

Protecting against the unknown

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Dr Ray Walley

MEDICAL PRACTITIONERS know all about the devastation serious illness can bring. The impact is not only limited to the deterioration of a person's health, but infiltrates every aspect of their lives, including their livelihood. The need to take protracted time off work in order to receive treatment or recover can cause significant financial hardship for a person and their families. Doctors themselves are not immune from this risk.

The subject of doctors' health is topical. An international physicians health conference was recently held in the National Convention Centre. Plans to formalise the Sick Doctor Scheme, through collaboration with the Medical Council through the formation of the Practitioner Health Matters Programme are at an advanced stage. The Programme, once established, will provide an important support from doctors who require medical services, especially for addiction and mental health issues. The Sick Doctors Scheme, as well as the Royal Medical Benevolent Fund of Ireland, both of which have charitable status, provide support in extreme cases where doctors are under a lot of financial pressure as a result of illness.

“The general issues would be that doctors who get into difficulties with significant health problems often have financial problems as well because they neglect or ignore to maintain payments for different things or their income protection payments or their Vhi or other payments like that,” Dr Ide Delargy, Chair of the Sick Doctor Scheme, told *IMN*.

“Often when they present they have financial difficulties as well. That obviously has implications both for accessing healthcare, but also for maintaining their personal and family requirements and consequently that can place significant additional stresses on the individual who is trying to get well again and to recover. So that becomes a bit of a vicious circle. Now certainly the Sick Doctor Scheme and the Medical Benevolent Fund are both set up as charitable trusts and would provide financial support for doctors who would get into distress. It can provide financial health to support medical interventions and healthcare, or it can provide funding to support themselves and their families through the financial crisis. So it can be used either way or both, and we have had occasions to release funds for both of those situations. And just as recently as today we gave out support to a doctor who was in severe financial distress. That was contributing significantly to the doctors ability to recover because there were additional anxieties and pressures being placed on him.”

Discussions are currently taking place between the Sick Doctor Scheme and the Medical Benevolent Fund for the fund to act as the financial support wing of the Practitioner Health Matters Programme.

“But obviously as part of the programme we are going to have financial advice support, so as part of their recovery the doctor would have available to them financial advice,” Dr Delargy



Dr Ide Delargy

added.

She said that many doctors run into difficulty when their statutory sick leave entitlements run out, and stressed the importance of doctors having an income protection plan.

HSE employees currently receive six months full pay followed by six months half pay. After this 12-month period, the doctor is due nothing. Furthermore, *IMN* understands that the HSE has plans to reduce this from three months full pay followed by three months half pay from January 2014.

If a GP has the required minimum amount of GMS patients on their books, they receive a weekly allowance from the HSE subject to similar lengths of payments to the HSE sick pay benefits.

GPs with panels of between 100 and 700 receive the equivalent of full capitation earnings as locum allowance for six months, and then receive half the equivalent of locum allowance for a further six months. Those with panels of more than 700 receive a full locum allowance for six months and then a half locum allowance for the next six months.

These figures are in addition to standard capitation and allowances.

Self-employed people, whether GP or consultant will receive nothing in the event of illness. Income protection, therefore, is very important to provide people with financial cover if they become seriously ill.

It provides a person with a replacement income if they cannot work as a result of an illness or injury after a certain period of time.

Typically, income protection can cover up to 75 per cent of a person's salary as to cover any more would take away the incentive to return to work.

But to be insured provides reassurance and peace of mind for a person and their family that they can avoid financial difficulty should an illness occur.

Insurance protection is offered by a number of insurers in Ireland, and there are a range of different options. A person must choose after how long they would like the policy to begin paying them a benefit. The choices are four

weeks, eight weeks, 13 weeks, 26 weeks and 52 weeks, which are known as deferred periods. This is the length of time between when you are first unable to do your job and when the benefit becomes payable.

The longer the deferred period, the lower the monthly premium.

Also, a person must choose how long they would like the policy to pay them for. Usually, this is up their chosen retirement age. The longer a person are on cover for and the longer their policy pays them, the higher the monthly premiums.

The premiums that a person pays towards their income protection plan qualify for tax relief at the marginal rate, which is currently 41 per cent.

Echoing Dr Delargy, Head of the IMO GP Committee Dr Ray Walley said that income protection is crucial. Unfortunately, he said, many doctors do not discover its importance until it is “too late”. Dr Walley also explained that because of the financial pressures that many GPs are under as a result of cuts over the last number of years, they may not prioritise income protection, which he said is a mistake.

“I think GPs are no different than the greater populace in the fact that we are very bad at financial matters. I'm afraid you only realise it when you get sick,” Dr Walley said.

“And I think reviewing these things on a regular basis is very important. There is a lot of financial companies out there. Most of these consultations are free, and people should have these done on an annual basis, having a health check in regard to their finances to ensure that they have appropriate support in place. They have to ensure that not only can they look after themselves but they have to ensure that they are acquitting their responsibilities as an employer to make sure that they are still financially and economically viable. A study done by the IMO done about a year ago that indicated that GPs were working two to three hours longer per day, they were taking less holidays, they were finding they were getting more simple ailments and that they were essentially working with sickness. Over time, I'm afraid, that is going to lead to those people getting sick. It's only then when many people are going to realise what degree of insurance cover they have in place.”

Mr Brian Whelan from MedProtect stressed that income protection plans were affordable if properly structured.

“A well-structured income protection plan, following a consultation with a qualified advisor, will always ensure that the person being covered is committing only to premiums that they can continue to meet with rather than looking to cover everything for as long as possible, as is often the case,” Mr Whelan said.

“Too many people look for the maximum cover available after a friend or colleague has suffered financial hardship following an illness. A happy medium is possible. This approach will make sure that the policy is there to help them should they need it, rather than crippling them financially every month.” ■