal/city business license
    - Other:
  - Register your business with CRA for payroll and taxes
  - Register your business with WorkSafe
- ☐ Review your legal rights and regulations
- ☐ Review a patient's legal rights and regulations
- ☐ Review employee legal rights and regulations (Employment Standards of BC)

Insurance Plan

- ☐ Obtain the right insurance coverage for your business
  - Personal
  - Employee
  - Property
  - Commercial

- Other

- ☐ Register with the Canadian Medical Protective Association

Professional Association Registration Plan

- ☐ Register with the College of Family Physicians Canada
- ☐ Register with the Canadian Medical Association
- ☐ Register with your local Division of Family Practice e.g. Richmond Division of Family Practice
- ☐ Register with the Doctors of BC
- ☐ Register with the Provincial Attachment System

Operations Plan

Team composition

- ☐ Determine the size of your group practice and team
  - # of physicians
  - # of medical office assistants
  - Clinic manager
  - # of allied healthcare professionals and nurses, as applicable
  - # of specialists, as applicable
  - Other:

Medical office & clinic space

- ☐ Obtain a consultant for real estate, as needed
- ☐ Research and evaluate potential locations for a clinic
  - Consider accessibility from home
  - Consider housing opportunities
  - Read about the local community and amenities
  - Explore nearby patient care services for referrals
- ☐ Research and evaluate different types of real-estate spaces
  - Industrial
  - Retail
  - Office
- ☐ Compare the benefits of leasing vs owning a space for a medical clinic
- ☐ Consider if there is a preference for collocation with other businesses
  - Pharmacy
  - Other family practices
  - Specialists
  - Other
- ☐ Evaluate space requirements
  - # of patient rooms

- # of small procedures rooms
- bathrooms
- kitchen
- staff room
- space for workstations
- office room
- supply rooms
- parking
- other

☐ Consider space alterations or renovations required to meet space needs

- Acquire a contractor, as needed
- Obtain estimates for any clinic design or renovation costs, as needed

☐ Purchase and set-up of furniture, equipment, supplies, maintenance services

- Assess furniture, equipment, and supplies needs based on business plan and clinic space
- Research vendors and discounts
- Obtain quotes for furniture, equipment, supplies and services, as applicable
- Set up accounts with services
  - Utilities
  - Disposal
  - Cleaning/janitorial
  - Mail
  - Courier delivery
  - Printing
  - Shredding
  - Security
- Other

Technology purchase and set-up

☐ Basics

- Local IT provider, internet networks, servers, email domains, devices (phones, computers, printers, security, collaborative tools, etc.

☐ Provincial Foundations

- CareConnect, Pathways, PRIME, Pharmanet, UpToDate, Excelleris, LifeLabs Report delivery, etc.

- ☐ Business Solutions
  - Website, EMR, eFax, telemedicine apps, VOIP, Dictation, Billing software, panel management services (PPS)
- ☐ Patient Technology
  - Online booking, patient notification/messaging system, portals, etc.
- ☐ Transformative Technology
  - Remote monitoring, etc.

List of medical professionals, organizations and associations that your clinic will be actively referring to and will require a notice of clinic establishment or account set-up to view patient medical reports:

- Colleagues in the community
- BC Cancer Agency
- Hospital
- Long-term care homes
- Laboratories (BC Biomedical & LifeLabs
- Radiology services
- Pharmacies

Business policies and procedures

- ☐ With your lawyer, draft a practice agreement for your individual family practice, as well as a contract to be shared by you, with other physicians and healthcare professionals who will be working with you
- ☐ Determine and document workflow processes to be applied in day-to-day operations among the team
- ☐ Acquire patient policies and procedures (consents, codes of conduct, posters, etc.)

