

# Helping dentists build wealth



**Banking Solutions  
for Dentists**

**Managing Risk:  
Disability Insurance**

**Business  
Intelligence**

# BANKING SOLUTIONS FOR DENTISTS



**TMFD** Financial is pleased to announce that National Bank has designed a banking offer for our clients.

Whether incorporated or not, these solutions will effectively help dentists handle all day-to-day banking needs, providing a low-cost alternative when compared to similar banking solutions found elsewhere.

National Bank is part of the top six banks in Canada, with locations throughout the country. After an extensive search, TMFD Financial selected National Bank for a variety of reasons, including its ability to meet the needs of dentists and competitive pricing.

At TMFD Financial, our mission is simple: “We enrich the lives of dentists and their families by providing a comprehensive and integrated set of accounting, planning and consulting services through one point of contact.” This new offering from National Bank allows us to continue simplifying the lives of dentists.

There are a variety of benefits to working with National Bank, including a CAD Operating account with free electronic transactions and Holding and Family Trust accounts with free unlimited transactions. Operating, Holding and Family Trust accounts benefit from no monthly fees for Internet Banking Solutions for Businesses (IBS-B) single and multi-entity as well as free bill payments using IBS. National Bank is one of the only institutions that offers this service free of charge. National Bank also offers Platinum Mastercard® Business

Card, Operating lines of credit, point-of-sale terminals, and high daily interest for large cash balances.

In particular, National Bank offers practice loans with very distinct amortization periods. To be precise, amortizations can go up to 25 years on real estate property and 12 years on Goodwill, Equipment and Leasehold improvements. This is a noticeable advantage when compared to similar banking solutions found elsewhere.

National Bank has enhanced its technology solutions to provide a wide range of tools to make the banking experience easy. This includes the ability to deposit collections from any location by simply scanning an image of the cheques received. This simplifies the banking task for dental staff because it can be done within the office, and saves time since the daily trip to the local branch is not required.

Aside from business services, National Bank offers a home equity line of credit called the All-In-One™ account. This solution offers tremendous flexibility regarding debt repayment, allowing cash flow to be managed with ease. The All-In-One™ functions just like a bank account by combining savings and debt together, reducing borrowing costs over time. With the ability to split the credit line into separate accounts, home owners can finance multiple needs at the same time, such as personal and practice debts.

Also, a premium personal banking offer has been specifically designed by National Bank for dentists and their spouses. Dentists can open three banking accounts (individual or joint) in CAD or USD with no monthly fee, a line of credit offered at Prime rate<sup>1,2</sup> and a mortgage with preferential terms and conditions. All this by signing up to a Platinum, World or World Elite Mastercard.<sup>3</sup>

## How to Get Started

We know that managing a practice can be challenging, which is why we want to make life easier and help dentists save. Benefit from our expertise! We can help with the transition from your existing financial institution so you can start taking advantage of these great services. Do business with our experienced team of specialists and invest your time where it counts.

Contact a TMFD advisor for personalized support and assistance tailored to your needs at 1-833-507-6863.

## Highlights

Advantages of this specially designed package include:

### Business Banking

#### Bank Accounts

- CAD Operating account with free electronic transactions, no monthly fees for Internet Banking Solutions for Businesses (IBS-B) single and multi-entity as well as free bill payments using IBS.
- Holding and Family Trust accounts with free unlimited transactions, no monthly fees for Internet Banking Solutions for Businesses (IBS-B) single and multi-entity as well as free bill payments using IBS.

- **Platinum Mastercard® Business Card<sup>3</sup>:** Turn your business expenses into rewards and benefit from reassuring protection.
- **Financing Solutions:** Financing may cover up to 100% of costs to start up, establish or expand a dental office, with preferential amortization periods (up to 25 years).
- **Line of Credit offered at Prime rate<sup>1</sup>:** Enjoy competitive rates on a flexible solution that simplifies your finances.
- **Payment Solutions:** National Bank’s partner Global Payments provides access to the latest point-of-sale (POS) terminals, mobile and e-commerce solutions for accepting payments in person, online and on the go.
- **Business Investment Account:** The Business Investment Account provides high daily interest while keeping your money accessible at all times.

### Personal Banking

- **Three banking accounts** (individual or joint) in CAD or USD with no monthly fee.
- Line of credit offered at **Prime rate<sup>1,2</sup>**.
- **All-In-One™ Account** – A home equity line of credit offered at Prime rate<sup>1</sup> that functions just like a bank account, combining savings and debt together, reducing borrowing costs over time.
- Mortgage with preferential terms and conditions.
- Premium Mastercard<sup>3</sup> – Platinum, World or World Elite Mastercard<sup>3</sup>.

