



Due Diligence Checklist

Before you proceed purchasing a practice, you must carry out a “due diligence”. Due diligence ensures that you are actually receiving what you have agreed to purchase. The process should uncover any “skeletons in the closet”.

Here is a due diligence checklist to help you systematically analyze the proposed purchase opportunity.

The Dentist

- ✓ Am I compatible with the selling dentist, in terms of practice philosophy, work ethic, personal values and management style?
- ✓ Determine the reasons the Vendor has for selling the practice.
- ✓ Assess the reputation of the clinic and the dentist within the community, and among local colleagues.

The Patients

- ✓ Select a sample of patient charts and check for frequency of visits, treatments that are not completed, types of treatment, and whether or not the dentist takes an aggressive approach to the treatment.
- ✓ Spend some time in the office and observe communication between the dentist, the team, and the patients. Is the practice really patient-focused or do the dentist and staff just provide lip service regarding this important issue?
- ✓ How does the practice communicate with patients? Does it utilize birthday cards, newsletters and follow-up calls for treatment?
- ✓ Are last minute cancellations and “no-shows” an issue? Are patients billed for no-shows? Are patients treated promptly?
- ✓ How many patients were seen in the last 18 months? What is the new patient count?
- ✓ On average, how many patients are seen in the clinic each day?