

# The DENTAL Connection

*"Bridging Dentistry & Insurance"*

A publication of the Walsh Dental Insurance Center at Walsh Duffield Companies, Inc. – Insurance since 1860.

Winter 2014

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## Save the Date March 20<sup>th</sup>

### Fortress Insurance Risk Management Seminar

Learn how to reduce your liability exposure with the latest risk management techniques.

Creekside Banquet Facility  
2669 Union Rd.,  
Cheektowaga

Registration: 5:30 P.M.  
Dinner Seminar: 6 P.M.

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Contact  
Karli Breitenbach at  
kbreitenbach@walshin.com

## Celebrating 40 Years of Serving Area Dentists

The idea of creating an entity dedicated to serving the insurance needs of Eighth District dentists came about in 1974. That's when Richard W. Michaels (Dick), managing partner at the Jacob Hauck Agency, and partner Tom Feidt, saw an opportunity to offer better plans and local service to dental clients.

At the time, they worked with the Erie County Dental Society, a component of the Eighth District Dental Society, to provide disability insurance. But the pair realized they could go beyond disability and provide dentists with a discounted group rate on professional liability insurance, as well.

They developed a plan to do just that and pitched it to the Eighth District Dental Society. Dick and Tom were awarded the business and eventually even earned an exclusive endorsement for all lines of insurance offered through the society.

### The First of Its Kind

Soon after the Jacob Hauck Agency began marketing the new coverage, requests from dentists poured in. "It was an exciting, but hectic time," remembered Tom. In fact, to meet demand, all five Jacob Hauck Agency partners had to call on dentists to gather enough details for proposals.

Back then, no other dental society in New York State offered such a program. Dick and Tom were true pioneers in developing an insurance program exclusively designed for dental clients.

Over the next 30 years, the agency's dental business grew tremendously. There was so much growth, in fact, that in 2002 the last remaining partners — Tom and Bob Sauda — made the decision to join Walsh Duffield to enhance the risk management services offered to their expanding client base.

"We've known the Walsh family forever and felt their 'client first' philosophy was a great fit for us," said Tom.

Today, what was once the dental program at the Jacob Hauck Agency has transformed into the Dental Insurance Center at Walsh Duffield. While the name has changed, the commitment made back in 1974 remains the same: to offer an exclusive program of comprehensive plans, discounted rates unavailable through other agents, and an unparalleled level of service.

"That is what made our program so successful in the past," said Tom, "and that's what makes it so successful today."

## Meet the Dental Insurance Center Team

### Sales & Service



**Robert E. Sauda, CPCU**  
*President*



**Christine M. Garvelli**  
*Vice President*



**Thomas J. Feidt, CPCU, ARM**  
*Chairman*

### Service Team Members



**Michelle Mack**  
*Account Executive*



**Jillian R. Sauda-Matychak**  
*Assistant Account Executive*

### Health Insurance



**Victoria Weise**  
*Group Benefits Consultant*



**Nicholas Siradas**  
*Account Executive*

### Individual & Group Benefits



**Richard Godshaw**  
*Life, Disability & Long-Term  
Care Insurance*

### Claims



**Charmaine A. Derenda**  
*Commercial Claims Manager*



**Mary Bradley**  
*Personal Claims Manager*

## Tom's Corner



### Do Retiring Dentists Need Tail Coverage?

I receive many inquiries from dentists who are about to retire asking

whether they need "tail coverage."

Fortress Insurance Company offers this coverage at no charge as long as a dentist has been insured by Fortress for five consecutive years. Retirement from the practice of dentistry can occur at any age.

This coverage permits a dentist to continue to report claims and be defended by Fortress with no time limit as long as the patient was treated after a policy's retroactive date. Claim payment amounts will be subtracted from the policy liability limit. I recommend that dentists consider increasing their limits a few years prior to retirement.

To secure tail coverage, simply submit a written request to Walsh Duffield with the last date a patient was treated. If tail coverage is issued on a date other than the policy anniversary date, a pro rata premium refund will be given.

## New Insurance Coverage Available for Dentists

In the next few months, your Office Package Policy will be renewing. We wanted to take this opportunity to inform you of two new coverages that are available.

### Employment Practices Liability:

Provides coverage for damages and defense costs due to claims brought by employees who allege employment decimation, wrongful termination or sexual harassment.

