
Annual Practice Audit

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Complete this audit once a year to review whether the practice is working the way you intended.

The goal is not simply to look at revenue or patient volume. You are reviewing the practice as a business, as a workplace, and as part of your life.

1. Vision

Does the practice still reflect the vision you originally had for it? Yes / Mostly / No

What parts of the practice still fit that vision well?

What parts have drifted away from it?

Has your vision for the practice changed? Yes / Somewhat / No

If yes, how?

Are you still building the type of practice you want to own? Yes / Mostly / No

2. Professional Satisfaction

Do you still enjoy the type of medicine you are practicing? Yes / Mostly / No

Are you spending enough time on the parts of medicine you enjoy most? Yes / Mostly / No

Are you spending too much time on work that could be delegated, outsourced, or eliminated? Yes / Somewhat / No

What parts of the practice are most satisfying right now?

What parts are creating the most frustration?

If you could change one thing about your professional life this year, what would it be?

3. Lifestyle

How many days per week are you currently working? _____

How many hours per week are you working clinically? _____

How many additional hours are you spending on administrative or business work? _____

How much time are you spending on call or after-hours communication? _____

How many weeks of vacation or time away did you take during the past year? _____

Are you able to be away from the practice when you want or need to be? Yes / Mostly / No

Is the practice giving you enough time for family, travel, hobbies, or other priorities? Yes / Mostly / No

Has the practice become more dependent on you than you intended? Yes / Somewhat / No

What would you like your workweek to look like one year from now?

4. Financial Health

Annual Revenue \$ _____

Annual Operating Expenses \$ _____

Annual Practice Profit \$ _____

Owner Compensation \$ _____

Current Cash Reserves \$ _____

Approximate Months of Operating Expenses in Reserve _____ months

Did revenue increase, decrease, or remain about the same compared with the previous year? Increase / Decrease / About the Same

Did profit increase, decrease, or remain about the same? Increase / Decrease / About the Same

Are operating expenses where you expected them to be? Yes / Mostly / No

Are there expenses that have increased significantly? Yes / No

If yes, which ones?

Are there expenses you are paying that no longer provide enough value?

Are you paying yourself what you expected to earn from the practice? Yes / Mostly / No

Is the practice generating enough cash to support its current needs and near-term plans? Yes / Mostly / No

What is the biggest financial concern you have right now?

5. Patients and Patient Experience

How many active patients or members does the practice currently have? _____

How many new patients joined the practice during the past year? _____

Has patient volume: Increased / Decreased / Stayed About the Same

Is the current patient volume appropriate for the way you want to practice? Yes / Mostly / No

Are you seeing more patients than you want? Yes / No

Are you seeing fewer patients than the practice needs financially? Yes / No

Are patients staying with the practice? Yes / Mostly / No / Unsure

Do you know why patients leave? Yes / Somewhat / No

What complaints or concerns came up repeatedly during the past year?

What do patients seem to value most about the practice?

Where does the patient experience need improvement?

6. Team and Leadership

How many employees or team members do you currently have? _____

Do you have the right number of people for the current workload? Yes / Mostly / No

Are roles and responsibilities clear? Yes / Mostly / No

Are there tasks that regularly fall through the cracks? Yes / No

If yes, which ones?

Is anyone consistently overwhelmed? Yes / No

Are there responsibilities you are still doing that someone else should own? Yes / No

If yes:

Are you addressing performance problems promptly? Yes / Mostly / No

Do employees understand what you expect from them? Yes / Mostly / No

Do you have team members you would be reluctant to lose? Yes / No

Do you have team members you know are not a good long-term fit? Yes / No

What is the most important staffing or leadership issue to address this year?

7. Operations and Systems

Are the major workflows of the practice documented? Yes / Mostly / No

Can employees complete routine work without constantly asking you what to do? Yes / Mostly / No

Are there processes that depend entirely on one person knowing how to do them? Yes / Somewhat / No

Are scheduling, check-in, clinical flow, checkout, billing or payment, referrals, labs, and patient communication working reliably? Yes / Mostly / No

Where do delays or recurring problems occur?

Are there systems or procedures that have become unnecessarily complicated? Yes / No

If yes:

Are important policies and procedures reviewed and updated when needed? Yes / Mostly / No

Could the practice function for several days without you handling routine business decisions? Yes / Mostly / No

What operational change would make the biggest difference this year?

8. Growth and Marketing

Where did most new patients come from during the past year?

Do you consistently track referral sources? Yes / Somewhat / No

Which referral sources produced the most patients?

