

Courtesy of the Pennsylvania Psychological Association

Closing a Professional Practice: Clinical and Practical Considerations

Catherine Selth Spayd, Ph.D.

Mary O'Leary Wiley, Ph.D.

As in many life endeavors, being well prepared for the closing of an independent practice in psychology can be of great benefit. This inevitable task involves balancing clinical, ethical, legal, financial, emotional and practical considerations. Specific plans depend upon a variety of factors, including whether the closing is planned or unplanned, temporary or permanent, and whether the psychologist is available to participate in the closing. For example, the temporary closing of a practice for a maternity leave is planned, and the psychologist may be available to cover emergencies in select cases. However, the sudden death of a psychologist is an unplanned, permanent situation, with no chance of future availability. Psychologists in solo, compared to group or agency, practice also have practical concerns regarding the transfer of care of their new patients to a new therapist. Though circumstances of closing a practice vary considerably, they all require careful planning done well in advance. Therefore, having a clearly established plan to follow, or for colleagues to follow in the psychologist's absence, will be of most help to patients by minimizing disruption to their care, and by addressing their anxieties or distress regarding the change. Preparation for the close of a practice is also identified as an ethical standard (4.08), within the APA Ethical Principles of Psychologists (American Psychological Association, 1992).

Clinical concerns surrounding a closing include the patient's potential feelings of abandonment, loss, and rejection; fear, distrust and/or questioning the competency of the new therapist; coping with change; and interpreting the significance of the closing for the psychologist. Regardless of the patient's emotional reaction, it is important to monitor the therapeutic interaction for signs of overt or covert responses, then to identify and discuss them with the client. This process allows the patient to deal with his/her conscious and unconscious responses to the psychologist's leaving, as well as facilitating the transition to a new therapist. At a minimum, review of the therapeutic relationship and discussion of referral options is mandatory, as noted within APA Ethics Standard 4.09, which states "psychologists do not abandon patients..." and take "...reasonable steps to facilitate transfer of responsibility to another provider if the patient or client needs one immediately" (American Psychological Association, 1992, p. 21).

Choosing when to talk with clients regarding the closing of a practice is very important. The length of time from disclosure to actually leaving may vary from three or more months for a geographic move, to no time at all if the psychologist dies suddenly. Gradual attrition of patients as they complete their courses of therapy, without adding any new patients, is an ideal way to avoid patient disruption, and may be possible in some situations, such as gradual retirement (Freiberg, 1998). In many other cases, however, practical constraints limit the duration of the closing process. But providing information regarding the closing of a practice and discussion of

referral options with four sessions remaining would be considered by most a minimum standard, if at all achievable.

The psychologist needs also to be aware of the impact of his or her feelings and how they may impact the clinical relationship: is the psychologist seeing him/herself as the abandoner or rejecter; does s/he feel happy or resentful about the closing; how much personal information should s/he disclose regarding the reasons for the closing? Advanced and ongoing professional “soul-searching,” supervision, critical thinking and patient-specific decision-making about these issues will optimize the therapy termination and/or transition process. For example, the authors have each experienced the importance of expressing confidence and a positive outlook regarding the planned closing, as a predictor of patients’ receptivity to the news, and thus positive clinical outcomes.

In some situations, the psychologist’s personal circumstances surrounding the closing may be unfavorable, creating the dilemma of balancing his/her emotional reactions and/or practical considerations with the patient’s needs. While the psychologist must always put patient welfare first, it is also legitimate to include one’s own and one’s family’s needs in the equation. For example, it may provide good care of the patients as well as consistency in income for the psychologist, if patients are terminated immediately before a practice is closed, in order to allow a consistent income stream for the psychologist during the transition. In such cases, professional or peer consultation may be beneficial, to obtain objective input prior to making final decisions regarding how to proceed. Generally, however, following the guideline of patient needs as paramount, with clear, honest communication regarding the reason for the closure, consistent with the psychologist’s philosophy and ongoing practice regarding self-disclosure, is sufficient. In some communities, it is also important to inform all patients at the same time, so that the news is received directly from the therapist, and not learned through the grapevine. One way to guarantee consistency of information is to simultaneously give current patients and send recent patients a letter announcing and explaining the closing of the practice (see Addendum A for a sample closing letter.)

