

Physicians should plan exit strategy in advance

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(HealthDay)—Physicians should begin planning their exit strategy three to five years in advance, according to the American Medical Association.

According to the article, physicians should consider transitioning the practice rather than just closing it upon retirement. Transition models include selling the practice outright, which eliminates investment risk in the practice; partially selling, which involves selling practice assets but retaining ownership of hard assets such as the building and the land; or allowing practice associates or co-owners to buy the physician's interest in the practice.

Physicians should consider what they want in a potential buyer and whether they want to sell to another physician or to a hospital group. Once [physicians](#) are ready to begin their transition, they should try to

maintain a strong practice to allow the new owner to immediately begin generating income.

"You get better results through better planning," Tammara Plankers, client practice services manager at Wells Fargo Practice Finance, said in the article. "When you don't have an exit strategy, the practice can just start waning, or sometimes an owner may get into a situation where they're no longer effective or interested."

More information: [More Information](#)

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