Be The Landlord
The increasing demand for Healthcare Real Estate

Patient Centric Healthcare
An organic shift

Responsible Investing
How do you measure up?

THE SECRET WHEELS OF HAPPINESS AND SUCCESS
WORK, LIFE AND BALANCE IN THE ADELAIDE HILLS
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EDITOR’S MESSAGE

I’d like to let you in on a little secret (well three actually). A recent survey of over 2,400 Australians revealed the secrets to a happy and successful life are as simple as adopting the following three habits:
1. Spending more time outdoors
2. Spending time with family and friends
3. Planning ahead

Spending time outdoors AND with family and friends – I know what you are thinking, that sounds great in theory but when you are under immense pressure to run your practice, these two ‘habits’ are quickly broken or forgotten entirely.

Consider then this third habit of planning ahead. Perhaps if we get into the habit of planning ahead (in both our professional lives and personal lives), then maybe habits one and two will move from theory to practice.

This brings me to my next point – and it’s a big one. This October we will be staging the long anticipated, Private Practice Big Weekend - a unique learning and lifestyle event in the heart of the Adelaide Hills wine country.

Designed as a family and/or whole-practice bonding and motivational retreat, you will experience fine dining and wining in one of the most naturally beautiful and stimulating environments in the country.

As well as providing an opportunity for you to ‘stop and smell the roses’, our educational objectives are to expose you to the secret wheels of happiness and success. (Habits one, two and three packaged up in one weekend – ‘where do I sign up’? I hear you ask - follow this link for event and registration details)

This event, its theme, location and planned experience, encapsulates everything we have been passionately talking about since the inception of The Private Practice education program, that is;

Understanding and implementing sound principles in business and financial management are supremely important for achieving effectiveness and efficiency at every operating level of a medical practice and absolutely crucial to the achievement and maintenance of your desired lifestyle.

The ‘ideal’ is a practice that works, that is delivering on its promise to its patients, referrers, staff (both administrative and professional) as well as to its owners and their families.

Your desired lifestyle, (not in some distant, nebulous future, but now), should be at the heart of the decision making that addresses the questions:

1. How should my practice be structured
2. What should it look like
3. What services does it deliver
4. How does it engage with patients
5. What is our purpose

Underlying all our education and related initiatives designed to deliver knowledge and action around business and financial management, is the passionate desire to help doctors address the value of their lives.

Each article in this, the 22nd, edition of our magazine addresses a crucial element of the success equation, and more than any other event we have run before, our Private Practice Big Weekend will provide the opportunity to slow down, enjoy life, become inspired, focus on the truly important things and learn how to create the business and financial framework for happiness and fulfilment both professionally and personally.

We wish you Happy Reading and hope to see you at upcoming events.

Steven Macarounas, Managing Editor
editor@theprivatepractice.com.au
EVENTS

Gary Lembit is the Senior Manager – Client Insights & Analytics at Perpetual
The Habits of Happiness

Gary Lembit reveals the secrets of people living happy and successful lives – and the answers may surprise you.

The pursuit of happiness and success – walk into any bookstore and the shelves will be lined with self-help books promising to get you there. People looking for guidance on their new year’s resolutions are likely to be swiping their credit cards as you read this. But what if the secrets to a happy and successful life are as simple as spending more time outdoors and in conversation with family and friends?

These are the findings from Perpetual’s Lifetime Project, where we asked 2,400 Australians about their habits, hopes and dreams. We found a relatively small group of Australians (only 6%) who told us they were happy with life, not troubled by negative feelings, have some success with their plans and have their money working for them.

What makes these people different? We had a close look at their habits to see what we could learn.

WALK THE TALK
When asked what they particularly enjoyed and looked forward to, some 60% said it was being outdoors. The other lifestyle habits that happy people are more likely to stick to are:

- Planning ahead
- Being reliable
- Staying in touch with friends
- Spending time with family and friends

They also laugh a lot. And when they laugh others can actually hear them because they spend less time on social media, preferring personal contact.

LIVE IN THE MOMENT
“Life is preparation for the future; and the best preparation for the future is to live as if there were none.”

Albert Einstein

We asked whether people would choose to live in their past, present or future. Two-thirds of happy people preferred to live in the present, whereas other Australians were more evenly split, with a third preferring to live in the past.

A big part of living in the moment involves taking care of your health. And as we saw in the Summer 2017 issue of The Private Practice Magazine, physical health becomes more of a challenge as people age.

So what are the healthy habits of happy and successful Australians? Well, they tend to:

- Get plenty of sleep
- Spend time outdoors
- Eat well

HABITS YOU CAN BANK ON
These happy and successful Australians also have good habits when it comes to managing their money. Maybe that’s why travel and retirement rate so highly in their plans for the future.

Here are three of their simple financial secrets:

- Getting value for what they buy
- Having a financial plan
- Keeping an eye on and regularly adding to their savings and investments

Being reliable types, they find sticking to these simple habits makes all the difference in seeing their plans come to fruition.
The Habits of Happiness

Perpetual’s Lifetime Project asked 2,400 Australians about their habits, hopes and dreams and the secrets to happiness.

60% OF AUSTRALIA’S HAPPIEST PEOPLE LOVE THE OUTDOORS

Happy successful people are also more likely to:
- Plan ahead
- Be reliable
- Stay in touch with friends
- Spend time with family

2/3 SAY THEY LIVE “IN THE PRESENT”

The other lifestyle habits of happy and successful Australians include:
- Get plenty of sleep
- Eat well
- Make friends with their doctor

WHAT ARE THE FINANCIAL HABITS OF HAPPY AND SUCCESSFUL AUSTRALIANS?

- Get value for money
- Avoid debt
- Have a financial plan
- Put as much as possible away for retirement
- Keep an eye on investments and add to those investments

PUTTING IT INTO PRACTICE

Sounds pretty straightforward really but, as we know, habits can be hard to stick to. If the least you do this year is spend more time walking and talking with friends and family, you might find the laughs get louder.

But don’t have so much fun that you forget about your financial habits. We know they’re not as appealing as a stroll with friends, but a sound financial plan may mean you spend more time walking through the streets of Paris.

Wouldn’t that be something to smile about?

INTERESTED IN LEARNING MORE?

To discover more key insights on Wellness, register now to attend The Private Practice Big Weekend in October in the Adelaide Hills. In our opening keynote session ‘The Secret Wheels of Happiness & Success’ Gary Lembit will explore the results of a recent extensive survey of Australian doctor’s participation in a range of activities found to be pre-conditions for improving chances of a happy and successful life.

Places are strictly limited, to find out more and register your place please CLICK HERE or contact Sarah Knox on 02 9362 5050 or email sarah.knox@theprivatepractice.com.au

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Work, Life and Balance in the Adelaide Hills
NEW EVENT: THE BIG WEEKEND

Explore The Secret Wheels of Happiness and Success in the heart of the Adelaide Hills wine country.

EVENT DETAILS

Choose the three day (Friday – Sunday) or two day (Saturday – Sunday) experience with the optional Monday morning wrap-up brunch session.

DATES
Three Day Experience: Friday 20 – Sunday 22nd October 2017
Two Day Experience: Saturday 21 – Sunday 22nd October 2017
Optional Add on Brunch Experience: Monday 23rd October 2017

TIMES
Friday: 9.30am – 3.30pm
Saturday: 9.30am – 3.30pm
Sunday: 9.30am – 2.45pm
Monday: 10.30am – 12.00pm

VENUE
Mount Lofty House, 74 Mount Lofty Summit Road
Crafers, South Australia

COURSE FEES
Friday – Sunday Package: $2,145 (incl GST)
Saturday – Sunday Package: $1,595 (incl GST)
Add on Monday Brunch: Complimentary

SPECIAL OFFER: As a subscriber of The Private Practice Magazine we would like to reward our readers with an exclusive discount registration of $990 (incl GST). To receive this discount simply be one of the first 10 readers to contact Steven at editor@theprivatepractice.com.au

REGISTRATION:
CLICK HERE to register online
Alternatively please contact Sarah Knox on 02 9362 5050 or email sarah.knox@theprivatepractice.com.au

Please note these fees do not include accommodation
Designed as a family and/or whole-practice bonding and motivational retreat, delegates will experience fine dining and wining, whilst being exposed to the secret wheels of happiness and success.

