



Variations of disability insurance and riders



Mara Roberts, President, AIC, ARM, CLU
WDA Insurance & Services Corp.
mroberts@profinsprog.com

Most dentists are familiar with and recognize the importance of individual disability insurance, especially when they are starting their careers. Typically, once coverage is in place, the policy is filed away and forgotten about. As their career progresses, often their coverage versus their exposure widens. If they own a practice, many times there is either no coverage or limited coverage in place to ensure the practice remains viable and, if necessary, marketable if the dentist is permanently disabled.

As the service provider, you are integral to the ongoing operations of your business. If you became too sick or injured to work, you could be unable to provide the essential services your patients



“As the service provider, you are integral to the ongoing operations of your business. If you became too sick or injured to work, you could be unable to provide the essential services your patients expect and the leadership your employees need.”

expect and the leadership your employees need. Despite your absence and potential loss of income, your business expenses and operation costs would continue to accumulate. Overhead Expense disability insurance can help with everyday business expenses.

Preserving the continuity and value of your practice and retaining your patients are important, whether you eventually return to work or find that you need to sell your practice. With Overhead Expense, you are reimbursed for all of the customary expenses that you pay in order to maintain the continued operation of your practice.


- **Business Location Expenses:** Expenses typically associated with maintaining your practice's building. This can include property taxes, rent, utilities, janitorial and maintenance fees, etc.
- **Employee Payroll Expenses:** Salaries or employer-paid benefits. Ensure your dental team can continue working without disruption.
- **Business Equipment Expenses:** The recurring payments for your business equipment. This can include motor vehicles, fixtures, furniture, etc. As long as you have no personal ownership in the item, the equipment used in the continued operation of your practice is covered.
- **Other Business Expenses:** Additional expenses such as your liability, malpractice, or other business insurance premiums, association dues, licensing fees, legal and accounting, fees, etc. These, too, will be covered should you become unable to work due to disability.

Many dentists take on loans to purchase equipment, expand their practice, or even to cover a guaranteed salary contract for an associate. Just like your business expenses, your business loans can also prove challenging if you find yourself unable to work due to illness or



injury. As part of the overhead expense policy, you can cover your fixed-term business loans so you don't have to worry in the event you can't work due to disability. This feature is term-based, allowing it to match the life of the loan. When the term is up and the business loan protection is no longer necessary, it will automatically be taken off the policy so you no longer have to pay for it.

As a service provider, a disability would greatly impact the services your practice could provide. With the "Professional Replacement Benefit Rider," additional funding is provided to help hire a replacement to keep your practice running smoothly.

Lastly, it's important that your policy keeps up as your practice and its expenses continue to grow, in order to give you and your practice the necessary protection. With the "Future Increase Option Rider," each year you'll have an opportunity to consider an increase in your Overhead Expense coverage, depending on the amount remaining in the rider. Assess your monthly business expenses, then compare the cost of an Overhead Expense policy versus the cost to your practice or personal savings if you had to continue paying business expenses if you were disabled. 

Insurance Advisor Jake Rehm is available to answer your questions and customize a plan that meets your needs. Contact Jake at jrehm@profinsprog.com or 414-755-4175.