### Data Breach/Cyber Liability:

Provides coverage for expenses incurred by practices that suffer a loss of a patient's personal data. Typical expenses include the costs associated to notify victims, costs for monitoring services provided to victims, public relations expenses and costs for legal advice.

The above coverage can only be added at renewal. For more information, call Bob Sauda at 716.362.2422 or Christine Garvelli at 716.362.7363, or email at [rsauda@walshins.com](mailto:rsauda@walshins.com) or [cgarvelli@walshins.com](mailto:cgarvelli@walshins.com).



## Under Our Care: Entity Coverage for Your Dental Practice

Walsh Duffield offers individual and entity coverage options for dentists and dental practices. Under an individual policy, coverage is provided for the dentist and employees, such as dental assistants. Under this coverage, employees share the limits of liability with the dentist.

### TYPES OF ENTITIES COVERED

Entity coverage is available to protect partnerships, corporations and limited liability corporations (LLCs). If the entity is a sole shareholder corporation — meaning only one dentist owns it — coverage can be applied on a shared limits basis.

Under this scenario, no additional policy is issued, no additional limits are provided and no additional premium charge is made. The coverage is provided via policy language either in the individual policy, or by endorsement, depending on the state. If separate limits are desired for the sole shareholder corporation, an entity policy may be purchased.

### WHY ENTITY INSURANCE?

A dental practice, whether or not it is established as a sole shareholder or multi-shareholder corporation, may want to consider the purchase of an entity policy, which provides broader coverage and separate limits of liability for the corporation. The cost of an entity policy is based on the number of dentist affiliates.

Under an entity policy, coverage is provided for the entity and its employees. Coverage is also provided for the entity's vicarious liability resulting from the acts or omissions of the dentist affiliates working on behalf of the entity.

It is recommended that the entity and dentist affiliates maintain equal limits to avoid one from becoming a "deep pocket" for the other in a claim or suit. Entity policies cannot be issued with limits greater than that of the dentists who practice for the entity.

The type and amount of coverage maintained is a personal choice, and one that must be made with careful consideration of the practice's activities and each individual's risk appetite. It is important to choose limits that will reflect these key points. Coverage and limits referenced in this article may vary slightly by state.

*If you have any questions about **Entity Coverage** for your dental practice, please contact Christine Garvelli at 716.362.7363 or [cgarvelli@walshins.com](mailto:cgarvelli@walshins.com).*

*Source: Fortress Insurance Company*



# Know Your Choices Under Healthcare Reform

Navigating the ins and outs of the new healthcare reform law can be confusing. But to make informed choices, you need to understand how the law impacts your dental practice and the group coverage you offer employees.

If you employ less than 50 full-time people, you now have four different paths to consider:

### #1: Continue Coverage from Your Carrier

If you currently buy your small business health insurance directly from one of our local carriers (BlueCross BlueShield, Health Republic, Independent Health, or Univera Health), you can continue to purchase benefits from them. Through this option, you can still access multiple products, including medical, dental, life, and disability.

### #2: Shop a Private Exchange

Through Walsh Duffield, you can access the Liazon Bright Choices Private Exchange, which enables you to offer employees an array of benefit options, while giving you more control over your bottom line.

Simply decide on a set dollar amount to give to employees. They then select coverage from one of three carriers (BlueCross BlueShield, Independent Health, or Univera Health) that suits their personal

needs. They can also purchase ancillary products, such as dental and vision coverage. There is a per member monthly fee to join the exchange.

### #3: Shop the Public Exchange

The New York State of Health is New York's new online marketplace for health insurance. There, you can create an account, choose plans from carriers (Independent Health, Univera or Health Republic) and decide what you're going to contribute to healthcare coverage for your employees. You can also determine whether you are eligible for a small business tax credit.

### #4: Offer No Insurance

As a small employer, you are not required to offer health insurance. However, your employees are required to carry coverage. To learn more, they can visit [www.nystateofhealth.ny.gov](http://www.nystateofhealth.ny.gov) or call 855.355.5777.

If you have questions, don't hesitate to contact us. The Walsh Choice Business Center is here to help you make the best decision for your practice and your employees.