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HR toolkit

- ☐ Research salary ranges and benefits packages
- ☐ Develop job descriptions
- ☐ Draft office staff employee agreements
- ☐ Develop an office policies and procedures manual
- ☐ Develop an occupational health and safety manual
- ☐ Develop emergency response clinic procedures

Important Links:	
Starting a business - planning templates and resources	https://www.doctorsofbc.ca/managing-your-practice/business-pathways/starting-practice
Agreement templates	https://www.doctorsofbc.ca/managing-your-practice/business-pathways/managing-your-office/agreement-templates
Employee/HR Toolkit – Hiring & Onboarding	https://www.doctorsofbc.ca/managing-your-practice/business-pathways/managing-your-office/human-resources-toolkit
Financial, legal, and insurance resources	https://www.doctorsofbc.ca/your-benefits https://www.doctorsofbc.ca/managing-your-practice/business-pathways/managing-your-office Business Licences - City of Richmond, BC Permits and Licences - City of Richmond, BC Zoning Bylaw 8500 - City of Richmond, BC City Maps & Richmond Interactive Map - City of Richmond, BC Richmond Economic Development – Richmond Economic Development (businessinrichmond.ca)
IT support	RDFP Essential Technology Checklist https://www.doctorsofbc.ca/managing-your-practice/doctors-technology-office-dto
Discounts	RDFP member discounts https://www.doctorsofbc.ca/managing-your-practice/business-
List of office furniture and supplies	RDFP Medical Office Supplies for Your Medical Practice
Patient-facing resources	https://www.doctorsofbc.ca/managing-your-practice/business-pathways/managing-your-office

PHASE II

Managing and monitoring the performance of a family practice upon start and initial years of operation

Upon launch of a new family practice, to ensure a successful start and sustainability, it is crucial to approach the endeavor of operating a clinic practice with careful focus on strategic thinking to be able to deliver quality patient care efficiently and effectively. In this phase, we will explore key aspects of monitoring performance, and how the outputs of operations compare to the plans completed in phase I. Here, we will cover essential elements that can contribute to the success of a family practice during its initial years.

PHASE II CHECKLIST:

Practice

- ☐ Examine if there are any community family practice initiatives or settings (maternity, long-term care, etc.) in your practice that would or would not be interested in being involved

Business

- ☐ Examine if the family practice continues to be aligned with the original business plan
- ☐ Examine if the family practice is aligned with the Vision, Mission and Values of the business plan
- ☐ Examine if the family practice is meeting the deliverables of the business plan

Finances

- ☐ Examine if the family practice is meeting financial goals and expectations
- ☐ Examine if there have been any new or unplanned expenses
- ☐ Examine satisfaction and timeliness with billing, bookkeeping, payroll and accounting procedures and services

Legalities

- ☐ Examine if a third party/lawyer is required to review or amend any documents
- ☐ Examine if licenses, registrations, etc. are up to date
- ☐ Examine if clinic awareness of practitioner, patient and employee standards, rights and regulations is up to date

Insurance

- ☐ Examine if insurance coverage continues to be appropriate and is up to date

Professional association registrations

- ☐ Examine if there are any professional associations to be registered with, or to be unregistered from

General operations

- ☐ Examine if the team composition continues to meet the needs of the clinic and patients
- ☐ Examine the performance of the clinic administrative and clinical team
- ☐ Examine if there are any recruitment needs for the clinic
- ☐ Examine industry trends for competitive employee salaries and benefits to support retention
- ☐ Engage with the clinic administrative and clinical team to
  - Examine if there is any technology that needs to be updated or acquired to better support functions of the medical office or patient care delivery
  - Examine the patient panel to understand panel composition and management
  - Examine if any internal workflows or pathways between the family practice and external agencies would benefit from improvement
  - Examine if any new educational/information resources would benefit the administrative team, clinical team, or patients
  - Examine if any practice, employee, or patient agreements, policies and procedures need to be updated.
  - Examine if there have been any new risks to the clinic operations, team, and patients to be addressed
- ☐ Engage with patients to obtain information on their experience/satisfaction with clinic accessibility, communications, and continuity of care
- ☐ Examine if the office and clinic space continue to meet the needs of the clinic and patients
- ☐ Examine opportunities to improve the workspace to upkeep appeal
- ☐ Examine if contracted services to support clinic operations are meeting needs and are cost-effective

