

Practice Continuation Program

A member support initiative

Autumn, 2004



**Nova Scotia
Dental
Association**

PRACTICE CONTINUATION PROGRAM

INTRODUCTION

Occasionally, members or their families experience an event that dramatically impacts a members practice. These events include illness or injury and more often than we care to think about, death. When these events occur the impact on the practice is often significant. Loss of patients, loss of income, and loss of practice value may well occur unless there is intervention. Friends and colleagues want to help but don't know what to do. The best way to intervene is to prepare for the possibilities before they occur. We now have a service to assist.

The NSDA's Professional Development and Assistance Committee with the assistance of a group of members in the Annapolis Valley and a group of N.S. orthodontists, has prepared a framework agreement for members wishing to set up a support group to prepare for that future intervention.

The information which follows this introduction is:

- a letter from Dr. Peter Jackson, Chair of the Professional Development and Assistance Committee discussing the benefits of this program from a very personal level.*
- a copy of a sample agreement for modification and use.*
- a description of a step by step process a group might use to establish their own intervention group.*

With reference to the sample agreement, it must be understood this sample is to be used as a template for guidance to a group wishing to set up their own self-help network. The group should modify the sample agreement to meet their own particular needs and circumstances. We must point out that use of the sample agreement either in whole or in part is at the risk of the group entering into an agreement with the NSDA being held harmless.

Each and every member is encouraged to discuss this matter with like minded colleagues. Consider establishing an intervention group for the benefit of yourself, your family and your colleagues.

The NSDA thanks the Professional Development and Assistance Committee, the Pallbearers Study Club and the NS orthodontic group who have made this program possible.

PRACTICE CONTINUATION PROGRAM

A Personal Overview by

Dr. Peter Jackson, Chair

Professional Development and Assistance Committee

Dear Colleague:

The need for catastrophic coverage for general dentists became a reality some years ago when a colleague in the Annapolis Valley was diagnosed with a form of bone cancer. A specialist in the Valley, who had an agreement within his specialty for coverage of patients, presented the idea; phone calls were made, and soon five general dentists were working sacrificially in the office of the affected dentist. These six dentists were asked to serve as pallbearers at the death of their colleague. In his memory, get-togethers occurred each fall around the anniversary of his death. Then, the group decided to form a study club, appropriately named the Pallbearers Dental Study Club.

After meeting regularly over the years, discussion finally focused on the general dentists providing a mechanism to cover themselves and their families if misfortune such as sickness, disability or death did occur. Following much input by all members, the agreement presented here was finally adopted. The Pallbearers Dental Society Club established guidelines that the members wished to follow, and one should not assume that the same details will work for everyone in every situation.

Now I know that some will say that this is not something they will ever need. Being a member of the Pallbearers Dental Study Club and involved in the development of the catastrophic coverage, not only for the study club, but also for the Professional Development and Assistance Committee, not once did I think I would be the beneficiary of such coverage in my own practice.

Knowing the huge response I received from my colleagues during my wife's illness, some said to me that coverage like that could only occur in the Annapolis Valley, since we are perceived as a close-knit group of dentists.

My response is, "we as the NSDA are fortunate to have excellent members throughout the province, and this can work anywhere; it only takes one person to take the initiative".

There are many things in life that we cannot control, but we can be prepared for certain situations, especially if a catastrophe were to happen. The Professional Development and Assistance Committee is not under the illusion that agreements such as the one presented are going to be adopted from one end of the province to the other tomorrow, but as a committee, we all are convinced that this is the right thing to do for a colleague if the need arises.

Please read the agreement, give it some thought, and discuss it with your colleagues. If we as individual members of the NSDA aren't willing to look out for each other and our profession, then who else is going to be prepared?

Peter Jackson, Chairperson

Professional Development and Assistance Committee

NSDA PRACTICE CONTINUATION PROGRAM

Philosophy

The undersigned feel bound to this agreement by their moral and ethical responsibilities as dental professionals. They will carry out the agreement to the best of their abilities.