Some products and services other than those set out above may be subject to applicable fees, as indicated in the National Bank Fee Guide - Banking Services for Businesses. This offer may be withdrawn or modified, in part or in whole, at any time without prior notice.

**1** “Prime rate” means the annual variable interest rate posted by National Bank from time to time, used by the Bank to determine the interest rates on the demand loans it grants in Canadian dollars in Canada. As a guideline, the prime rate equals 3.95% as at February 15, 2019.

**2** Monthly account statement. No management fees. The Personal Flex Line rate is established by the prime rate, plus a spread established by the client’s credit history. As a guideline, the applicable rate for a typical Personal Flex Line is comprised of the prime rate + 2.75%, which equals 6.70% as at February 15, 2019. Once an amount is borrowed from the line of credit, it accrues interest. Examples of credit fees calculated over a 30-day period at the applicable rate as at February 15, 2019:

	Average Balance	
	\$500	\$3,000
Typical Personal Flex Line	\$2.75	\$16.62
Prime rate (3.95%)	\$1.62	\$9.74

The typical Personal Flex Line is a faithful representation of all Personal Flex Lines of Credit offered by National Bank.

**3** Subject to credit approval by National Bank. Certain conditions apply. Grace period: No interest will be charged on purchases made during the month provided the client pays his balance in full within twenty-one (21) days of the date of the statement. This grace period does not apply to cash advances or balance transfers. Your minimum payment will correspond to 2.5% of your account balance plus any amount already due or \$10, whichever amount is higher. If your account balance is lower than \$10, you must pay the entire balance. If you exceed your credit limit, the amount of the minimum payment will be the highest of the following amounts: (a) 2.5% of the account balance or (b) the amount of the overlimit. Account statement: A statement is sent monthly. Examples of credit charges calculated for a period of thirty (30) days:

	Annual interest rate	Average balance
	\$500	\$3,000
19.99%	\$8.22	\$49.29
22.99%	\$9.45	\$56.69

<sup>TM</sup> NATIONAL BANK ALL-IN-ONE BANKING is a trademark of National Bank of Canada.

<sup>®</sup> MASTERCARD, WORLD MASTERCARD, PLATINUM MASTERCARD and WORLD ELITE MASTERCARD are registered trademarks of Mastercard International Inc. National Bank of Canada is an authorized user.

<sup>®</sup> PERSONAL FLEX LINE is a registered trademark of National Bank of Canada.

# MANAGING RISK: THE BASICS OF DISABILITY INSURANCE



**W**hat if you were unable to go to work tomorrow, how would you maintain your standard of living? How long would your savings last? What would happen to your retirement planning?

As a dental professional, your human capital is the greatest asset you possess and, therefore, it's extremely crucial to be pro-active and protect your income in the case of an unforeseen injury or illness. This is especially true for a

new dental graduate ready to embark on their career and earn a living. The income potential over one's career can be substantial; for example, earning \$150,000 annually for 30 years equates to \$4.5 million. For all dentists, it's important to be aware of the potential risks that may impact your ability to earn an income.

The chances of having a disability are higher than you may think. According to Statistics Canada,

approximately 13% of Canadians age 15 and older are reported being limited in their daily activities, and nearly one half (48.5%) of those reported described their disability as severe.

The financial consequences of being unable to work can be devastating. A disability can interrupt your paycheck and ultimately impact what you've worked so hard to achieve. Unfortunately, a claim may last for months, if not years, so



## RAJ LAKHANI

With a decade of experience in the financial services industry, Raj specializes and manages the estate planning and group benefit division for Tax Matters For Dentists. In support of the "Family Office" concept, Raj's integrity and expertise is evident in the concepts and plans he presents. He is dedicated in providing exemplary customer service to all TMFD clients.



**Male, 26, non-smoker**  
Monthly Benefit - **\$3,500**  
Additional Insurance Option - **\$15,500 (max.)**  
Benefit Period - **To Age 65**  
**\$67.48 per month** (15% new grad discount)\*



**Female, 26, non-smoker**  
Monthly Benefit - **\$3,500**  
Additional Insurance Option - **\$15,500 (max.)**  
Benefit Period - **To Age 65**  
**\$116.04 per month** (15% new grad discount)\*

\*Rates subject to change

it's imperative to supplement the loss in monthly income with some type of protection. Remember, most of us rely on our income to maintain our lifestyle, why would we put that at risk?

So, let's take action while you are healthy!

