

## Case Study

### When It's Time to Close the Doors Hospital - Physician Integration

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Number of Locations: 2  
Number of Doctors: 3  
Number of Employees: 23

#### CHALLENGE:

A three-doctor specialty practice was owned by a hospital. In the 11 years of its existence, the practice was in constant turmoil over leadership, and the physicians were hard-pressed to agree on issues for the "good of the group." The practice had never been profitable and the hospital was no longer willing to fund the losses. The decision was made to close the practice.

#### Concerns included:

- Disposition of practice assets.
- Collection of existing A/R.
- Transition of employees, including benefits and retirement plans.
- Establishment of each of the three doctors into new practices.
- Notifications to patients and third party payers.
- Retention process of medical and billing records.

#### ACTIONS:

##### Hospital administration, physicians and consultants developed four separate work plans:

- Close existing corporate entity.
- Open new practice for physician #1.
- Re-engineer existing practice locations for physicians #2 and #3.
- Oversee successful completion of each of the three plans and coordinate with hospital administration.

#### IMPACT:

- Each new practice opened on time with no noticeable slow down in cash flow.
- The existing practice was closed with no financial or legal issues arising.
- Consultants continue to oversee A/P, A/R and medical record administration.
- The hospital administration was relieved of the daily operational details to focus on caring for their patients and leading their organization.