Perhaps the most dramatic closing situation is when the psychologist is suddenly and permanently disabled or dies, and thus has no advance notice with which to prepare patients for his/her departure or transition to another therapist. In particular, establishing plans to assure safe, confidential storage or disposal of records in such cases is addressed in APA’s Ethics Standard 5.09 (American Psychological Association, 1992), as well as Pennsylvania’s professional regulations, which require that psychologists maintain all records for at least 5 years after the last date of service (49 PA Code 41.57 (d)). But more comprehensive, clinically-focused plans are also advised, to minimize the disruption of such an event for the psychologist’s patients. As exemplified by Tracy (2000), and described in detail by Kahn (1999), a document of “Professional Executor Instructions” is recommended. This document includes practical directions of which professional(s) are authorized and instructed how to a) access recent and current patients and their records; b) immediately notify and care for them; and c) transfer them to another practitioner. Such a “professional will” helps assure patients are treated in a respectful manner at a difficult time, consistent with the psychologist’s own preferences. Additionally, like a personal will, it can be of great benefit to both colleagues and family members, who may

otherwise be required to guess the psychologist's desires regarding the details of closing his/her practice.

Last summer, the authors, together with a trusted colleague, met several times to discuss these issues and develop our own individualized professional wills (see Addendum B for a merged sample of these wills, based upon Kahn's (1999) template.) We found that these meetings, which we affectionately dubbed our "Death and Dismemberment Luncheons," desensitized us, allowing us to think critically and openly discuss our own professional (and personal) demises. By determining, sharing, and documenting our wishes we empowered ourselves to make clear, thoughtful plans that were consistent with our professional beliefs. The result was the empowerment of each other as Professional Executors, assuring the best possible outcome for our patients and colleagues during a difficult transition.

References

American Psychological Association (1992). Ethical Principles of Psychologists and Code of Conduct. Washington, DC: author.

Freiberg, P. (1998). Closing shop: Steps psychologists should consider when leaving practice. *American Psychological Association Monitor*, March, 22.

Kahn, F. (1999). Ending a clinical practice. *Independent Practitioner*, Spring, 89-91.

Tracy, M. (2000). Ounce of prevention now will pay off later for psychiatrists, their practices. *Psychiatric News*, May 5, 14, 61.

Addendum A

April 15, 2000

Catherine Conrad, Ph.D.
Altoona Professional Center
100 5th St
Altoona, PA 16602

Dear (Patient first name):

I am writing to let you know that I will be closing my practice in Psychology during the summer of 2000. My husband is unexpectedly facing a major job change, and we have decided to move to Western Pennsylvania to be closer to our families.

I have very much enjoyed working with each of you during my six years of practice in Altoona. I have learned a great deal from you, and I hope that our work has improved the quality of your life.

At this time, I anticipate that I will be leaving the area in mid July. For those clients whose work with me has ended, I am happy to schedule a session for those who may want to discuss my leaving and your future therapeutic plans. For those whom I am still working, we will discuss my leaving and plans for your transfer to a new therapist over the next several weeks. It is very important to me that you be established with your new therapist before I leave, and that this new therapist be someone that we both respect and trust. I will assist in this transition as much as I possibly can.

Please call me at (814) 555-1241, so we can discuss how or if my transition will have an effect on you. If I do not hear from you and you do not arrange for transfer of your psychological records, I will take them with me. I will send each of you a change of address before I leave the area.

Although this transition was quite unexpected in my life, I am feeling very positive about our move. However, it is still with deep sadness that I will close my practice here in Altoona.

Sincerely,

Catherine Conrad, Ph.D.
Licensed Psychologist.

Addendum B

PROFESSIONAL EXECUTOR INSTRUCTION

August 1, 2000

Instructions for the disposition of Catherine Conrad, Ph.D.'s professional practice, in the event of her death or disability.