Is your website current and accurate? Yes / Mostly / No

Is your online presence helping prospective patients understand the practice? Yes / Mostly / No

Are you maintaining the referral relationships that are most important to the practice? Yes / Mostly / No

Are you involved in your community in ways that support the practice? Yes / Somewhat / No

Are current marketing efforts producing enough patient growth? Yes / Mostly / No

Does the practice have room to grow with its current staff, schedule, and space? Yes / Somewhat / No

If the practice grew significantly next year, what would become the first constraint?

☐ Physician capacity

☐ Staff

☐ Space

☐ Scheduling

☐ Technology

☐ Cash flow

☐ Patient demand

☐ Other: _____

What is the most important growth opportunity for the coming year?

9. Technology

Are your current systems still appropriate for the size and needs of the practice? Yes / Mostly / No

Are any systems creating unnecessary work? Yes / No

If yes:

Are you paying for software or services that are rarely used? Yes / No

Are important systems integrated well enough? Yes / Mostly / No

Are cybersecurity protections, backups, passwords, and access controls being maintained? Yes / Mostly / No

Is there any technology you should replace, improve, or eliminate this year?

10. Compliance and Risk

Are all required licenses and registrations current? Yes / No / Unsure

Are malpractice and business insurance policies current and appropriate for the practice? Yes / No / Unsure

Have HIPAA and OSHA requirements been reviewed during the past year? Yes / No / Unsure

Are required employee and compliance trainings current? Yes / No / Not Applicable / Unsure

Are required policies and notices current? Yes / No / Unsure

Are vendor agreements and Business Associate Agreements current where required? Yes / No / Unsure

Is there a system for tracking license, insurance, contract, and compliance renewal dates? Yes / No

Are there legal, regulatory, or compliance issues that need professional review? Yes / No / Unsure

If yes:

11. Practice Resilience

What would happen if you unexpectedly could not work for several weeks?

Who would communicate with patients?

Who would manage employees?

Who would handle payroll, bills, banking, and other business obligations?

Does someone other than you know how to access the information needed to keep the practice functioning?

Yes / Mostly / No

Is there a plan for urgent patient care or coverage during an unexpected absence? Yes / Mostly / No

Are critical passwords, vendor contacts, insurance information, and financial information accessible to the appropriate person if needed? Yes / Mostly / No

What is the biggest weakness in the practice's emergency or continuity planning?

12. Long-Term Direction

Do you want the practice to be larger, smaller, or about the same size three to five years from now? Larger / Smaller / About the Same / Unsure

Do you expect to:

- ☐ Remain solo
- ☐ Add physicians
- ☐ Add advanced practice clinicians
- ☐ Add services
- ☐ Expand the office
- ☐ Open another location
- ☐ Own the real estate
- ☐ Reduce your clinical schedule
- ☐ Bring in another owner
- ☐ Sell the practice eventually
- ☐ Other: _____

Is the practice becoming easier or harder to operate without your direct involvement? Easier / Harder / About the Same

Are important systems, relationships, and knowledge documented well enough that another physician or manager could understand how the practice operates? Yes / Mostly / No

Is the practice becoming more valuable as a business independent of your personal labor? Yes / Somewhat / No / Unsure

Does the current direction of the practice still support what you want your life to look like five years from now? Yes / Mostly / No

What long-term decision should you begin thinking about now?

Annual Practice Summary

What went especially well during the past year?

What did not go as well as you expected?

What surprised you?

What problem did you tolerate for too long?

What should you stop doing?

What should you continue doing?

What should you start doing?

Top Priorities for the Next 12 Months

Choose the three issues that deserve the most attention.

Priority 1

Why is this important?

What needs to happen?

Priority 2

Why is this important?

What needs to happen?

Priority 3

Why is this important?

What needs to happen?

One Year From Now

If you complete these priorities, what should be different about the practice one year from now?

What should be different about your own work and life?

Using This Audit

This audit is a general planning resource and does not constitute individualized consulting, legal, tax, accounting, or financial advice from Practice Freedom Advisor.

Complete it annually and compare the results with your previous year. The purpose is to see where the practice is improving, where problems are developing, and whether the business still supports the way you want to practice and live.

Use the results to identify the few priorities that deserve attention over the next 12 months.

If you want help reviewing the practice, identifying the most important opportunities or problems, and deciding what to do next, you can schedule a Practice Freedom Strategy Session.

After the Strategy Session, you can take your Practice Freedom Action Plan and move forward on your own, or continue working with Practice Freedom Advisor through ongoing consulting.

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