Contact Nicholas Siradas at 716.362.7334 or [nsiradas@walshins.com](mailto:nsiradas@walshins.com), or visit us online at [www.walshins.com/ChoiceBusinessCenter](http://www.walshins.com/ChoiceBusinessCenter).

## Inside Walsh Duffield: New Hires



**Courtney Moskal** was recently hired as a Wellness Coordinator. In this new position, she will be working with the agency's group benefits clients to develop and implement

wellness programs within their companies. Previously, she was a supervisor in the Health Promotion department at BlueCross BlueShield of Western New York.

Courtney is a registered dietitian and holds a Master's degree in nutrition from James Madison University and a Bachelor's degree in business from the University of Richmond. She is also a member of the Western New York Dietetic Association, serving on the association's nominating committee.



**Nick Siradas** also joined the Group Benefits Division as the newest Account Executive. With extensive knowledge and training on private exchanges and healthcare reform, he will

be responsible for servicing employer groups under 50 and advising clients on both the public and private exchanges.

Nick is a graduate of Buffalo State College and previously worked for Lawley Insurance and BlueCross BlueShield of Western New York.

## In the Community



### Ted Walsh Receives Red Jacket Award

President and COO Ted Walsh was recently honored with the Red Jacket Award from The Buffalo History Museum at the organization's annual awards dinner in September. The award, which is the museum's highest honor, is presented in recognition of an individual's outstanding achievement and community involvement.

An active volunteer for more than 36 years, Ted has held board positions with over 30 health and human service organizations. Currently, he serves as Treasurer of the John R. Oishei Foundation, Chairperson of the Josephine Goodyear Foundation, and Secretary of the Children's Foundation of Erie County.

"Part of what I love about this award is that I'm such a fan of history, especially Buffalo's history," said Ted. "For me, it's an honor to be recognized by an organization that not only treasures our history, but also makes it readily available."



### Victoria Weise Honored With 30 Under Thirty Award

Victoria Weise, Group Benefits Account Executive, was honored with a Buffalo Business First 30 Under Thirty Award in August. Winners are those young leaders who are in the early stages of their careers and achieving at high levels at work and in the community.

A graduate of SUNY New Paltz, Victoria has been with Walsh Duffield for six years. She also serves as Vice President of the Kenmore West Alumni Foundation and is involved with the Buffalo Niagara Human Resource Association, Schofield Residence, Hospice Buffalo and YMCA Turkey Trot.

"I was once told that Buffalo is one big room and it's true," Victoria said. "Being honored with this award allows all of us the opportunity to meet more people in the 'room' and learn about what they are doing to make our area a better place to work and live."





*“We work hard to make certain our dental clients are properly insured. We look at all aspects of what could happen, and then focus our efforts on safeguarding those areas of exposure.”*

### Employee Profile:

## Meet Christine Garvelli

Chris brings more than 25 years of experience in the insurance industry to her role at Walsh Duffield. In 2005, she began working at the agency as an Account Executive in the Personal Lines division. She then became the Personal Lines Operations Manager before being promoted to Vice President in our Dental Insurance Center. Today, she is responsible for management and marketing of the dental program, as well as renewal reviews with dentists.

Chris’ strength lies in the fact that she always focuses on the details and making certain clients are properly serviced. “We would not be where we are today without our clients,” she added. She also concentrates her efforts on ensuring that staff within the Dental Insurance Center work together collaboratively to support organized dentistry and provide coverage that enhances membership benefits.

In her spare time, Chris is busy serving on the boards of both Child and Family Services and the Independent Insurance Association of Western New York.

Dental Insurance Center  
Walsh Duffield Companies, Inc.  
801 Main Street  
Buffalo, NY 14203



## Tips

### Containing Workers Compensation Costs

- **Develop a Workers Compensation policy.**

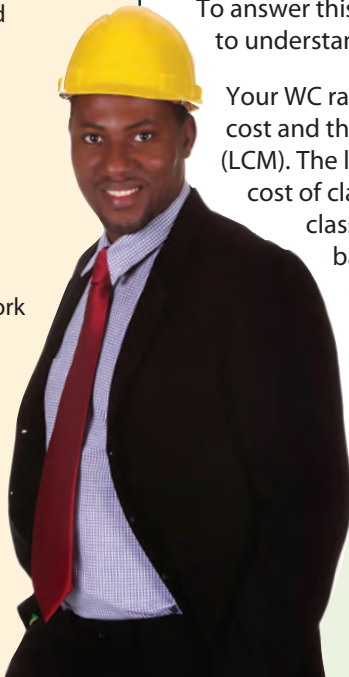
A standard policy will spell out the responsibilities of employees and supervisors in case of injuries on the job.