A disability insurance policy will provide a monthly cash payment to you if you are unable to work due to an unexpected illness or injury. It is designed to replace a portion of your lost income while you are recovering, and the benefits that you will receive are tax-free, if the premiums are paid personally.

### The New Grad Advantage

Several insurance companies have comprehensive disability products designed specifically for new graduates. They can offer up to a 15% premium discount and waive the financial underwriting. The premiums are "level", meaning the rates will not change for the duration of the policy, unlike other plans where the premiums are age-banded and the rates increase every 5 years.

Dental graduates also have access to all the benefits and options of a traditional disability plan. Certain features of the plan, such as the Return of Premium (ROP) option, where the applicant

### Important Definitions & Features:

- **Total Disability** - occurs when you are unable to perform the substantial duties of your regular occupation and are not working due to an injury or sickness.
- **Own Occupation** - Enhances the definition of Total Disability by removing the restriction that you must not be working.
- **Additional Insurance rider** - provides guaranteed insurability provided you are not disabled and income justifies the increase.
- **Return of Premium** - provides a partial refund of premiums paid, with little or no claims during a specified period (e.g. 50% refund after 8 years).
- **Grad Discount** - a permanent discount up to 15% for dental students and recent graduates.
- **Benefit Period** - the number of years benefit will be paid, up to age 65.

may receive 50% of premiums back after 8 years (with little to no claim), or the Additional Insurance (AIR) option, which increases the monthly benefit annually to ensure that the benefit keeps pace with income. These are just a few of the attractive features.

The cost of disability coverage varies and is based on age, gender, occupation, amount of coverage and health status. Let's take a closer look at typical examples for new graduates. Starting with an initial benefit of \$3,500 per month, these plans include the Additional Insurance option for \$15,500, and coverage continuing until age 65. The total premium can be a little

as \$67.48 per month for a male non-smoker, or \$116.04 per month for a female non-smoker.

### The Bottom Line

We recommend that all dentists have some type of disability coverage in place. The nature of the profession requires dentists to be physically active, always on their feet, working with their hands, crouched over patients, and therefore more prone to a disability. A personal disability policy will, at the very least, ease the financial burden and mitigate the risk.

For more information please contact Raj Lakhani at (905) 277-7915 or email [raj@tmfd.ca](mailto:raj@tmfd.ca)

# BUSINESS INTELLIGENCE & TMFD DASHBOARD ANALYSIS



At some point in a dentist's career, many practice owners will experience a sense that their business may not be performing as well as it could be. They may feel that production and new patient flow should be higher or that patient attrition is high. Unfortunately, it may be difficult to pinpoint the reason for the slowdown in practice growth.

This is where data can help.

Every dental practice uses practice management software to record processes such as the schedule, provider statistics, patient information, treatment and payment history, among others. Ideally, every operation of the practice is recorded in the software in some way.

The software generates data in the form of various metrics; overall production, production per provider, accounts receivable management, etc. This data provides clues to how well a practice is performing. The metrics by themselves may not provide the reason and solution to an issue, but can be an excellent indicator of where challenges exist. Identification is the first step in being able to address the issues.

More often than not, this data is not observed regularly and, even more rarely, tracked over time. This is where Business Intelligence (BI) can help.

Business Intelligence is a technology-driven process for analyzing data and presenting actionable information to help a practitioner make informed business decisions.

 <b>Key Opportunities</b>	
1. Hygiene Potential <small>(Potential increase in revenue, if hygiene downtime reduced to 10%)</small>	\$170,000
2. Lab Production: <small>(The increase in revenue if Lab production increases to 10%)</small>	\$220,000
3. Accounts Receivable: <small>(If only 15% of total AR value is over 90 days)</small>	\$30,000
<b>Key Opportunities</b>	<b>\$420,000</b>

BI encompasses a wide variety of tools, applications and methodologies that enable a practice to collect data from internal systems and external sources. This data is prepared for analysis, then queries are run to develop reports, dashboards, and data visualizations with the results. The technology includes software for designing charts and other infographics as well as tools for building BI dashboards and performance scorecards that display visualized data on business metrics and key performance indicators (KPIs) in an easy-to-grasp way.

### Why BI is important

The potential benefits of business intelligence tools within a dental office are vast and include improving decision-making, optimizing internal business processes, increasing operational efficiency, driving new revenues and gaining competitive advantages. BI systems can also help identify trends as well as issues that need to be addressed.

For example, the data may identify a need to increase hygiene services or a specific procedure during a specified period over recent years resulting in the hygiene department being at capacity. BI could support increasing hygiene supply for that duration to keep up with increased demand.

