



TAKING THE BITE OUT OF LIFE INSURANCE COVER FOR PROFESSIONALS

THE MOST VALUABLE THING YOU'LL EVER OWN

Professional dentistry has become a sophisticated, ever more crucial health service delivered by thousands of practitioners Australia-wide. Not only do graduating dentists have the rigours of patient care ahead of them, they also can look forward to the many hours of ongoing education, training and practical application of their knowledge.

Dentists who choose to start their own business have even more at stake: running a practice, employing staff, leasing or buying equipment and ensuring the ongoing care of their patients. Its little wonder that, when it comes to looking after their most important asset – themselves – dentists will often put themselves last on the list.

Your million dollar future

Most dental professionals will acquire significant financial assets over their working life. A family home, superannuation savings, a share portfolio, a prestige car, perhaps an investment property or two.

And yet the biggest financial asset you'll ever own is the one you see in the mirror every morning: you, and your ability to earn an income.

For many dentists, the future value of their lifetime earning potential could be several million dollars or more. Everything you plan to build – your assets, your debts, your lifestyle, your family's security – hangs on the expectation of a substantial regular income.

But what would happen if that income abruptly disappeared for many months – or even permanently?

What if you could never work in your profession again – or even work at all?

IT HAPPENS

The statistics bear this out:

60,000 Australian

Nearly 60,000 Australians were hospitalised in 2016-17 after sporting or cycling accidents, 10 per cent of them with life-threatening injuries.¹

\$1.24 billion

Mental ill-health is an escalating problem for people of all ages – in 2019, life insurers paid \$1.24 billion to over 9,500 Australians for mental health claims, with depression and anxiety disorders being the most common.²

Australians aged 25-44.3

Road accidents, heart disease and breast cancer are among the top five causes of death in Australians aged 25-44.³

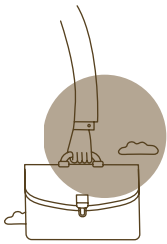


● THINK YOU DON'T NEED INSURANCE?

Imagine you suffered a major injury or were diagnosed with a serious illness and had to take time off work – perhaps many months – to recover.

What would losing your income mean for you financially?

- Could you afford the sometimes huge cost of medical treatment?
- Could you keep paying your home loan or other debts?
- How long would your savings last?
- Would you be forced to go to your parents for help?
- Would your partner have to support you financially – assuming they even could?
- If you're a partner or principal in a professional practice, could you keep paying your business expenses?



● THIS IS WHERE INSURANCE COMES IN

- You'll have peace of mind knowing you have a back-up plan if something goes wrong
- You can replace your income – either temporarily or permanently if you can't return to work.
- You can cover your mortgage payments and other debts.
- If you run your own business, insurance can pay your fixed business expenses and hire a locum to service your clients while you're out of action.
- If you have a partner or family, you'll have peace of mind knowing that they won't suffer financial hardship if something were to happen to you.



● HOW THE TYPES OF LIFE INSURANCE WORK

1. IF YOU SUFFER A SERIOUS ILLNESS OR INJURY

Income Protection

This pays an ongoing monthly amount to help replace your income, so you can focus on recovering without stressing about meeting your regular living expenses. It's also known as Salary Continuance Insurance.

Business Expenses

This pays partners, directors or other business owners an ongoing monthly amount to cover fixed business expenses such as rent, equipment hire, staff wages and other overheads. You can also use it to hire a locum to keep things running while you're recuperating.

Trauma Cover

Also known as Crisis or Critical Illness Cover, this pays a one-off lump sum if you suffer a serious medical condition such as cancer or heart attack. It's paid as soon as the condition is diagnosed, and you can spend the money on whatever you like – to help with medical expenses, pay down debt, or take the holiday of a lifetime once you've recovered.

2. IF YOU DIE OR SUFFER AN ILLNESS OR INJURY THAT LEAVES YOU TOTALLY AND PERMANENTLY DISABLED:

Total and Permanent Disability (TPD)

TPD cover provides a lump sum payment if you become totally and permanently disabled and can't return to work. These benefits are often used to eliminate debt and fund longterm medical expenses and the costs of ongoing care. The majority of TPD payouts are for mental health conditions, musculoskeletal issues and accidents.⁴

Life Cover

Confusingly also referred to as Death Cover, this pays a lump sum to your estate if you die or become terminally ill. It can therefore ensure that your partner or other dependents can clear all debts – such as a home loan – and have financial security for life.

PUTTING A PLAN IN PLACE

None of us would dream of not insuring our house or car. And yet so many people don't apply the same logic to protecting themselves.

Recovering from a serious illness or injury can be challenging enough without throwing financial stress into the mix.

By taking out a comprehensive life insurance plan you're effectively investing in an asset that can grow and adapt to protect all the critical components of your life and career as they evolve.

However for most busy dentists, researching and organising life insurance cover can seem like a time-consuming headache. But this is where a financial adviser comes in.

As an experienced, licensed financial adviser I have an intimate knowledge of the product features and options that can save you time, money and hassle. For example, some insurers let you automatically increase your levels of cover as your salary increases and your life changes, without you needing to undertake additional medical checks.

In addition, I can:

- Save you time by organising all the paperwork
- Cut through the jargon and explain everything clearly
- Potentially save you money on premiums
- Research the many life insurance products and providers to choose your best cover from the myriad options available
- Coordinate the application process for you
- Advise of any insurance features specific to your profession as a dentist.
- Liaise with the insurer and act on your behalf if you ever have to make a claim.

LIKE TO KNOW MORE?

If you'd like to take the first steps towards putting a financial protection plan in place, please drop me an email or give me a call for an initial, no-obligation chat about how I can help.

Email

Phone

Licensee

AFSL



1 Sports injuries make their mark on Aussies: media release, Australian Institute of Health and Welfare, 26 February 2020

2 Productivity Commission recommends increased life insurance funding for mental health, Financial Services Council media release, 17 November 2020

3 Australia's health 2020, Australian Institute of Health and Welfare, 23 July 2020

4 Mental health claims top life insurers' TPD payouts: media release, Financial Services Council, 4 October 2019