**THE SECRET WHEELS OF HAPPINESS AND SUCCESS**
In this lively discussion, Gary Lembit, Senior Manager – Client Insights & Analytics, Perpetual, will explore the results of an extensive survey of Australian doctors participation in a range of activities found to be pre-conditions for improving chances of a happy and successful life.

**PERSONAL AND PROFESSIONAL SUSTAINABILITY: PHYSICIAN HEAL THYSELF**
Developed by Dr Roger Sexton of Doctors Health S.A, this session will outline a model for physicians personal care discussed in terms of the four key interdependent ingredients of our inputs, our processes, our outputs and feedback.

**THE FUTURE OF PRIVATE PRACTICE, CONSUMERISM AND MEDICAL LEGAL RISK MANAGEMENT**
Mandy Anderson, CEO & Managing Director, Medical Insurance Group Australia, will take an in-depth look at the changing landscape and patterns of doctor-patient-practice interaction.

**FINANCIAL AND LIFESTYLE PLANNING – THE RESULTS OF AN EVIDENCED BASED APPROACH**
Money and lifestyle management should not be left to chance, but rather require a scientific approach. Nathan Jacobsen, General Manager - Professionals, Perpetual, will guide us through the results of an evidence based process to achieve true results.

**THE BIG WEEKEND AGENDA**

<table>
<thead>
<tr>
<th>Friday: Day 1</th>
<th>Saturday: Day 2</th>
<th>Sunday: Day 3</th>
<th>Monday: Day 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Happiness, Ethics and Professionalism</td>
<td>Time, Money and Love</td>
<td>Let’s Get Technical</td>
<td>The Big Brunch</td>
</tr>
<tr>
<td>The Secret Wheels of Happiness and Success</td>
<td>Your Practice, More Than Just a Place of Work</td>
<td>Business Structures</td>
<td>Social Media and Medical Practice: Opportunity or Threat</td>
</tr>
<tr>
<td>Personal &amp; Professional Sustainability: Physician Heal Thyself</td>
<td>Financial and Lifestyle Planning</td>
<td>The Legal Safety Net</td>
<td>The Legal Safety Net</td>
</tr>
<tr>
<td>The Future of Private Practice, Consumerism and Medico-Legal Risk Management</td>
<td>$#!+ Happens</td>
<td>Superannuation</td>
<td>The Big Lunch</td>
</tr>
<tr>
<td>Welcome Dinner</td>
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</tr>
</tbody>
</table>
NEW EVENT: THE BIG WEEKEND

Friday: Day 1
Happiness, Ethics and Professionalism

Saturday: Day 2
Time, Money and Love

Sunday: Day 3
Let’s Get Technical

Monday: Day 4
The Big Brunch

The Secret Wheels of Happiness and Success

Personal & Professional Sustainability: Physician Heal Thyself

The Future of Private Practice, Consumerism and Medico-Legal Risk Management

Welcome Dinner

Your Practice, More Than Just a Place of Work

Financial and Lifestyle Planning

$#!+ Happens

Business Structures

The Legal Safety Net

Superannuation

The Big Lunch

Social Media and Medical Practice: Opportunity or Threat
WHAT’S YOUR TYPE?

Dr Avnesh Ratnanesan is the CEO at Energesse.
Dr Avnesh Ratnanesan explains why practices that put the journey of their patients first, outperform the practices that don’t.

The Process Manager, the Efficiency Manager or the Patient Experience Champion.

A lady walks into a general practice. She winces, rubbing her arm then kneading it gently. She approaches reception. She sighs and scribbles what she needs to on a form and is then motioned into the waiting room. She scurries up when she hears her name and disappears into a consultation room. An hour or two later, she walks out to a waiting car outside the practice. She’s not rubbing her arm anymore.

If you ask a Practice Manager what they think about the above scenario, and their focus is process rather than patient experience, they would probably measure success as a patient’s condition resolved, her details recorded on the right forms and the availability of a consultation room or a waiting seat as a result of that problem resolution.

Turn now to the practice whose focus is patient management and efficiency; they would ensure that the effectiveness of every step of the healthcare process – from the patient arriving at reception to patient discharge – is measured and efficient from a time and activity perspective.

Now question the practice whose focus is the patient journey. They would do all of the above, and more. They’ll wager their time to understand and measure the ‘winces’, the ‘sighs’, the ‘scurry’, the manner in which the patient walks in or walks out of the clinic. They ensure the right questions are asked of the right people at the right time. They would also very likely follow-up with the patient after discharge to ensure her safety and service satisfaction. For these practices – the Patient Experience Champions – the patient is at the very centre of the care they receive.

The focus would be as outlined in the below table.

<table>
<thead>
<tr>
<th>Patient Focus</th>
<th>Staff Focus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Did the patient require help filling out the form (was there a physical pain or language barrier)?</td>
<td>Did the patient fill in the form we need them to fill in?</td>
</tr>
<tr>
<td>Did the patient understand what the doctor was saying?</td>
<td>Did the doctor explain everything to the patient?</td>
</tr>
<tr>
<td>Did the patient experience compassion and empathy during the consultation?</td>
<td>Were staff able to treat the patient in a professional and timely manner?</td>
</tr>
<tr>
<td>Was the family member present reassured about the patient’s situation?</td>
<td>Was the family member present informed about the patient’s situation?</td>
</tr>
<tr>
<td>Was the patient able to perform well at work and at home in the days after her visit as a result of the advice and medication?</td>
<td>Was the patient followed-up with the day after visit?</td>
</tr>
</tbody>
</table>

Energesse’s 6E Framework aims to improve patient experience by offering private practices a step-by-step guide on how to produce this true holistic picture. It not only gets you thinking about mapping the patient journey and developing the right survey and measurement tools that captures patient perspectives on the ‘journey’ (Experience), but it also ensures the encapsulation of ‘patient stories’ and patient feelings (Emotions) to build one clear purpose for all staff to follow (Engagement) in improving the patient journey. It helps you develop an accurate strategic plan and implement solutions (Execution) and ensures you measure and repeat your successes (Excellence). Ultimately, the framework develops your organisational capability in patient experience (Evolution).
Reviewing your medical indemnity insurance

Chris Mariani is the Director at Medical and General Risk Solutions.
Chris Mariani explains why the cost of an insurance policy shouldn’t be your deciding factor.

Dr X contacted us last year requesting our advice on their medical indemnity renewal. They were paying ~$90,000 annually (the sort of premium many Obstetricians and Neurosurgeons pay) and had never had a patient claim against them. The doctor was in the position where 80% of their work was low risk surgery, but they were charged based on the highest risk surgery profile of their speciality. We provided an alternative insurer quote at ~$45,000 and also assisted the doctor to write a letter to their current provider who revised their renewal quote to ~$60,000. We then sat with the doctor and talked with them on the pros and cons of staying/switching insurers.

If you were faced with the above scenario (which is a real life case), would you switch insurers? The answer to this question is not straightforward, as price is only one of the factors you need to consider. In this doctor’s case, after discussing the pros and cons, the doctor decided to stay with their current insurer – but the work done meant a ~$30,000 saving from the previous year.

Doctors now have five Medical Indemnity Insurers to choose from:
- Avant
- MDA National
- MIGA
- MIPS
- TEGO (backed by Berkshire Hathaway)

Historically doctors tended to join a Medical Defence Organisation (MDO) based on who provided the nicest free pen at a medical student or intern event. For older doctors, the MDOs during their training years were largely state based and choice was therefore limited or non-existent. Joining during student or training years was either free, or a few hundred dollars. Pre ~2000, the MDOs largely provided ‘discretionary assistance’ meaning it was impossible to compare what one MDO would cover versus another.

Fast forward to 2017 and medical indemnity is provided as a regulated insurance contract – the “small print” matters and there is no one best policy that suits every doctor – as individual circumstances and needs are unique. Doctors tell us the biggest issue is they simply do not have the time (or insurance expertise) to wade through the hundreds of pages of product disclose statements, category guides and other documentation – in order to determine the differences between the insurers.