Important Links:	
DoBC Managing Your Office	https://www.doctorsofbc.ca/managing-your-practice
Agreement Templates	https://www.doctorsofbc.ca/managing-your-practice/business-pathways/managing-your-office/agreement-templates

Contingency Planning	https://www.doctorsofbc.ca/managing-your-practice/business-pathways/managing-your-office/contingency-planning
Human Resources – Performance Evaluation, Developing Skills, Leading Teams	https://www.doctorsofbc.ca/managing-your-practice/business-pathways/managing-your-office/human-resources-toolkit
WorkSafe BC & ICBC Information	https://www.doctorsofbc.ca/managing-your-practice/business-pathways/managing-your-office/worksafebc-icbc-information Reporting incidents to WorkSafeBC - WorkSafeBC
CPSBC Practice Standards and Professional Guidelines	Practice standards and professional guidelines | College of Physicians and Surgeons of BC (cpsbc.ca)

PHASE III

Sustaining a family practice through improvement activities

In Phase III, we build on the groundwork laid in Phase I and the strategic approach of Phase II. Here, the focus sharpens on implementing quality improvement practices, aiming for seamless operations, enhanced performance, and supportive of practice growth. The goal is to enable and support continuous family practice improvement and adaptability within the evolving healthcare landscape.

PHASE III CHECKLIST:

Resource	Instructions	Link to Resource(s)
Division of Family Practice (Local) Services: ▪ Practice support ▪ Physician support ▪ MOA support ▪ Community support ▪ Primary care network ▪ Healthcare initiative development ▪ Partnerships ▪ Networking & engagement opportunities • For details, click here.	Contact your local division of family practice to receive local, direct, on-the ground business and professional practice support. Your Division of Family Practice can connect you with either a member of its own team, a peer, a strategic partner, and more, to support you in achieving your goals.	https://rdfp.gotbdev.com https://richmondhealthcarejobs.ca/ Contact: support@rdfp.ca
Primary Care Network (local) Services: ▪ Team-based care ▪ Patient education programs Patient attachment programs	Contact your local primary care network nurse & allied healthcare professional team to integrate their extended services with your practice. Contact your local primary care network patient attachment program to support the	https://rdfp.gotbdev.com/richmond-primary-care-networks/ Contact: rmdpcn@vch.ca

	community with finding a physician for each patient while, building your panel in collaboration with an attachment coordinator & your medical office staff.	
Doctors of BC (Provincial) Services: ▪ Compensation, billing, audits ▪ Business pathways (templates & financial, legal, professional services for your business) ▪ Technology troubleshooting advice ▪ Updates on provincial strategies ▪ Panel management funding and completion ▪ Team-based care coaching Quality improvement funding for support and project implementation to enhance clinic practice	Contact your provincial Doctors of BC team to influence change on provincial initiatives, submit inquiries or request support for provincial initiatives, or to receive advisement and coaching on your professional practice.	https://www.doctorsofbc.ca/managing-your-practice Contact: support@rdfp.ca to help you get connected to the correct service representative or communications@doctorsofbc.ca
VCH/PHC Physician Quality Improvement (Regional) Services: Quality improvement funding for training & QI project to enhance community practice and inform system change	Contact this quality improvement team if you would like to develop learning and skills in running QI projects. This program provides funding towards training, mentorship, and conducting QI projects.	https://medicalstaff.vch.ca/working-for-change/vch-phc-plqi Contact: Allison Chiu, Program Advisor at allison.chiu@vch.ca

FPSC (Provincial) Services: Grants and funding	Keep current with compensation opportunities available to family physicians and their teams to support aspects of longitudinal family practice	https://fpscbc.ca/what-we-do/incentives Contact: fpsc@doctorsofbc.ca
UBC Continued Medical Education (Local)	Register for credited learning activities through the University of British Columbia Continued Professional Development program	https://ubccpd.ca/ Contact: cpd.info@ubc.ca

PHASE IV

Closing practice

Whether closing practice due to a move, personal reason, or retirement, a transition plan is needed. This phase focuses on facilitating an existing strategy that is both smooth for business and patients.