Purpose

The purpose of this program is to provide dental practice continuation in order to protect a member and his/her family should a member of the agreement become disabled or deceased by operating and maintaining the affected practice for an extended length of time. The agreement allows staff and patients of the disabled or deceased member to remain in place to maintain the value of the practice until the recovery of the affected member or the eventual sale of the practice. All participants in this agreement will freely give of their time, professional skills and advice for the benefit of the member-in-need, knowing how appreciative we each would be if the misfortune fell upon us and the situation were reversed.

Criteria

In order to facilitate the application of this agreement, a number of mutually agreed upon decisions formulate the framework.

All members agree that:

1. **Activation** - this agreement becomes activated as soon as possible, following notice to the Group Co-ordinator, when the leave from the practice is anticipated to be longer than one month. If required, each member of this agreement is to provide up to one day a week dedicated to the affected member's practice.
2. **Voting** - decisions requiring a vote will be decided by a majority of the signed members and, if required, by secret ballot. An affected member need not cast a vote. If there is an even number of voting members, the Group Coordinator (see below) will have two votes.

New members can be added to this agreement by majority vote.

3. **Member Requirements: Insurance & Licensure** - each member should have disability insurance with no longer than a 90 day elimination period. In addition, each member must have adequate malpractice and public liability insurance.

A member ceases to be a party to this agreement if they lose their license to practice dentistry in Nova Scotia.

4. **Withdrawal and Termination** - members can withdraw from this agreement with 90 days written notice submitted to the Group co-ordinator unless the agreement becomes activated during this 90 day period.

The agreement may be terminated, 6 months after the decision to do so, by a majority vote providing the agreement has not already been activated.

5. **Group Coordinator** - on a rotating basis, each member will serve as co-ordinator for a calendar year and will activate the agreement only if necessary in the event of a member's incapacity. If the co-ordinator is the affected member, the next member on the rotation assumes the role.

The co-ordinator is responsible to work with the affected member's and/or spouse's accountant and lawyer. The co-ordinator can delegate duties to the other members of the agreement but, in general, will oversee the management of the practice.

The co-ordinator is responsible for the work schedule of the members of this agreement. He/she will open a trust account if required, oversee the payment of expenses, disburse the net income and assist the affected member's accountant to prepare a complete financial statement upon the completion of the practice period.

6. **Administration and Income** - The affected practice will be carried on, insofar as it is practical, in the manner of the affected dentist. The participating members will work for a three-month segment. Participation will be reviewed on a monthly basis thereafter. New patients may be welcome. Ongoing treatments, as practical, will be completed. Elective procedures (crowns, full and partial dentures, etc.) may be postponed. A locum can be hired with a majority vote of the members. All members will have access to staff, equipment, supplies, patient records and financial information.

If the affected member can work part time or if the affected practice has an associate/partner, the decision on how the agreement will apply will be made by majority vote.

During the first 90 days after a disability, any net income earned during this time is paid to the affected dentist. After 90 days, the net profits are divided amongst the working members on a pro-rated basis according to the hours the members worked chairside. Practice expenses are to be paid first.

After the first 90 days, in the event of the death of the affected member, the net profits thereafter are divided amongst the working dentists on a pro-rated basis as long as they continue to work the affected practice.

If the affected practice is to be sold, it is to be offered in the open marketplace.
All decisions regarding the sale of the practice are the responsibility of the
Estate.

Group Participants
Signed and agreed by:

Dated:

PRACTICE CONTINUATION PROGRAM Implementation Steps

- 1] Decide to create a practice continuation group
 - should include enough members to provide coverage without overly taxing any one participant (5-7 is recommended)
- 2] Contact colleagues you think may have an interest.
- 3] Arrange a meeting of interested members and gain commitment.
- 4] Appoint a group leader.
- 5] Review the sample agreement
 - amend the sample agreement based on the specific needs of the group.
- 6] Finalize and sign the agreement
- 7] Appoint the first coordinator
- 8] Prepare a roster of rotational coordinators
- 9] Communicate collectively at least semi-annually to ensure continuing commitment of the members of the group and to ensure the details of the agreement continue to reflect the needs of the group.