Having specialised in medical indemnity insurance for over 10 years (I previously wrote the policy for one of the above insurers) – if I was the doctor above, what criteria would I use to make the decision to stay with my current provider, or to switch to the new insurer? The table on the following page provides some points to consider. But before reading the table go to the end of this article and you will see a disclaimer that says:

The information provided in this article is of a general nature and does not take into account your objectives, financial situation or need. Please refer to the relevant Product Disclosure Statement before purchasing any insurance product.

Putting this statement in a doctor/patient scenario – it is akin to saying:
- here’s my prescription/referral pad, make your own decisions about the right treatment for you.
- this is the only treatment option we provide and we are not going to advise you on whether there is a better, more appropriate treatment option down the road.

If I was confronted by these statements by my doctor I would seek another doctor who was acting in my best interests and who was providing me a diagnosis and treatment plan.

The reality when dealing directly with an insurer is they provide the disclaimers which mean they have no obligation to tell you if there is a better, more suitable product down the road. So if you see the words “general advice”, run for the hills!

The easiest way to deal with this ‘relationship issue’ is to ask a simple question and to have the person provide a written response – “please provide your personal advice recommendation in writing that your product is the best, most suitable product for my circumstances”. If they cannot or will not do this, then you are being sold a product, rather than getting advice.
<table>
<thead>
<tr>
<th>Topic</th>
<th>Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Am I getting “Personal Advice”?</td>
<td>Get in writing from each insurer:</td>
</tr>
<tr>
<td></td>
<td>1. “this is the best, most appropriate policy for me”.</td>
</tr>
<tr>
<td></td>
<td>2. “these are the pros and cons of our product”</td>
</tr>
<tr>
<td><strong>As noted in the article look for ‘personal advice’ and avoid the ‘general advice’ disclaimers.</strong></td>
<td></td>
</tr>
<tr>
<td>Does the policy suit my practice structure?</td>
<td>Where applicable ensure the policy extends to cover your practice entity and employed staff. The insurer policies vary widely in this regard and you may require an additional ‘practice indemnity’.</td>
</tr>
<tr>
<td>What does the policy cover?</td>
<td>All of the insurers provide $20million cover for a patient’s civil claim against you. But check the additional covers they provide around employment and hospital disputes, training disputes, medicare audits and other ‘non-civil’ issues covered. These are where you need your own lawyer to assist you to manage these issues. Again insurer policies vary widely.</td>
</tr>
<tr>
<td>Where does the policy stop and can you provide me advice on other insurances I need?</td>
<td>Particularly where you run your own practice, employ staff, lease/own rooms, you will likely require a range of other insurances to protect some. Some policies like workers compensation are required by law and penalties apply if you do not comply.</td>
</tr>
<tr>
<td>Is my ‘tail covered’ if I switch?</td>
<td>Ensure your tail is covered with the new insurer. This means selecting the appropriate ‘retroactive date’ with the new insurer if you switch. Secondly, ensure you report all claims and circumstances to your current insurer before you switch. If in doubt, report it! (Read the section on the following page ‘will my tail be covered if I switch’ for more information)</td>
</tr>
<tr>
<td>Will I lose the continuous cover benefit?</td>
<td>Some of the policies provide ‘continuous cover’ which means as long as you stay continuously insured with that insurer, you can ‘late notify’ a claim, that you should have notified in an earlier policy with that insurer. You lose this benefit when switching insurers, so again it’s important – If in doubt, report it!</td>
</tr>
<tr>
<td>What “Membership” benefits apply?</td>
<td>What membership benefits will you lose when leaving your current MDO (if any), against those you may gain from the new provider. For example, one MDO provides a loyalty payment which increases based on tenure, therefore reducing premiums over time. We had a doctor with almost $100,000 of ‘retirement reward’ dividend due to them but this would be lost if they left the MDO before retirement.</td>
</tr>
<tr>
<td>What about my future premiums?</td>
<td>Don’t just look at the premium quoted. What will the premiums be in future years, especially where you are starting out in private practice, changing specialities or billings – as these can all significantly change future premiums. Ask about the insurers rating model – is it a ‘step-up’ model whereby premiums increase over the first few years?</td>
</tr>
<tr>
<td>What is your financial strength?</td>
<td>Read the annual report of the insurer. What are their net assets (i.e. the money they have aside to pay claims)? What has their financial performance been over the last few years and is there any indications on whether premiums may rise in the future. Have they set ‘excess capital’ aside which you own a part of as a member (MDO applicable).</td>
</tr>
<tr>
<td>What are my future plans and do I need to consider my run-off requirements?</td>
<td>Understand your particular circumstances. For example, a doctor planning to retire from private practice at age 58 is not eligible for free “ROCS” [Run-Off Cover Scheme] for three years. The doctor will need to pay a run-off premium for that three year period, which could be thousands. But if they have been with their MDO for 10+ years, then legislation requires the insurer to provide a run-off policy for the three year gap for no more than $50 each year. Switching at the wrong time could result in a short term saving, but cost you lots more on retirement.</td>
</tr>
</tbody>
</table>
Introducing CACHE by Terrance Hunt

Cache has been certified to the Australian AFRDI Rated Load 151 standard for chairs that intend to be used in a public space by people heavier than 100 kilograms.

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What is the experience and quality of their claims and legal team?

Ultimately, this is what you are paying for. You don’t want the cheapest (or no) lawyer to represent you when your AHPRA registration is on the line. Read the insurers reports and medico-legal papers. Ask for documents that show how they have assisted doctors and what legal cases they have run and supported. Determine if you value having expert local claims managers and lawyers in your state.

Does my policy comply with my PPI Registration Standard?


WILL MY TAIL BE COVERED IF I SWITCH?

Legislation requires a medical indemnity insurer to provide you an offer to cover your tail (known as retroactive cover). There are however two important items you need to address to ensure your tail is covered when switching insurers:

1. You need to ensure you provide the new insurer with the correct ‘retroactive date’. This date should be stated on your current policy schedule (see below for further details).

2. You need to ensure before you cancel (or allow your current policy to lapse), that you report to your existing insurer all claims (and circumstances that a reasonable person would expect may result in a claim being made against you in the future).

The insurer’s application form will ask about your ‘retroactive cover’ requirements. Your retroactive date will depend on your circumstances and may be:

- The date you first commenced practice in Australia (or first registered)
- The date your insurance cover moved from an ‘occurrence’ policy to a ‘claims made’ policy (the MDOs moved to ‘claims made’ policies between 1997 and 2004)
- If you have purchased a run-off policy with a previous insurer and continue that cover, your new policy may provide a retroactive date starting at the end of the run-off policy.

Even if you are not switching insurers, it is wise to check the retroactive date noted on your policy covers you correctly. If you discover the date is not correct, it can be changed by contacting your insurer and providing the correct details. Your insurer will rely on the retroactive date you declare, so if it’s wrong, you risk a gap in your cover.

A NOTE ON ‘CLAIMS MADE’ POLICIES

Medical indemnity insurance in Australia is generally provided under a ‘claims made and notified’ policy. This means the ‘trigger’ is the date you first become aware of a claim (or a circumstance that a reasonable person would expect may result in a claim) and first report it to your insurer.

Generally claims made policies require you to report the claim to the insurer during the policy period (however some policies provide ‘continuous cover’ which we recommend as a key policy feature when advising our clients). Our general rule when advising clients is ‘if in doubt – report it!’ This is particularly relevant when you are switching insurers.

'The Medical Indemnity (Prudential Supervision and Product Standards) Act 2003 Cth requires an insurer to make a compulsory offer covering all ‘otherwise uncovered prior incidents’.

Time to review your medical indemnity and other insurances?

Please contact Chis Mariani on 0419 017 011 or chris@mgrs.com.au for an obligation free discussion.

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YOUR PATIENTS GET PERSONAL ATTENTION. WHY SHOULDN’T YOUR BUSINESS?

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→ Asset protection
→ Tax effective advice
→ Collaborative approach

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The healthcare industry is shifting towards a patient-centric system, says Jason Borody. This is a significant change for practices used to a physician-centred model, however with patients more inclined to become more active in their own care – and predisposed to research symptoms and treatments – the shift to patient-centric healthcare is an organic one.