1. Professional Executor

a. My professional executor is as follows:

Jane Smith, Ph.D.; 100 1st Street; Altoona, PA 16602
(814) 555-1234--work; (814) 555-1235--home

b. In the event Dr. Smith is unable to serve as professional executor, my back-up professional executor is as follows:

Mary Jones, Ph.D.; 100 1st Street; Altoona, PA 16602
(814) 555-1236; (814) 555-1237

2. Professional Consultants

a. My professional practice attorney is as follows:

John White, JD; 100 2nd St; Altoona, PA 16602; (814) 555-1238

b. My tax accountant is as follows:

George Black, CPA; 100 3rd St; Altoona, PA 16602; (814) 555-1239

c. My malpractice insurance carrier is as follows:

APA Insurance Trust 1-800-477-1200

d. My billing agency is as follows:

Mercy Health Services; 100 4th St; Altoona, PA 16602; (814) 555-1240

3. Office Files Locations

a. My office location is:

Altoona Professional Center; 100 5th St., Altoona, PA 16602

b. A key to the office is located on my personal key ring set kept in my purse. The office key is brass with a large square head. A second key is held by my husband, Jack Conrad.

c. My open patient files are kept in my left hand desk filing drawer. Nursing home consultation records are kept separately in a black binder with a purple stripe, located on the round bookend of the desk extension.

d. My closed patient files are located in locked filing cabinets labeled "Closed Cases", in the small back office of the 5th Street office building. The small, brass key for this cabinet is on my personal key ring set.

e. My confidential appointment book, a thin, 8.5" by 11" black book, contains information regarding all scheduled appointments. This appointment book may be found either at my work office, or in my black briefcase, kept with me, or at my home office: 100 6th St., Altoona, PA 16602.

f. My billing files and records are on my home computer (Therapist Helper: password XXXXX).

4. Specific Instructions for Professional Executor:

a. Thank you very much for your assistance with a difficult task.

b. In the event of a serious illness or injury, when I am unable to work for more than two weeks but am able to communicate effectively: Please contact me as soon as I am able to communicate, to determine how to proceed with temporarily putting my practice on hold, contacting patients, etc. **Whatever I communicate to you at that time will take precedence over this document.**

c. In the event of my death or temporary or permanent decisional incapacitation as determined by a physician or licensed psychologist:

1. Please telephone all scheduled patients and notify them discretely, with minimal necessary details, of my current circumstances. Assess their psychological vulnerability and need for ongoing psychological intervention via recent therapy notes and your telephone conversation. Make professional referrals as appropriate and acceptable to the patient, after obtaining his/her permission to release his/her name and records. Please make an effort to match each patient to a provider who is approved or is on the panel of that patient's insurance company. Please offer each patient at least one face-to-face therapy session, individual or group format, with yourself or another professional therapist that you designate, to process the event of my death or incapacitation. In the event that any patient is unable to pay for this session, and/or insurance coverage for the session is denied, it is my wish and direction that my professional corporation's funds be used to compensate you or the designated professional therapist at your/his/her current hourly rate, for this one session. Patient permission should be obtained to forward relevant case records to this therapist prior to the scheduled session.

2. Should patients request information regarding attendance at a memorial service, or contributions, please direct them to any professional service/collections being arranged. It is my wish that my personal services remain a private affair for family, friends and colleagues.

3. Records of patients referred to a new therapist should be forwarded to their new therapist if the therapist prefers. All remaining records should be maintained in a safe, confidential place for the minimum number of years currently required by state or federal law. Please dispose of all records not required by such laws to be maintained, in a manner which destroys completely all identifying patient information, such as shredding or burning.

4. Please notify my malpractice insurance carrier of my death or incapacitation. Request that Mercy Health Services notify managed care companies with whom I have current contracts.

5. Please refer to my husband, Jack A. Conrad, of the above (home office) address and telephone number, any financial decisions be made regarding payment of any outstanding bills, and patient bill collections for amounts over \$100.00. I request that he waives any patient uncollected accounts under \$100.00. In the event of his concurrent incapacitation or death, please refer these decisions to the Executor of my personal estate. If there is a clinical component to these patient-based financial decisions please review the file and share with him/her minimal pertinent information necessary for him/her to make an informed decision.

6. Be sure to bill my professional corporation for your time and any other expenses that you incur in executing these instructions, as well as the time of anyone you designate to assist you in these efforts.

7. In addition to this copy of the Professional Executor Instructions, given to Dr. Smith as my Professional Executor, there are two other copies, located in the safe in my home office, and in my desk at 100 5th St., in the right hand side file drawer, under the file heading "Official Documents."

(Date) _____ Catherine C. Conrad, Ph.D.
(Notarized Signature)