PHASE IV CHECKLIST

Personal Plan (recommended: 5 years in advance of closure)

- ☐ Document a personal plan with
- ☐ Timelines
- ☐ Lifestyle goals
  - Location of living
  - Activities & interests
    - Hobbies
    - Pursuit of a second career
      - Consulting
      - Part-time/casual work
      - Locuming
      - Committee/board member participation to keep connected with the medical and local community

Business Plan (recommended: 3 years in advance)

- ☐ Explore business transition options
  - ☐ Closing practice
  - ☐ Finding a replacement to take over the practice
    - Engage with the local Division of Family Practice & network of colleagues to begin marketing and recruitment plan development
  - ☐ Merging practice with an existing practice
    - Engage with the local Division of Family Practice & network of colleagues to begin marketing and recruitment plan development
- ☐ Review practice, employment, financial, insurance, legal agreements and policies to determine termination requirements

Financial Plan (recommended: 3 years in advance)

- ☐ Engage with a financial planner to estimate
  - ☐ A cost framework
    - List business expenses
    - Obtain cost and agreement for the space
    - Record a breakdown of revenue generated
  - ☐ Income
  - ☐ Manage accounts
    - Business
    - Personal
- ☐ Ensure that all final statements from vendors are suppliers are accurate and paid
- ☐ Keep business-related bank accounts for at least three months after closure to ensure all cheques have cleared

Estate & Insurance Plan (recommended: 3 years in advance)

- ☐ Establish a will
- ☐ Establish power of attorney
- ☐ Review accounts

Operations Plan (recommended: 2 years to 1 year in advance)

Consider final investments in the practice required to support with smooth transitions

- ☐ Space upgrades

- ☐ IT
- ☐ HR

Plan for record transfers & storage

- ☐ Medical
- ☐ Arrange for safe storage of medical records
- ☐ Notify the College of the location of the patient records and how they can be accessed
- ☐ Confirm the retention retirement for medical records is still 16 years
- ☐ Contact the EMR vendor to get assistance on how to maintain patient confidentiality of medical records
- ☐ Business

Clean and prepare your panel

- ☐ Undertake a patient panel assessment to support physician recruitment and/or continuity of patient care if leaving your practice
- ☐ # of active patients
- ☐ # of patients/files
- ☐ # of patients at different care settings i.e. long-term care homes
- ☐ % of complex patients
- ☐ % male vs female
- ☐ Patient subgroups
  - By disease registry
  - By age

Prepare a transfer of patients

- ☐ Export a patient list after completion of panel management work
- ☐ Maintain a spreadsheet of physicians that have agreed to receive patients, the number of patients, and type of patients i.e. general population, complex, long-term care, etc.
- ☐ Care of any vulnerable patients or patients under acute, active treatment should be transferred to a colleague
- ☐ Respond to all patients requests for medical record transfers
- ☐ Maintain a spreadsheet of the # of patients that have replied to office notifications stating the will relocate independently and whose patient files will be closed
- ☐ Assign patients
- ☐ Ongoing patient care as required
- ☐ All outstanding reports or tests results must be reviewed and acted upon.
- ☐ New physicians are to be aware of remaining outstanding investigations.
- ☐ You will still be responsible for record requests
- ☐ Keep a contact mechanism for others to be able to continue to reach you and receive a response from you in a timely manner