Patients now have a greater understanding of their care options in addition to a wide range of online information and tools available for providers and consumers. With this in mind, the importance of being able to cater for this shifting paradigm has become more crucial than ever.
So how do we shape our marketing strategies to get patients on the hook?
More than two-thirds of healthcare providers expect to spend more time and resources influencing patient behaviour through marketing, rather than solely targeting physicians and other providers.

There is now even greater interest in understanding what the patient wants so that practices can communicate and market to them appropriately and drive volume.

Getting your staff on board
Internal marketing is essentially your strategy to tap into the power of your established patient base and build your practice from the inside.

When developing a medical practice marketing strategy, internal marketing is the first step you should take to generate patient referrals. This is vital because online reviews – the digital age word-of-mouth – carry more weight than ever before.

Even though AHPRA discourages online reviews (and disallows testimonials), nothing stops a disgruntled patient from writing a scathing Google review and potentially damaging your reputation.

Remember, the modern patient expects prompt and excellent service from their medical practice as they would any other service provider.

Successful internal marketing must be supported by your staff, and allows your practice as a whole to understand and meet your patients’ needs. Practice staff need to feel engaged as integral members of the process if they are to become practice ambassadors. Consider introducing rewards for referral generation and professional development in marketing, customer services and communications to encourage staff in becoming key influencers in patient-centric healthcare.

How internal marketing can help
Your internal marketing must focus on creating and communicating your practice culture. It is also about selecting niche targets with whom you wish to communicate. Internal marketing goes beyond practice staff; it’s about talking to customers and creating brand ambassadors. Internal marketing maximises the full patient referral potential of the influential audience you have already acquired.

Your strategy should deliver results in converting inquiries into new patients, follow-on services, and retaining your existing patient base.

Internal marketing is tried and tested, often low cost with high return on investment, low risk and straightforward enough to implement. However it takes time to build and see results so not only is the correct strategy vital, you must also commit to seeing it through.

There are many ways to market to your existing patient base such as:
• Electronic communications: SMS appointment reminders, follow-up calls, or reminders for annual check-ups.
• Engaging collateral and TV screens.
• Surveying patients and referrers to identify expectations (and then adjusting practices to meet their expectations).

Internal marketing requires consistent, intentional implementation and the highest standard of patient service from all practice staff. Basics such as phone coaching and reception area protocol are often overlooked, yet these are areas in which many patients feel their practice is found wanting.

Attracting the right kind of patients
Practices also need to start engaging patients with a message that will help them attract the types of patients they want to use their services and in a specific way. High volume does not necessarily result in high value patients.

These are patients who are likely to keep using your services and encourage their network to use them too.

What tools should you be using to communicate with your target market?
There’s an explosion of tools at your disposal including apps, websites, search engine marketing and even interactive bus-shelter displays. With social media and digital marketing, you no longer need to rely on using blunt instruments to cut through the clutter – you can truly tailor your approach to target your patient where they are, at a time they are ready to listen.

However, patients aren’t always the target market, practices should also reach out to physicians, other medical professionals and opinion leaders by implementing referral marketing strategies.

Our message to you
The time has come to embrace the shift to a patient-centric healthcare system. At Vividus, we understand that there may be challenges, but we must let patients play their role actively. Ready or not, this transformational change is coming, so ensure you’re not left behind.

For more information about implementing tools that can help you embrace this change and position your practice as a future leader in patient-centric healthcare speak with Vividus on 07 3482 4262 or email info@vividus.com.au
MORE CHANGES IN A NUTSHELL

Loryn Einstein outlines the 2017 Health Fund and Medicare Changes.

Loryn Einstein is the Managing Director at Medical Billing Experts.
The sweeping changes we saw in the Medicare Benefits schedule in late 2016 were followed by several large shifts in the health funds in the first quarter of 2017. The first three months of the year brought three new health funds to AHSA, changes in key disclosure policies by two health funds and a health fund merger.

To keep your medical billing on track for 2017, here are a few things that you need to know...

1. **THE MERGER OF GMF AND HBF**
   
   On 13 February 2017, GMF completed a merger with HBF that commenced in July 2015. All GMF members became HBF members as at the merger date. The date of the GMF merger with HBF coincided with the date that HBF joined the Australian Health Services Alliance (AHSA) for all states excluding Western Australia.

   **What this means for your billing:**
   - For all services provided to GMF members up to and including 12 February 2017, an invoice will need to be sent to GMF using the GMF member number.
   - For all services provided to GMF members on and after 13 February 2017, the claim must be sent to HBF using the member numbers that HBF has now issued to the previous GMF members. For patients being treated on the cusp of this changeover, two invoices must be issued, an invoice for dates of service prior to 13 February to GMF and a separate invoice for dates of service including and after 13 February to HBF.

2. **HBF JOINS AHSA**
   
   On 13 February 2017, HBF joined AHSA with the exception of services provided in Western Australia. The ability for providers to access benefits through AHSA in eligible states gives far greater flexibility in terms of gap restrictions. Whilst HBF prior to 13 February capped their known gaps to 10% over the HBF benefits schedule (before reverting to a benefit level of 100% of schedule fee), the AHSA gap rules are much more lenient. This can facilitate a reduced out of pocket amount for many patients.

   The AHSA Access Gap Medical arrangement also pays higher benefits to providers in most states than HBF pays for many item numbers crossing a broad range of specialties. The change made by HBF from an independent fund to a member of AHSA in NSW, ACT, TAS, VIC, QLD, SA and NT is a win for most providers.

   **What this means for your billing:**
   - From 13 February 2017 if you are a provider in any state other than WA, you will need to use the AHSA fund rates and billing rules when billing HBF patients. You will also have the benefit of the reduced out of pocket amount for patients which does give scope to build more positive relationships with them and will perhaps generate an increase in client numbers.
   - Providers in WA will have no change in pricing schedules, gap arrangements or other billing arrangements with HBF.

3. **AHSA ANNOUNCES TWO NEW HEALTH FUNDS**
   
   Two new health funds joined the AHSA in January.

   On 9 January 2017, Emergency Services Health joined AHSA. This fund is a restricted access fund offering health cover for people who work and volunteer with fire, state emergency, ambulance, medical response and recovery and water response and recovery sectors.

   On 16 January 2017, Nurses and Midwives Health joined AHSA. This fund is exclusively for members of the nursing and midwifery communities and their families.

   **What this means for your billing:**
   - You need to add Emergency Services Health and Nurses and Midwives Health to your practice software. If you are already registered with AHSA, no further registration is needed as AHSA will automatically register you with Emergency Services Health and Nurses and Midwives Health.

4. **AHSA MAKES MAJOR CHANGES TO PROVIDER INFORMATION DISCLOSURE POLICY**
   
   Starting from 1 January 2017, the AHSA Business Guidelines for doctors registered under its Access Gap Cover registration changed. From that date, any doctor submitting claims under the scheme (regardless of whether they registered with AHSA before or after 1 January 2017) will be subject to the new rules.
Under the terms of the updated AHSA Business Guidelines, any medical practitioner that submits a claim after 1 January 2017 automatically give AHSA the right to:

• Publish the doctor’s name, practice address, speciality and other contact details on AHSA’s web-based doctor searches; and

• Publish information relating to the charges that doctors have rendered such as gaps that they have charged to patients who are members of any AHSA fund.

What this means for your billing:
If you submit any claim to AHSA after 1 January 2017, you are granting AHSA the right to publish information regarding all gaps you have charged to AHSA patients at any point in time, including dates prior to 1 January 2017.

5. MEDIBANK AND HCF INCREASE DISCLOSURE OF PROVIDER INFORMATION
Medibank and HCF have also increased transparency of gap information. Both Medibank and HCF have partnered with leading Australian digital health information platform, Healthshare, to provide customers with more information to help with health decision making.

Specialists who have offered known or no out-of-pocket costs over the last 12 months will be listed on the website and app. Currently, Healthshare is accessible by around 85% of Australian GPs and it includes a platform where direct referrals can be generated.

The Healthshare partnerships with Medibank and HCF will give greater transparency of patient gaps to GP’s and patients which may impact referral patterns for GP’s towards no-gap providers.

