

Retirement Planning for Healthcare Professionals



Reading time:
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A checklist to help with the transition

Preparing for retirement and knowing what steps to take in order to fulfil all your obligations to patients and colleagues can be stressful, but it can be made easier if you are well prepared.

For example, in line with regulatory requirements MIPS offers run-off cover options to retiring healthcare practitioners. Run off cover helps protect you when a claim, complaint or investigation arising from your period of practise is made in your retirement.

To ensure a seamless transition to retirement, we've prepared a checklist compiled by doctors, dentists and indemnity legal experts.

Indemnity, registration and legal

- Notify MIPS of the date you intend to cease practice by completing the [Ceasing Practice in Australia Form](#)
- Notify AHPRA of the date you intend to cease practice or lapse registration. MIPS recommends lapsing as there is no refund for the unused portion so the only reason to cancel is if you specifically want to avoid obligations, such as mandatory reporting. Maintaining your registration may be beneficial if you need to advise fellow practitioners about patient transitions. Maintaining your registration is also required if you intend to continue to provide gratuitous services such as scripts or referrals.
- If you decide to sell your practice, it is your duty to ensure your patients have continuity of care. In the event you are forced into retirement due to illness or other aggravating circumstances, best practice is to have plans in place to ease the anxiety on yourself and your patients and address legal risks concerning your obligations for delivery of medical records.

AHPRA in its code of conduct provides health practitioners with specific advice:

4.16 Closing or relocating your practice

When closing or relocating your practice, good medical practice involves:

1. Providing advance notice where this is possible to patients and colleagues
2. Facilitating arrangements for the continuing medical care of all your current patients, including the transfer or appropriate management of all patient records. You must follow the law governing health records in your jurisdiction.

Notification

- **Notify your practice and colleagues.** If you are an employee, ensure this is within the terms of your contract. Four weeks is the general rule if this is not already stipulated in your contract. If in doubt, contact MIPS to help with reviewing your contract in terms of indemnity requirements.
- Notify doctors that regularly refer patients to you of the date you intend to cease practice.
- Notify patients or their legal representative. This may be via email, post or SMS. You should notify any patient you have seen in the last year or those you have been treating with acute or chronic conditions.
- Provide patients with information on accessing their records. It's likely that only a few will do this, but access needs to be provided in a timely manner.
- Prepare an explanation for patients who may feel abandoned. Having a reasonable explanation scripted will help you placate some.
- Place advance notices on your website and/or clinic social media pages.
- Place advance notices on voicemail and after-hours.
- Cancel any professional memberships (excluding indemnity of course) you choose not to retain in retirement, eg AMA.
- Close Medicare provider number for your location.
- Comply with local state based laws eg In Victoria, Health Records Act 1973 requires advertising facts in local newspaper.

Transition of care

- Create a list of vulnerable patients that will require a transition of treatment.
- Ensure you have an agreement with other practitioners to take over care for patients especially those with acute or chronic conditions. This will be implied if you are selling your practice but still ought to be highlighted to the incoming practitioners.

Drugs

- Dispose of any unused drugs appropriately. Visit the Therapeutic GA for more information.
- Return these to your practice or destroy prescription pads.
- Notify drugs and poisons regulators in relevant state or territory of cessation of practice if you have a licence, eg S8 medication. You cannot transfer a licence, so if you are selling your practice and a new entity is taking over ownership of the practice, they may need to re-apply. This authority is state/territory based, eg see VIC regulations. Contacts for state/territory [Drugs and Poisons](#)

Records

If you are closing your practice:

- Store healthcare records appropriately. Records must be stored for children for at least 7 years or until the patient is 25 years old, whichever is longer. For adults, you must retain records for 7 years.
 - If you sell your practice, the records are owned and retained by the new practice.
 - If you close your practice, MIPS recommends using a secure storage facility or other facility that is not at risk of fire, flood or vermin such as rats that would damage hard copy records and ensure soft copy records are appropriately transferred to the new care.
- Advise patients of where their medical records are being stored and how they can contact you to obtain a copy
- Do not provide patients with original copies.
- Dispose of healthcare records you do not need to store appropriately by appointing a professional and reputable service to destroy information securely.
- Obtain permission to transfer healthcare records, preferably in writing, if you have arranged a transition of treatment to another practitioner
- Store tax records appropriately. The [ATO](#) advises that “you must keep your written evidence for five years from the date you lodge your tax return.” This applies to both your personal and company tax returns/records.

Selling your practice

- New owners have the responsibility for the care of your patients as they now own and hold the patient’s medical records.
- Provide support to the new owners for at least the first three months and consider a full handover process with training of new management.
- Document all processes

MIPS Resources

[Ceasing or cancelling practice in Australia](#)

[Retiring or ceasing your practice in Australia](#)

Should members have any queries related to these issues contact MIPS for Clinico-Legal Support on 1800 061 113.

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