Office equipment/furniture/suppliers

- ☐ Plan for medical and office equipment
- ☐ If you own – consider selling or donating
- ☐ If you lease – have lease termination date coincide with practice closure date. If not, consider a buyout
- ☐ Notify the following providers of the day you with to discontinue service and request final statements
- ☐ Lawyer, tax accountant, financial advisor, banker, insurance agent, etc.
- ☐ Canada Revenue Agency (employee payroll and GST account, if applicable)
- ☐ Canada Post (mail services)
  - Contract Canada Post to coordinate change or address/mail forwarding
- ☐ Medical suppliers
- ☐ Office suppliers
- ☐ EMR vendor
- ☐ Laundry services
- ☐ Custodial services
- ☐ Hazardous waste disposal services
  - Dispose of prescriptions drugs and medications according to guidelines
  - Destroy all prescription pads, or keep them safe and secure
- ☐ Utilities (phone, internet, electricity)
  - Retain clinic telephone number with recorded phone message for a period of 3 months informing patients that the practice has closed and options for medical record retrieval
- ☐ Landlord
- ☐ Credit and debit companies
- ☐ Magazine subscriptions

Notification plan (6 months in advance)

Notify

- ☐ Office staff
  - Stagger staff dismissal
  - Consider severance packages
  - Consider need to hire temporary staff
  - Consider offering incentives so that staff stay with you until the day of practice closure
  - Assist staff in finding other employment opportunities

☐ Patients **(minimum 3 months in advance)**	○ If possible, discuss practice closure with patients in person ○ Send a letter to active patients, including practice closure date, plans for practice, assistance in fining a new GP and how patients can access their medical records ○ Place a handout or visible signage placed in the waiting area ○ No new patients should be accepted once practice closure date has been announced
☐ Professional associations	○ College of Physicians and Surgeons of BC (CPSBC) ○ BC Medical Services Plan (MSP) ○ Doctors of BC ○ BC Cancer Agency (BCCA) ○ Hospitals ○ Laboratories ○ Radiology services ○ Pharmacies ○ Excelleris ○ Canadian Medical Protective Association (CMPA) ○ Canadian Medical Association (CMA)
☐ Colleagues often referred to	○ Send individual letters, including practice closure date, forwarding address, and the name and address to whom correspondence and reports may be sent ○ Send notice via the Richmond Division communication channels ○ Send notice via the Pathways Medical Care Directory
☐ Other practice settings with your patients i.e. long-term care homes	

<table>
<tr><th colspan="2">Important Links:</th></tr>
<tr><td>Retirement Notice Templates

Departure announcement

Patients - New physician takeover
Patients - No new physician takeover
Patients - Searching for replacement physician
Colleagues
Professionals

Departure notices for waiting area
Departure notices for website/community newsletters

Sample voicemail script</td>
<td>https://www.doctorsofbc.ca/managing-your-practice/business-pathways/closing-your-practice</td></tr>
<tr><td>Organizing Medical Records Procedures</td>
<td>https://www.doctorsofbc.ca/managing-your-practice/business-pathways/closing-your-practice

https://www.doctorsofbc.ca/managing-your-practice/closing-your-practice/medrecords</td></tr>
<tr><td>Financial Planning Guidance/Advisor</td>
<td>https://mdm.ca/md-financial-management</td></tr>
<tr><td>How to Close a Practice Guide

Office closure notification checklist
Templates

Practice information
Financial information
Transfer package
Patient care take over option
Patient practice closure cover letter
Family practice closure letter for any outside contacts with your patients
Practice closure letter to specialist colleagues

Patient record transfer letter</td>
<td>https://www.doctorsofbc.ca/managing-your-practice/business-pathways/closing-your-practice

MDFM Retirement Guide (doctorsofbc.ca)</td></tr>
<tr><td>Panel management</td>
<td>https://www.doctorsofbc.ca/managing-your-practice/business-pathways/closing-your-practice</td></tr>
<tr><td>CPSBC Leaving Practice - Standards</td>
<td>PSG-Leaving-Practice.pdf (cpsbc.ca)</td></tr>
</table>

	[Resignation and retirement | College of Physicians and Surgeons of BC (cpsbc.ca)]