What this means for your billing:
If you submit any claim to AHSA after 1 January 2017, you are granting AHSA the right to publish information regarding all gaps you have charged to AHSA patients at any point in time, including dates prior to 1 January 2017.

6. CHANGES TO EPIP INCENTIVES
The Practice Incentives Program eHealth Incentives (ePIP) has been updated since my previous article in The Private Practice Magazine, with new targets and requirements.

What this means for your billing:
• The temporary amendment to ePIP requirements expired on 31 January 2017 and if your practice is registered now, you need to meet the shared health summary upload target in My Health Records each quarter to receive ePIP payments.

• Compliance activities are soon starting for all incentive payments paid to practices that did not meet their shared health summary targets for the first three quarters up to 31 January 2017.

• Updating your patient’s shared health summary when their medical circumstances change will assist in meeting your ePIP requirements.

Keep an eye out for the next Medical Billing Experts article to make sure that you stay up to date with medical billing news and updates. ☺️
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31 March 2017, Sydney, The Private Practice Marketing Workshop
WILL 1 JULY FORCE YOU TO RETIRE YOUR PLANS FOR RETIREMENT?

On 1 July, superannuation rules will change dramatically and as a result, so could your future lifestyle. Your contributions will be restricted even more and the amount you can transfer to draw an income in retirement will be limited to $1.6 million. To maximise your super’s full potential, talk to a Perpetual Specialist Medical Adviser before it’s too late.

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The changing superannuation landscape

Murray Howlett explains why the changing superannuation landscape means you should review your plans now.

We are facing one of the biggest overhauls in Australian superannuation history. In November 2016, legislation to implement the Government’s long-awaited reform package was passed through Parliament. This article explores what the reforms mean to those practitioners in pre-retirement phase who are endeavouring to build for their family’s future.

OBJECTIVE OF SUPERANNUATION

To put the reforms into some context, the government has looked at ways to instil what it regards as fairness and sustainability into the superannuation system by better targeting the tax incentives.

The overriding theme of the reforms is the re-definition of superannuation. Now written into the legislation, its primary objective will be ‘to provide income in retirement to substitute or supplement the Age Pension’.

In other words, superannuation is not designed to be an estate planning or wealth creation tool that provides tax minimisation opportunities but merely a vehicle to accumulate a reasonable level of savings in retirement.

This is a fundamental change in government policy that previously seemed to encourage those members who could afford it to maximise their super balances for retirement and for their beneficiaries on death.

CHANGES IN THE PENSION RULES

By way of background to the superannuation system, for those members who choose to take their benefits in the form of a pension, income earned on the ongoing capital investment supporting the pension is tax-free. Currently, there is no limit to the total amounts of pension that a member can maintain in super. As a result, there is no limit to the tax-free earnings derived from assets supporting such pensions.

The most significant change announced in line with the new objective is that from 1 July 2017, for those already in pension phase, $1.6 million will be the total that can be kept in pension where tax-free earnings on assets supporting those pensions are retained. Any excess pension balances over $1.6 million will need to be converted back to accumulation where earnings are taxed at 15%, or taken out of super as a lump sum benefit.

For those members still in accumulation, the rules will apply to limit the amounts that can be transferred into pension phase,
thereby limiting the availability of tax-free earnings when their pensions commence. The transfer balance cap will start at $1.6 million but is subject to indexation in $100,000 increments over subsequent years.

The Tax Office will keep track of all members who have commenced or will commence pensions by maintaining what will be known as ‘Transfer Balance Accounts’. These accounts will be measured against the transfer balance cap to determine whether the cap is exceeded.

It should be noted that the cap is measured on a per member basis, not on a per fund basis. So, members holding savings in more than one fund will need to take into account their total balances across all funds.

**CHANGES IN THE CONTRIBUTION RULES**

**Concessional Contributions Cap**
The annual concessional contributions cap will be $25,000 from 1 July 2017. This is a reduction from the current levels of $30,000 for under 50s and $35,000 for those aged 50 or more at financial year-end.

**Non-concessional Contributions Cap**
The annual non-concessional contributions cap will be $100,000 from 1 July 2017. This is a reduction from the current level of $180,000. Further, the three year bring forward contribution, where available, will now be $300,000 reduced from $540,000.

These are significant changes that highlight the issues for those practitioners in the early to middle stages of their working lives who are beginning to accumulate extra cash. In many cases, the ability to contribute to the same levels as before will have almost halved.

This impacts heavily on longer term retirement planning. Under current law, many members were planning to maximise their contributions as they approached retirement at a time when they could most afford it. Typically, this is when the mortgage has been paid off and the children become self-sufficient. The reduced contribution limits means a re-assessment of these plans.

Despite the new restrictions on contribution limits, once a member’s total super benefit across all funds exceeds $1.6 million (subject to indexation) at the preceding year-end, they are precluded from contributing further non-concessional contributions.

**Division 293 Threshold**
Division 293 tax is the additional 15% tax imposed on concessional contributions attributed to individuals whose adjusted taxable incomes exceed a certain threshold. The personal adjusted taxable income threshold for Division 293 purposes will be reduced from $300,000 to $250,000. As a consequence, many more members will now be caught with an additional 15% tax on their concessional contributions.

**‘10% Rule’ to be abolished**
Historically, personal superannuation contributions were not tax deductible to members receiving any form of employer-sponsored superannuation support.

Many doctors who were predominantly in private practice yet still received some employer remuneration from hospital work were precluded from claiming tax deductions for any personal contributions.

Along came the 10% rule. This has allowed a member to claim a deduction for personal contributions provided, in general terms, that the employment income does not exceed 10% of the total assessable income. It is an ‘all or nothing’ deduction depending on the results of the test.

However, over the years, it has been argued that the insertion of this rule still did not go far enough to cater for the working arrangements of members.

From 1 July 2017, subject to the work test over age 65, personal contributions will be deductible irrespective of the amount of employment income a member derives.

The abolition of this rule is one of the more positive changes introduced and should particularly favour those in the medical profession with mixed sources of income where the 10% rule has failed in the past.

We are likely to see a reduction in salary-sacrificing and more flexibility as to how and when super contributions are made in transitioning to their own practices.
SUPER SPLITTING
Superannuation splitting allows a member to elect to transfer their prior year’s concessional contributions after tax to their spouse provided the spouse is under preservation age or between preservation age and 65 and not retired.

This strategy has been around for a number of years but now presents some greater planning opportunities for couples holding disproportionate amounts in super, given the $1.6 million transfer balance cap per member.

Often with a couple actively contributing to super, one spouse – for example, the medical professional – is able to maximise contributions and build up a sizable balance while the other spouse, for a number of reasons, may have limited capacity to do so.

By splitting contributions to the spouse with the lower balance, the couple can ‘even up’ their super balances as best as possible in order to manage their personal transfer balance caps.

IMPACT OF INSURANCE AND ESTATE PLANNING
Life and Total and Permanent Disability (TPD) insurances play an integral part in any medical professional’s financial plan as their income-earning capacity is extremely valuable. A loss of ongoing earnings could have a severe impact on the surviving family’s future.

Often members are encouraged to hold life insurance through super for tax and cash-flow reasons. As the premiums are paid by the fund, they are tax-deductible and also leave more disposable income available to the member.

In the context of superannuation, insurance is designed to provide the shortfall in retirement capital in the event of death or disability. Further, it is a requirement of all superannuation fund trustees to at least consider member insurance coverage as part of the fund’s Investment Strategy.

Many practitioners who hold their life insurance through super in accumulation phase are at a position in their working lives where their super balances alone are well below the $1.6 million transfer balance cap.

However, in the event of death, the benefit entitlement is sourced from both accumulated super and life insurance proceeds, where the combination of the two is more likely to exceed the cap.

When the sums insured are large, estate planning arrangements should be reviewed.

Death benefits can only be paid out in the form of pensions to beneficiaries who at the date of death were:

• a spouse of the deceased;
• a child of the deceased who is either less than 18, less than 25 and financially dependent or is disabled; or
• someone in an interdependency relationship with the deceased.

Unless they have a disability, minor children in receipt of death benefit pensions must have them commuted and paid out as a lump sums by age 25.

Death benefits not paid out as pensions cannot stay in the beneficiary’s accumulation balance.

