Starting & Running a Dental Practice:
What First-Time Owners Often Forget

Buying an existing dental practice or starting one from the ground up involves far more than equipment and financing. While new owners face many of the same responsibilities, the path to ownership can create very different needs. A startup may require you to build everything from scratch, from hiring a team and selecting technology to establishing policies and vendor relationships. With an acquisition, you inherit many of those systems and relationships, but you also need to evaluate what is working, what needs to change, and how to manage the transition.

We designed this checklist to help you think through the practical realities of operating a modern dental practice, including the areas that are often overlooked during the transition to ownership. Some items apply primarily to startups, while others are more relevant when acquiring an existing practice, and many apply to both. Review the sections most relevant to your situation to help reduce surprises, improve efficiency, and create a stronger foundation for long-term success. This checklist is not exhaustive, but it highlights many of the areas first-time owners commonly overlook.

BUSINESS FORMATION & FINANCIAL PLANNING

Legal & Financial Structure

☐ Form legal entity (PA, PLLC, LLC, etc.)
☐ Obtain EIN and business licenses
☐ Retain a dental-experienced CPA
☐ Retain a dental transitions attorney
☐ Review practice purchase structure and financing terms
☐ Review DEA registration and state licensing requirements
☐ Establish business banking accounts
☐ Set up accounting and bookkeeping systems
☐ Review working capital and cash flow needs
☐ Develop first-year operating budget
☐ Review estimated tax obligations and tax planning opportunities
☐ Establish payroll processing system
☐ Determine owner compensation strategy
☐ Review retirement plan options

Insurance & Risk Management

☐ Obtain malpractice insurance
☐ Obtain general liability insurance
☐ Obtain business owner’s insurance policies
☐ Obtain workers’ compensation coverage
☐ Review PPO participation strategy and reimbursement impact
☐ Review cyber liability insurance options
☐ Review disability and life insurance needs
☐ Confirm lender-required insurance coverages

BUSINESS FORMATION & FINANCIAL PLANNING continued

Revenue Cycle & Insurance Participation

☐ Begin insurance credentialing process early
☐ Review expected credentialing timelines and reimbursement delays
☐ Establish merchant services and payment processing systems
☐ Review patient financing options
☐ Establish collections and accounts receivable processes

TECHNOLOGY, HIPAA & CYBERSECURITY

Practice Technology

☐ Select or transition practice management software
☐ Evaluate imaging and digital x-ray systems
☐ Review intraoral scanners and digital workflow technology
☐ Confirm software licensing transfers
☐ Establish vendor support contacts
☐ Review hardware age and replacement needs
☐ Evaluate network and Wi-Fi infrastructure
☐ Set up secure email systems

HIPAA & Cybersecurity

☐ Conduct HIPAA security and privacy review
☐ Establish HIPAA compliance policies and procedures
☐ Review employee HIPAA training requirements
☐ Implement password and access management policies
☐ Confirm encrypted data backup systems are in place
☐ Review cybersecurity protections and monitoring
☐ Review Business Associate Agreements (BAAs) with vendors and service providers
☐ Create disaster recovery and business continuity plans
☐ Review ransomware and phishing prevention protocols

STAFFING & OPERATIONS

Human Resources & Team Planning

☐ Review employee vs. independent contractor classifications
☐ Review employee agreements and compensation structures
☐ Establish employee handbook and office policies
☐ Review benefits and retirement plan administration
☐ Set up timekeeping and payroll procedures
☐ Confirm OSHA and HIPAA staff training requirements
☐ Develop onboarding process for new hires
☐ Create staff communication plan during transition
☐ Review staffing levels and future hiring needs

Daily Operations

☐ Establish scheduling and patient flow processes
☐ Review recall and hygiene systems
☐ Confirm supply ordering procedures
☐ Review vendor and laboratory relationships
☐ Review lease terms and facility responsibilities
☐ Establish after-hours emergency protocols
☐ Review inventory management procedures

PATIENT EXPERIENCE & MARKETING

Patient Communication & Retention

☐ Develop patient communication plan for ownership transition
☐ Finalize patient announcement letters or emails
☐ Review patient retention strategies
☐ Establish online scheduling and communication tools
☐ Review new patient onboarding experience
☐ Establish patient financing communication process

Branding & Marketing

☐ Review practice name, branding, and patient-facing identity
☐ Update website and online listings
☐ Claim or update Google Business Profile
☐ Review social media presence
☐ Develop online review and reputation management process
☐ Update signage and branded materials
☐ Review local marketing opportunities and referral relationships

FACILITY, EQUIPTMENT & CLINICAL OPERATIONS

Facility Planning

☐ Review condition of operatories and common areas
☐ Confirm ADA and accessibility compliance
☐ Review HVAC, plumbing, and electrical systems
☐ Review security systems and office access controls
☐ Confirm utility transfers and service agreements
☐ Review office expansion capacity and future growth limitations

Clinical Equipment & Supplies

☐ Evaluate condition and age of major equipment
☐ Review sterilization systems and protocols
☐ Confirm imaging equipment functionality and support
☐ Review equipment maintenance contracts
☐ Confirm supply inventory and ordering systems
☐ Review laboratory equipment and workflows
☐ Identify outdated equipment requiring replacement or upgrades

TRANSITION & FIRST-YEAR PLANNING

Pre-Closing & Transition

☐ Coordinate patient and staff communication timing
☐ Confirm transfer of software, utilities, and vendor accounts
☐ Review accounts receivable and patient credits
☐ Confirm access credentials, passwords, and security information transfer
☐ Establish transition support expectations with seller

First-Year Ownership Priorities

☐ Monitor cash flow and collections closely
☐ Review overhead and staffing costs regularly
☐ Meet with CPA regularly for tax and financial planning
☐ Evaluate technology and operational efficiencies
☐ Monitor patient retention and production trends
☐ Reassess growth goals and expansion opportunities

Questions about purchasing, starting, or operating a dental practice? Edwards & Associates works with dental professionals nationwide to help practices improve financial performance, navigate transitions, and plan for long-term success.