- **Provide education & safety programs.** A safe workplace will result in fewer claims and reduce the probability of a serious claim.

- **Investigate claims thoroughly.** A prompt incident report and thorough investigation will establish facts early, reducing fraud and delays. An early medical strategy can save money and return employees to work sooner.

- **Monitor each case.** Keep in touch with the injured employee after the claim is filed and benefits begin.

- **Develop a return-to-work program.** Your most important duty in the Workers Compensation system may begin when the doctor releases your employee to return to work with physical restrictions or modifications. Before the employee returns back to work, make sure expectations of both the employer and the injured employee are clearly outlined.



## Why Your Workers Compensation Rates Just Went Up

In July 2013, legislation was approved in New York State increasing Workers Compensation (WC) rates by 9.5% for 85% of the 570 WC classifications. Rate increases went into effect on October 1, 2013.

If your company is one of the many impacted, why were rates increased?

To answer this question, you first need to understand how rates are set.

Your WC rate has two parts: the loss cost and the loss cost multiplier (LCM). The loss cost is the actual cost of claims in your specific classification; the LCM is based on the carrier's own operating expenses.

The New York Compensation Insurance Rating Board (NYCIRB) is responsible for setting

rates. It does so by gathering payroll and claims data from all New York State insurance carriers.

The recent increase is based on the past few years' of loss experience, which includes both rising medical expenses and wage benefits. For instance, the 2007 Workers Compensation Act increased the maximum weekly wage benefit; it was once again increased in 2013. Likewise, healthcare costs and premiums are on an upward trend, impacting the cost of claims.

### The good news?

The NYCIRB originally sought a 16.9% hike, which was the overall projected cost increase for covering WC claims in the coming year. After revising assumptions, the state ultimately approved the 9.5% lost cost increase.

*If you have questions about your **Workers Compensation** rates, please contact Michelle Mack at 716-362-7359 or [mmack@walshins.com](mailto:mmack@walshins.com).*



## Advice for Completing Your Hanover Workers Compensation Audit Worksheet

Hanover will be mailing their audit worksheet sometime in late January. It is important that the worksheet be completed in a timely fashion so the 2013 policy year can be finalized.

If the form is not returned, Hanover will use an "estimated payroll," which most likely will not be in your favor.

Not all sections need to be completed. Walsh Duffield was able to negotiate a streamlined process for member dentists of our group.

### Please follow the instructions below to complete your Workers Compensation audit worksheet:

<input checked="" type="checkbox"/>	<b>DESCRIPTION OF YOUR OPERATIONS:</b> Answer "dental office."
<input checked="" type="checkbox"/>	<b>NAMES OF EXECUTIVE OFFICERS, PARTNERS, PROPRIETORS OR MEMBERS:</b> Fully complete.
<input checked="" type="checkbox"/>	<b>PREMIUM BASIS PAYROLL &amp; VERIFICATION:</b> Enter total gross payroll and overtime for all your employees. You do not have to list each employee by name.
<input checked="" type="checkbox"/>	<b>FOR VERIFICATION PURPOSES:</b> Skip this section – Form 941 information is not required.
<input checked="" type="checkbox"/>	<b>AVERAGE NUMBER OF EMPLOYEES:</b> Please answer.
<input checked="" type="checkbox"/>	<b>THE REMAINING QUESTIONS:</b> can be left blank.
<input checked="" type="checkbox"/>	<b>SIGN, DATE AND RETURN:</b> to the Hanover Audit Department.
<input checked="" type="checkbox"/>	<b>IF YOU HAVE QUESTIONS, PLEASE CONTACT:</b> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p><b>Michelle Mack</b> Account Executive 716.362.7359 mmack@walshins.com</p> </div> <div style="width: 45%;"> <p><b>Jillian Sauda-Matychak</b> Assistant Account Executive 716.362.7350 jmatychak@walshins.com</p> </div> </div>