Death benefit pensions – spouse
Any death benefit pensions paid out to a spouse will count as a credit in the spouse’s Transfer Balance Account. This means that if it exceeds the transfer balance cap, the excess must be removed from super.

In this case, the spouse has already reached the transfer balance cap as a result of the death benefit pension. If this spouse were to have superannuation interests of their own in accumulation phase, they could not be used to commence a pension on retirement.

Death benefit pensions – child
The amount of pension payable to a child within the child’s transfer balance
cap depends on whether or not the deceased parent had already commenced a pension.

The general rules for child pensions commencing from 1 July 2017 are:

- **If the deceased parent was in accumulation phase** – can be paid up to the proportionate entitlement of the general transfer balance cap ($1.6 million in 2017/18). Any excess must be paid as a death benefit lump sum.

- **If deceased parent was in pension phase** – can be paid from their proportionate entitlement of the pension account. Any amount in accumulation must be paid as a death benefit lump sum.

The major impact here is that instead of being able to keep all child death benefits safely in the superannuation environment, the trustees are forced to pay out any excess to the children as lump sums. This presents key issues around how the funds are controlled outside super. For instance, having full access to the lump sum funds once the child turns 18 may not be the best outcome.

There is no ‘one size fits all’ when it comes to estate planning around the new super reforms.

Some considerations are:

- when should pensions commence?
- should automatic reversionary pensions be in place?
- should binding death benefit nominations be in place?
- should benefits be left to the deceased’s estate?
- are the beneficiaries dependants for tax purposes?
- what are the level of taxable and tax-free components?
- should other forms of trusts be established to protect minor beneficiaries?
- what are the amounts, if any, of insurance held?
- is insurance better held inside or outside of super?
- what are the costs and benefits of restructuring?

Most importantly, all Wills, deeds, nominations and other legal agreements should be consistent with estate plan wishes. It is something that requires ongoing monitoring as circumstances change.

**WHAT ARE THE ALTERNATIVES?**

Despite the pledges of stability, the continual changes in government policies and uncertainty around superannuation appear to have brought some skepticism and distrust towards the system. Each change has an extra layer of complexity and high-income earners are the most likely targets for future reforms. For this reason, alternative savings vehicles are being considered.

Any alternative would need to factor in the member’s personal income and asset position, potential for future growth and access requirements prior to retirement. Superannuation still offers asset protection and a maximum tax rate on earnings of 15%.

For an introduction to an endorsed specialist adviser that can guide you through the changes to make sure you have the right strategy in place, please contact Steven Macarounas at editor@theprivatepractice.com.au

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Taking the pain out of finance for medical professionals

Jack Meagher is a Director of MediPay Doctors
Most banks consider medical professionals to have a low risk profile. So, when it comes to obtaining finance, you can often receive preferential treatment and access to a range of benefits that other borrowers cannot. But unlocking these deals and taking full advantage of competition in the lending market means working with an independent adviser and not directly with a financial institution.

Doctors often have extensive and complex needs when it comes to finance. During your working lifetime you may need to fund a range of assets such as motor vehicles, office and medical equipment, fixtures and fittings, goodwill and residential or commercial property. This will often lead to borrowing from several different lenders or from a lender that doesn’t have a comprehensive understanding of your overall situation. A piecemeal approach, such as this, can end up costing time and money, resulting in inferior outcomes and missed opportunities.

A finance broker can assist medical professionals to overcome these barriers and get ahead, by taking a more holistic approach to their personal and business finance.

**SO, WHAT DOES A FINANCE BROKER DO?**

Brokers differ from bankers, who are direct lenders and work for one financial institution or credit provider. Finance brokers act as an intermediary between an individual who wants to borrow money, and the banks and other lenders. As an independent adviser, they provide access to a broad range of lenders to ensure you have the opportunity to select the solution that best meets your needs. In acting on your behalf they are able to manage the process from start to finish.

A finance broker who specialises in healthcare can tailor solutions to meet specific requirements as your career and personal circumstances develop and change. They can advise on debt strategies and cashflow management, establish loan facilities for acquiring properties or financing a practice and conduct reviews of existing loan facilities to ensure you are optimising your position.

Jack Meagher explains how a finance broker can help you negotiate a better deal.
THE BENEFITS OF USING A FINANCE BROKER

**Choice** – rather than being locked into one bank or financial institution, a broker allows you to access a range of lenders.

**Time and effort** – finding time to research and compare rates, products and lenders is a huge time burden. Using a broker can remove this hassle as you only need to tell your story once.

**Independence and advice** – a broker has a duty to act for you and not the bank. Importantly, they should make objective and impartial recommendations resulting in the right solution for your needs.

**Education** – a broker is able to break down the complex terminology and finance jargon into everyday language, making it easy to understand and providing you with the information needed to make a more informed decision.

**Cost savings** – this involves negotiating fee concessions, interest rate discounts and waivers of lenders’ mortgage insurance (LMI) which can result in potentially thousands of dollars in savings.

Allowing an experienced professional to act on your behalf can unlock these benefits and have a material impact on what you ultimately pay on your loan.

WHY MEDICAL PROFESSIONALS ARE IN A UNIQUE BORROWING POSITION

Doctors have one of the lowest default rates of any profession. When combined with the attributes of perceived stability and high income potential, this makes you a better credit risk and a more desirable customer to a lender.

In the past, medical professionals were restricted to borrowing from select lenders to access products and features not available in the broader market. This has now changed as each of the big banks have established their own health divisions or industry specialisation policies. As a result, this has created a more competitive finance market for medical professionals.

If you have only dealt with one or two banks for your finance in the past you are limiting your scope. Be proactive in your approach and make sure you are leveraging your professional status to get the best outcome.

WHAT DOES IT COST TO USE A FINANCE BROKER?

As a borrower it costs nothing to use a broker, as they are compensated in the form of a fee or commission by the lender for arranging the loan.

Generally speaking, there is an upfront commission and a trail or ongoing commission. These payments compensate the broker for introducing the business and for the ongoing servicing of the client.

The banks and lenders use brokers to distribute their products without having to incur the expense of branches and full-time staff.

It’s a win for both the borrower who benefits from the service of the broker at no cost and also for the lender who, through a variable cost, is able to grow their business.
WHAT TO LOOK FOR WHEN CHOOSING A FINANCE BROKER

There are lots of finance brokers in the market who have various levels of education, training and experience.

When choosing your adviser, there are five things you should generally look for:

1. **Accreditation**
   Finance brokers must be registered with the Australian Securities and Investment Commission (ASIC). They must also hold an Australian Credit Licence (ACL) or be a credit representative of an organisation that holds an ACL. Also look for a broker who is a member of a credible professional industry association such as the Mortgage & Finance Association of Australia (MFAA) as these typically require higher standards in education, ethics and experience.

2. **Experience**
   An experienced broker will have an intricate understanding of each lender’s loan products, policies and application process and will know exactly how to position your funding proposal in order to get the best outcome.

3. **Specialisation**
   Medical professionals have unique business needs and finance requirements. Ensure the broker you deal with has a track record in dealing with your profession. A specialist broker will also have a network of relevant industry contacts and relationships that they can introduce to meet your other financial or business needs (fitout, equipment etc).

4. **Panel of lenders**
   You can tell a lot about a broker by their lending panel. Check if they have a range of reputable lenders and how many of those lenders they use, and why. Bigger lending panels don’t necessarily mean better service. All in all, it comes down to having the right lenders that meet your needs and requirements.

5. **Fees and charges**
   Anyone engaging in credit activities must give you a credit guide with information such as their licence number, commission structure and details of your right to complain. This document ensures transparency in your dealings and is important to understand from the outset.

It comes down to one thing...
Using a broker is a great way to stay one step ahead with your finance. If you depend only on one bank or financial institution you’re likely to be missing out on big savings and better deals. 😊
Not just a nice-to-have

A/Professor Oran Rigby is the founder of INFLUENZA.ai
A/Professor Oran Rigby explains why medical social media is essential for Australian health professionals.

For a country with only 23 million people, Australia’s social media usage statistics are staggering. Around 14 million of us log into Facebook every month (that’s 71 percent of internet users nationwide), while almost three million use Twitter.