When practice data is aggregated, it gives dentists a chance to observe the metrics of various departments and to compare them to industry benchmarks. When combined, external and internal data can provide a complete picture, creating an "intelligence" that cannot be derived from any singular set of data. The combination of this intelligence and the KPIs provides the ability to accurately identify pain points within a practice, which may not have been possible previously.

### Challenges

The cost to setup and operate a BI component may be prohibitive to a dental practice. It involves a

significant amount of time to obtain and analyze all the necessary data. While many practice software programs offer some form of analysis, they often lack meaningful content and the user is limited to the output of that single source.

Certain data may also be entered incorrectly in the practice software. For example, many programs allow the user to enter default times that are set for the entire working week and is considered "in-chair time" for the provider; however, this may not take into consideration breaks in a schedule owing to no-shows, cancellations, team meetings, etc. This can cause the accuracy of certain metrics to be mis-represented, such as downtime or production-per-hour for providers.

### Dental Dashboard Reporting

A significant influx of new patients may not be required to significantly increase practice production. Modifications to current operations can lead to considerable improvements in revenue. At TMFD, we provide a *Dashboard Analysis* report that addresses these very metrics to identify opportunities which, with modification, can directly result in increased cashflow. This service pulls data from the practice software and financial statements to paint an overall picture of the health of the practice. We use BI principles to aggregate these numbers and compare them with benchmarks created from internal data gathered over time. This evaluation provides

actionable input about key areas in a practice that may deviate from the norm and is an opportunity for improvement.

Our team of dedicated practice management coaches can help to evaluate the core causes of deviations and offer implementable solutions. With extensive experience in the clinical, business and HR areas of dentistry, the team can deliver solutions efficiently and with minimal interruption to the overall working of the practice. Our coaches understand that every practice is different and there are various metrics that set them apart. Factors such as location, staff size, general patient demographics and services offered are taken into consideration to ensure that the appropriate solutions can be implemented effectively.

In conclusion, every practice owner should prioritize using data effectively as it will allow them to

work smarter, not harder. At TMFD Financial, we have been working with dental practice data for years. We have amassed a large dataset of metrics that help us accurately identify the challenges and opportunities within a practice. Our experienced and proven team of coaches will formulate and help implement solutions to improve the bottom line.

To schedule an assessment with our Coaching team and an initial *Dashboard Analysis*, please contact us at (844) 311-8633, by email at [info@tmfd.ca](mailto:info@tmfd.ca) or visit [www.tmfd.ca](http://www.tmfd.ca). Allow us to help your practice grow.



**VARUN KORGAONKAR,**  
Varun joined TMFD Financial as a User-Centered Design

engineer, and is mainly responsible for designing the Business Intelligence infrastructure for improved client interfacing.



## LEADERS IN PRACTICE

**Congratulations** to Meghan Savoie, a member of our TMFD Practice Coaching team, who won the Leaders In Practice award in the category of Dental Hygienist.

Please refer to Oral Health April 2019 page 52 to learn more about Meghan's accomplishments, or reach out to her at [meghan@tmfd.ca](mailto:meghan@tmfd.ca)

# **TMFD** **Financial**

Helping dentists  
build wealth

Accounting\* | Planning | Coaching

Tax\* and Financial Planning  
Incorporation and Practice Transition  
Practice Management  
Payroll and Accounting\*  
Insurance Planning  
Retirement Planning  
Wealth Management  
Estate Planning

For over 30 years, TMFD Financial has been providing dentists and dental specialists with complete tax\* and financial solutions. We work with new graduates, associates, established dentists and dentists transitioning or in retirement.

We are proud to be leaders in the industry, but our client's satisfaction is our truest measure of success. To all of our clients,

**“THANK YOU FOR PLACING YOUR TRUST IN US.”**

\*All tax and accounting services provided by TMFD Professional Corporation, Chartered Professional Accountants

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**Dr. Michael Luciani, DDS & Dr. Amanika Luciani, DDS** (Mississauga)



Since 2007, the team at TMFD, have helped us to establish and care for the needs of our dental practices, and rapidly expanding family. They have supported us with an “all in one” approach. They have provided accounting & tax matters, corporate and private insurance, estate planning, retirement and education savings. It is re-assuring to us to have a team of friends looking out for our family and practice needs.

**Visit the TMFD Financial Team at Booth 1724**

**ASM19**  
Annual Spring Meeting

**May 9 - 11, 2019**

Metro Toronto Convention Centre, South Building

**Ontario Dental**  
ASSOCIATION

Book your complimentary consultation today | [www.tmfid.ca](http://www.tmfid.ca) | [info@tmfid.ca](mailto:info@tmfid.ca) | (844) 311-8633