



# Protect your Dental Practice against the **Financial Cost of Absence**



We're here to help

Call us on: 020 3982 0420  
[www.practicecover.co.uk](http://www.practicecover.co.uk)



TEDAISY INSURANCE GROUP

# Want a better way to protect your practice against absence?

Practice Cover has the solution

Practice Cover provides dentists with a fresh way to protect their business should key staff be absent. It's an alternative to overheads insurance – and is driven by the benefit you receive not the risk we perceive. It takes years of hard work to build up a practice and all of that hard work could be at risk if you or a key member of your team fell ill. The regular bills would keep rolling in, even if the practice's income has fallen.

## Absence can leave a hole in operations and finances...



Your practice may rely on a small number of highly trained individuals – or even just you to produce its income. As a result, it is economically vulnerable if one of these people is unable to work. The financial impact on your practice can be significant. You'll still be liable for:

- Staff costs
- Rent and service charges
- Council tax
- Utility bills
- Equipment finance
- Telephone and internet costs
- Professional fees

...and all the other routine costs which will continue irrespective of whether the income is coming in.

# Absence Insurance FAQs

## How much can you insure for?

Think about who your key people are and what would it cost your practice if Person A couldn't work. Step back and calculate the amount. The risk you're bearing may surprise you. If the absence of Person A would cost the practice, say, £2,500 a week (a typical sum we insure) then you can insure them for that amount. This is known as the 'weekly sum insured'. Of course Person A might be you, as the practice owner.

The maximum weekly sum insured is usually £3,000 per person. Our policy is 'benefit driven' which means the sum you choose is the amount you receive if the insured person is off work due to sickness or accident. You won't need to provide us with sight of your accounts to substantiate the amount claimed.

The weekly sum insured is intended to enable you to keep your practice going and to meet its expenses until the insured person returns to work. In the case of long term disability, you receive payment for up to 52 weeks (depending on the benefit period you select) so you can make decisions on the future of your practice.

## How much does it cost?

Your premium is based on the number of people you choose to insure, each person's sum insured, the benefit period and the deferment period. There is a choice of deferment period, from 2 weeks upwards. The longer the deferment period, the lower the premium you pay. It is our understanding that premiums will attract tax relief as a business expense. You should discuss this with your tax advisor.

## How do you claim?

You don't need to provide accounts, bills, locum invoices or any other financial documents to support the amount you claim for sickness absence. The sum claimed for sickness absence is paid for a maximum of 52 weeks or until return to work, if sooner (unless you choose a shorter benefit period). You will be asked to complete a claim form and to send it in, along with sick notes.

## Who is it for?

Absence Insurance is for anyone who owns and runs their own fee-based practice whether alone or in partnership. You choose who to insure. Typically you'll decide whose absence through illness, accident or, if selected, jury service, suspension, compassionate leave and so on could jeopardise the financial stability of your practice.

## Case Study

# The Insurance in Action

The High Street Dental Practice partnership was set up by dentists John Smith and Mary Brown. They now employ 4 staff and operate from a well-located practice in the centre of town. The practice overheads are around £100,000 a year and John and Mary are responsible for meeting these overheads on a 50/50 basis.

### The Cost

The total annual premium is £923.76, including Insurance Premium Tax @ 12%. This works out at £461.88 a year each. The premium rates are age and gender neutral, so they are each charged the same.

### Their Cover

They take out Absence Insurance, choosing to each be insured for £961 a week (£50,000/52). They select a 4-week deferment period and a 52 week benefit period.

### The Cover in Action

John trips downstairs and slips a disc resulting in 10 weeks off work. A cash sum of £5,766 is paid to the business, which equates to £961 a week for 6 weeks after expiry of the 4 week deferment period.

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# Peace of mind from a cash sum

## How can our Absence Insurance help you?

An affordable monthly or yearly payment can protect your business – bringing in much needed revenue if you or one of your named key people is absent for any one of a range of reasons.



*Benefits depend on the Level of Cover you select – please see back page.*

The policy is designed to contribute towards the operating expenses of your practice so you don't have to use your personal assets to keep the business going. It gives you the means to continue paying your overheads when revenue falls because you or one of your key people can't work.

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# Choose the Level of Cover that's right for you...

## Level 1

The weekly sum insured is paid if you are unable to work due to illness or accident.

## Level 2

The weekly sum insured is paid if you are unable to work due to illness, accident, jury service, suspension or compassionate leave.

### Additional sums paid for:

- Medical expenses
- Coma
- Funeral expenses

## Level 3

The weekly sum insured is paid if you are unable to work due to illness, accident, jury service, suspension or compassionate leave.

### Additional sums paid for:

- Medical expenses
- Coma
- Funeral expenses
- Phased return to work
- Maternity/Paternity/Adoption
- Hospital in-patient
- Home modification
- Domestic, chauffeur, childcare
- Partner training
- Return home expenses
- Dental expenses
- Hospital transport
- HIV needlestick injury
- Delayed return from holiday

Plus lump sum for accidental injury resulting in:

- Death
- Loss of limb(s)
- Loss of sight
- Loss of speech
- Loss of hearing
- Permanent total disablement

Please note that the above is an outline only. Full terms and conditions are contained in the policy document which is available on request.

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