With those numbers, it’s easy to see why savvy Clinicians – from suburban GPs to Cardiologists – are adding social media to their professional toolkits.

They understand that social media can be used for more than just sharing holiday updates and photos from brunch. Harnessed in the right way, social media is an invaluable resource for patient education, marketing and professional development.

WHAT’S IN IT FOR ME?

If you’re like most health practitioners, you juggle patients and paperwork by day. At night, you face a daunting pile of professional reading. Finding time to grow and maintain a social media presence can seem impossible. The fact is, however, that getting active online can have real benefits for both your career. Here’s how.

1. REACH NEW PATIENTS

Remember when patients used to find doctors, dentists and midwives through friends and family? These days, people are more likely to research online. Around 40 percent of respondents in a recent survey admitted social media influences their choice of doctor or hospital.

In this way, social media is the ultimate way to get referrals. Facebook likes and retweets on Twitter are persuasive marketing tools. A well-maintained social media presence will help reach prospective patients, show off your expertise and set yourself apart from peers.

2. CONNECT WITH EXISTING PATIENTS

Health practitioners like doctors, nurses and dentists consistently rank as some of Australia’s most trusted professionals.

According to PWC, this reputation also reaches into the digital world. Its research ranks medical professionals among the most trusted when it comes to online resources. Proactive social media use is one way to leverage this trust and extending the lines of communication beyond the consultation room.

For example, while a patient may only attend an appointment once a year, they’re probably on social media every day. This makes social media the ideal platform for disseminating important health information – from reminders about flu vaccinations to sun-smart advice. Many Clinicians also use social media to encourage behavioural change, share research findings and build lasting relationships with patients.

3. COLLABORATE AND NETWORK WITH COLLEAGUES

Social media makes it easy for health practitioners to keep up with global developments, seek expert input and discuss professional challenges.

It’s also an efficient way to communicate with peers and build relationships. In an industry known for its demanding schedules, this is great news.

A recent survey found online communities grown through social...
media enhance connections with colleagues. What’s more, two-thirds of doctors now use social media to find information that helps them deliver better patient care.

4. MONITOR HEALTHCARE TRENDS WITH EASE

Social media is a game changer when it comes to continuing professional development. Instead of poring over medical journals, curated newsfeeds make it easy to monitor the pulse of healthcare trends.

At the same time, conversations with peers can be extended worldwide, supporting the development of valuable personal learning networks. This informal networking can go a long way towards enhancing more traditional professional development.

HOW TO AVOID SOCIAL MEDIA PITFALLS

Some clinicians have enthusiastically adopted social media. Others are more cautious – and for good reason. We’ve all heard of health professionals behaving inappropriately online, with career limiting ramifications.

When social media goes wrong, you risk compromising your integrity, professional boundaries, doctor-patient relationships and future employment.

For health professionals at least, there are clear rules to follow. AHPRA’s advertising and social media guidelines provide directives to ensure professional standards are upheld. Sticking to these best practice guidelines will help prevent embarrassing pitfalls.

GETTING STARTED WITH SOCIAL MEDIA

Just as expensive appliances don’t make you a chef, setting up social media accounts won’t transform you into an expert. Maintaining a social media presence – and staying on top of the latest technology developments – takes time.

If you want to optimise your social media presence without the effort, a customised social media package could be the answer. Developed and maintained by medical experts, these packages offer total control over your professional identity, as well as opportunities to:

• Build your medical reputation
• Access relevant medical research and news from a single portal
• Find and distribute quality medical content to highlight your expertise
• Time content delivery to reach more patients and peers
• Stay engaged with your social media followers with minimal input
• Be confident that your social media activities will not violate professional guidelines

NEXT STEPS

Is your Facebook comatose? Too tied up for Twitter? Contact Oran at o.rigby@influenza.ai to take advantage of our free medical social media check-up.
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Responsible Investing
How do you measure up?

Tom Threlfall is an Investment Specialist at Perpetual Private
Socially responsible investing means different things to different people, **Tom Threlfall** explains how you can make a difference on your own terms.

Socially responsible investing is a compelling concept – making a conscious decision to balance financial returns with social good. The trick is finding investments that align with your values. So it’s important to understand the full spectrum of socially responsible investing – and the criteria on which they are based.

**BEYOND THE USUAL SUSPECTS**

Socially responsible investing (SRI) had its origins in avoiding the usual suspects – companies in controversial industries like tobacco, alcohol and gambling. Investors wanted to ensure their money didn’t support companies operating in sectors that went against their values.

But what about companies outside these sectors that were part of portfolios? As investors became more ethically conscious in their decision making, they wanted to screen all companies in their portfolios on their commitment to environmental, social and governance (ESG) issues. These may include:

- Pollution, climate change, scare resources (Environmental)
- Health and safety, community relationships, employee wellbeing (Social)
- Ethical management, strong boards, appropriate executive pay (Governance)

So the scope of screening has come a long way and can be applied broadly across a portfolio – beyond the usual suspects that may first come to mind.

**A GROWTH INDUSTRY**

According to Australia’s Responsible Investment Association (RIAA), their 150 members, which take into account environmental, social, governance (ESG) and ethical issues, have $500 billion in assets under management.

**SCREENING – THE BAD AND THE GOOD**

So far we’ve talked about negative screening as a way to exclude companies from an investment portfolio – whether they are in industries that you don’t support, or operating more broadly but failing ESG filters.

But positive screening is also an integral part of socially responsible investing – focusing investment in companies that actively seek to do good. They may be involved in areas like social justice, environmental sustainability or alternative energy. Positive screening also identifies best-in-class companies in other industries with an ESG rating higher than their peers.

At Perpetual Private we think this approach – a combination of positive and negative screens – is the most common strategy for socially responsible investing because of its scalable nature and relative ease of implementation.
INVESTING

THE FULL SPECTRUM

The United Nations Principles for Responsible Investment’s (UNPRI) has shaped a framework to better help understanding the impact of your investments (July 2013). As you can see in the diagram below, investments based on screening and ESG considerations are grouped to the left, as they focus on competitive returns for social investment. At Perpetual Private, we classify these investments as having measurable financial and social outcomes.

To the right of the diagram, investment strategies shift towards supporting specific themes, which may include funds that invest in clean energy or sustainable agriculture. Impact-first investing is aimed at solving environmental or social issues with a compromise on financial return – this could involve investment in community projects or financing businesses with a clear social purpose. Philanthropy completes the spectrum, where there is no expectation of financial return for the causes people passionately support.

UNPRI Socially Responsible Investments Spectrum

<table>
<thead>
<tr>
<th>Responsible investing</th>
<th>Impact Investing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Traditional</td>
<td>Screening</td>
</tr>
<tr>
<td>Competitive Returns</td>
<td>Targeted social and/or environmental impact</td>
</tr>
<tr>
<td>Limited of no focus on ESG factors of underlying investments</td>
<td>Negative of exclusionary screening and positive or best in-class screening, based on criteria defined in a variety of ways</td>
</tr>
</tbody>
</table>

(Source: UNPRI, July 2013)

BRINGING IT ALL TOGETHER

There are many ways to approach socially responsible investing – from the screening of investments to ensure social and financial return through to themed investing and philanthropy. There’s a breadth of choice and ultimately the right decision is the one that aligns with your objectives. ☑️

If you’d like to have a conversation about creating a socially responsible portfolio to support your plans for making a difference, please contact Steven Macarounas at editor@theprivatepractice.com.au, for an introduction to an endorsed medico-specialist adviser in your home state.

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Australia’s resilient economy combined with the strategic location in proximity to Asia, makes this country one of the best opportunities on the planet for investment. Due to the economic changes and constant instability generated in Europe by Brexit and with Donald Trump altering the stability of the US Economy, Australia boasts a stable and continuously growing economy for local and international investors.

Even further to the above stability, the healthcare sector in Australia is one of the growing areas in our economy and “crisis proof” in the mid to long term.

Australian Healthcare Real Estate Report, developed by Emerge Capital, states that Healthcare Real Estate has one of the highest returns and lowest volatilities as a real estate investment asset class in Australia. It is typically less cyclical than other real estate classes, providing attractive risk-reduced returns for investors.

Long leases and low vacancy rates are a key attraction of Healthcare Real Estate, providing investors with relatively secure income compared with other real estate sectors. While the average lease term for core commercial real estate sectors is circa
six years, healthcare assets typically have 10 – 20+ year leases. Furthermore, the average vacancy rate for healthcare real estate is only circa 2%.

In addition, the sector stands to benefit from the long-term drivers of the healthcare industry. Healthcare expenditure is largely a mandatory, not discretionary spend, and demand for healthcare services continues to grow due to an ageing population, increased life expectancy and advances in medical technology, providing further opportunity in the sector.

There is an increasing demand for Healthcare Real Estate from a sale and leasing in Australia. This brings an opportunity to secure quality assets from public or private operators with strong leases and yield.

WHAT’S IN IT FOR US?
The diversity of Healthcare assets that the Australian economy offers to investors ranges from private practice facilities to large scale hospitals and a good opportunity for investors in Australia or internationally. This opportunity is also in your hands. Doctors and surgeons have the capability to become their own landlord by generating an alternative model to develop their own practices or even bigger projects to host multiple healthcare disciplines. There are many advantages for Australian practitioners who are considering development opportunities with in the Health Care Property sector.

Australian practitioners and clinicians are much savvier these days, and recognise that leasing a property for 20 years doesn’t make much sense when you can develop the project on your own. There are many facilities in the market to make your project viable and the capital from lenders is available for medical practitioners and healthcare professionals.

LET’S START FROM THE BEGINNING
Developing a business case is the key. Even if you want to start with a small project to build your Private Clinic or become a developer for a GP Super Clinic or Day Surgery, the business case and feasibility is the key. Understanding the services you will provide, as well as the capital required to develop your project are only some of the aspects to consider before moving ahead.

Becoming a landlord and developer require vision, determination and having the right team surrounding you. It is a new world for you and the risk is quite high if you end up in the wrong hands. Make sure you partner with the right advisers and always take only one step at a time.

The process at a glance:

1. Feasibility.

“Those who fail to plan, plan to fail”
Winston Churchill

Churchill clearly understood the importance to invest time in planning and so should property developers. The feasibility study is the best investment you can make on this new journey and will guarantee the success of the project at the end. You should consider as many facts and variables as possible at this stage.

Gavin Taylor, a director of Metropole Projects, says becoming a property developer is like being a movie producer. “Successful property developers are a bit like movie producers,” he explains. “They assemble a highly talented team of people and skillfully lead them to develop a profitable outcome. Developers need to be proactive and make things happen. They must also be creative, flexible and responsive to take their project through the development maze, not to mention all of the bureaucratic red tape that’s involved with council applications, zoning restrictions and the like.”

Taylor says you also should not overlook the importance of hard work and focus. “As a developer, you need to work hard, have patience, remain focused, and have a burning determination to succeed.”
Firstly, begin by asking yourself these questions:

• Would you provide a one stop facility for a community or a highly-specialised environment that caters for operating theatres and specialists’ rooms?
• Is the project the house of your practice or would you consider it as an additional investment to host more practitioners and service providers?
• Who are you going to do this project with? Other medical colleagues?
• Which market would you like to cover? Etc.

Most of the times, doctors don’t have any answers to the above questions. Early engagement of your consultants is the key. A lot of the work can be outsourced and doesn’t require your direct involvement. Be mindful of your business and don’t stretch too much.

Once you have a clear starting idea, refine your search and start asking specific questions about your project. Determine investment, timing, area, location, and qualify each of the variables to make sure the project is viable. Consider the following items when starting your feasibility study and business plan:

• Business description and point of difference in the market
• Industry Overview – area, state
• Location – access, demographics
• Gap Analysis – Areas of opportunity in your preferred location/target market
• Design Complexity – Treatment Rooms, Operating Theatres, overnight stay
• Service Analysis – single specialty – multi specialty – consulting
• Compliance and Regulations, Considerations
• Property analysis – lease, buy, hybrid
• Marketing Plan

• Establishment Plan
• Operating Plan
• Financial viability

Do not commit yourself to any land, property or site without getting the right advice beforehand. Compliance with the zoning, car parking and accessibility are only some of the considerations. Only after this, you make the decision to acquire your property for development.

2. Build your team

The success of your development project will be based on the right appointment of your team. Start with a good Project Manager that could take your hand throughout the process. The Project Manager should be able to get the permits on your behalf, manage all consultants and deliver the project smoothly during the construction stage. Make sure you get someone with proven experience in the planning, design and construction with reputable experience in healthcare developments.

At a glance your team should have a:

• Real Estate Agent
• Lawyer/Legal Adviser
• Town Planner
• Finance Broker
• Accountant
• Project Manager

Alternatively, look for a firm that could manage the process entirely for you minimising the risk and providing proven consultants in the field that specialised in the healthcare industry. Having a mentor in this process is invaluable and by having a leading hand you can minimise the time invested from your side but also make sure that the process to the end is a success.

Your Finance Broker should be your allied partner to represent you in front of the lender and get the best result for you. Even for bigger investments, there
are finance products available for healthcare professionals with good rates and attractive packages to facilitate your investment. You just need to be aware of the options in the market to make the best decision. A good broker is essential to this process.

There are many consultants required during the development process, and your Project Manager and the above team will engage and manage them on your behalf.

3. Get ready, set, go!!

After you have appointed the right team, and finalised your feasibility study you should be ready to go.

Start by getting your property sourcing specialist or Real Estate Agent to look for the most suitable property based on your business plan. Make sure that they have a neutral position in the market and they are not aligned to any of the major leasing companies in Australia. Even if it's a small investment, it's better that this person gets paid by you and not the landlord to make sure the options they put forward work in your best interests.

Qualify all the sites with your Project Manager before making any decisions. The Project Manager should get the Town Planner involved to cover all aspects of compliance and viability of the site. This is the biggest investment on the project and you need to make sure that it suits the business plan and regulations. Understand the future plans of the area, infrastructure and growth related to the different zones. Most of the Councils have a Strategic plan that covers 5 to 10 years of planning on the area, population, investment and innovation initiatives. Look at State Planning as well, to understand the impact of adjacent neighbourhoods and greater infrastructure.

Once you have a property shortlist, your Project Manager should get test fits done for the space with alternative designs, budgets and a proposed planning timeframe. With these items in hand, you will be able to make an educated decision on your preferred location and move towards getting started on your development project.

QUALIFY THE IDEA

The type of development you build on your preferred site, will be dictated by the market. Once you have secured your space, and you have your results from the feasibility study it’s time to test the real market.

With a minimal investment upfront, you can develop a generic Information Memorandum, which is a marketing document that is used by leasing agents to test the market. It shows the design perspectives of your new building/practice and it will be used to approach potential tenants that may be interested in the project.

For small projects, it’s as easy as approaching your colleagues and other doctors to determine their interest in your project. The new trend in the healthcare industry is to provide a one stop facility for patients that centralise all medical services for convenience. Checking with pathology providers, allied health clinicians and other specialists as well as your closest hospital or large healthcare provider for their overflow on patients will be a good starting point. This analysis should have been done at your feasibility study with a clear gap analysis of the areas that you will provide at your new medical facility, so make sure that this reflects the results of the feasibility. Real Estate Agents will gladly do this on your behalf with a set fee and provide the result to refine the idea of your services mix at the building. Once again, make sure that your agent is specialised in the healthcare industry and speaks the same language as clinicians and healthcare professionals do as this will provide the professionalism to the building that you want for your project.

This will also test the expectations on the proposed leases and return on investment for your project. A feasibility study clearly sets the business plan based on demographics and data used on previous projects, but its important to qualify the response from the market.

If the market response aligns to your business plan and shows a positive response, then good due diligence has been achieved in qualifying the site and making sure it will meet regulations and you have accomplished a good team of professionals, you will be in good hands to move towards the finalisation of your design, approvals and construction of your facility.

With 27 years’ experience in delivering healthcare projects, Space for Health helps throughout the complete process from the development of your business plan to completion and leasing of the project. With a specialised team of Architects and Health Planners, Project Managers and a national network of consultants and providers, the process to develop your facility will be a stress free and smooth process. 😊
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