

# Artificial Intelligence

What does AI mean for you as a Medical Practitioner  
and how can you use it to your advantage?

NOVEMBER 2017



Welcome to our November edition of Financial Paracetamol and our final release for 2017!

In this issue, we have focused heavily on Artificial intelligence (AI) and its impact on the medical industry.

AI is taking the world by storm and will only continue to develop over the coming years, allowing you to focus more on tasks such as patient diagnosis, treatment and experience.

The most recent Federal Budget update has brought about many legislative changes to superannuation. Now is a great time to revisit your strategies to ensure you are getting the most out of your SMSF before the 2019 Financial Year.

With the end of calendar year fast approaching, there are a number of key dates to keep in mind over the Christmas/ New Year period:

- Dec payroll 7th Dec
- Jan 2018 IAS due
- Feb 2018 Dec Qtr BAS
- March 31st End of FBT year

On behalf of myself and the Cutcher & Neale team, we wish you all a safe and happy holiday season!

**Jarrod Bramble**  
PARTNER

## Automation is undoubtedly the way of the future.

With continual scientific developments and a population heavily reliant on technology, it is already streamlining workplace processes and influencing our daily lives.

### So, what is Artificial Intelligence?

Artificial Intelligence (AI) is a computer system designed to complete tasks that humans need intelligence to perform.

Unlike humans, AI does not sleep or make the same mistake twice and can access an extensive range of digital data in seconds.

AI may only just be coming to the forefront now with the release of smart home devices such as Google Home and Chromecast, however it is highly likely you've been using it for some time without even realising - think smartphones (Siri or Alexa), satellite navigation or voice recognition.

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**"It's not so much about what jobs will we do, but how will we do our jobs... Everyone will do their job differently, working with machines over the next 20 years."** - *Andrew Charlton, Economist and Leader of the AlphaBeta team*

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According to data research house AlphaBeta, 21% of a Medical Practitioners role is susceptible to automation, including tasks such as:

- Acquiring patient details
- Collecting medical information
- Researching medical issues
- Monitoring patient progress and condition during treatments
- Recording patient data and medical history
- Preparing medical documents and records

That means the other 79% of a Medical Practitioners role is less likely to be affected by automation, including tasks such as:

- Analysing data to provide a diagnosis/ treatment
- Diagnosing medical treatments and explaining results
- Collaborating with other medical professionals to provide treatment
- Designing health programs for employees/ patients
- Scheduling medical rooms/ facilities

So, how can AI create further opportunities for you as a Medical Practitioner and help you to grow your Practice?

While automation may take away some of your responsibilities, it will also allow you to focus your time on more important tasks such as patient care and experience.

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Four areas we believe are crucial for growing your Practice and building for a successful future are the following:

### 1. Increasing the number of patients

- Patients referring friends and family
- Increased awareness of your Practice
- Referrals from other Practices/specialists

### 2. Ensuring patients return to your Practice

- Provide them with a positive experience
- Improve waiting times
- Provide a comfortable, inviting waiting room

### 3. Increasing the average value of each consult

- Ensure patients get the most out of their consultation
- Provide a positive patient experience

### 4. Increasing the efficiency of your Practice processes

- Update processes and outdated equipment
- Implement software that will help to create efficiencies
- Evaluate staff rostering in conjunction with patient demand

Having more time to focus on these areas will ensure your processes are efficient, your patients are satisfied with their experience, are willing to return to your Practice and will recommend it to their friends and family.

While the thought of job automation may seem overwhelming, it is very likely that the integration of AI into our daily lives will be a slow process.

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**AI is an exciting step forward for the medical industry - watch this space!**

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## Cloud accounting for medical Practices - why you should consider the switch

We have recently added a new Xero Hero member to our Medical Services Division. An expert in cloud accounting for medical Practices, Sarah will be our point of contact for all enquiries, training and support.

In this issue, we have focussed heavily on the efficiencies automation can bring to your practice, a topic we feel is extremely relevant to all medical Practices operating within today's technological society.

Having the right software solution in place will allow you to streamline your business and accounting processes with a program that will sustain growth, capitalise on efficient business Practices and maximise your return on employee investment.

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**From working closely with medical professionals for over 6 decades, we have noticed in recent years the need for easily accessible, browser based software.**

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There are many online accounting software solutions including Xero, MYOB and QuickBooks. All are easy to use and offer a wide range of services that are ideal for medical professionals.

If you do not think your current program is quite up to speed, consider an online software solution.

### The benefits of cloud accounting

#### 1. It's all in the Cloud

Cloud accounting is accessible online anytime, anywhere, from any device. This means you are no longer restricted to one computer, all you need is internet connection!

#### 2. No more upgrading your software

Gone are the days of manually implementing software updates, waiting eagerly for them to download, (or in a lot of cases) snoozing your update reminder for a later date.

Your cloud accounting software takes care of this for you, so you will always be using the most recent version!

#### 3. Multiple users

Cloud accounting allows you to have multiple users simultaneously accessing the one file including your staff, accountant and bookkeeper.

#### 4. Help is only a click away

Many cloud accounting systems provide 24/7 unlimited support at little to no extra cost!

### Using Xero? Here's some hot tips!

#### 1. View multiple pages

You can view multiple pages simultaneously within your Xero file:

- For a PC, right click and select 'Open a new Tab'
- For a MAC, hold down the Command Key and click on the link

#### 2. Create a Xero login shortcut on your desktop

Simply access your login page and drag the Xero icon from the address bar directly to your desktop.

#### 3. Copy invoices or bills

To save time re-entering an invoice or bill, simply open one you have already created, select 'Invoice/Bill Options' and copy to the relevant area.

#### 4. Shortcut date keys

Enter + xx in the due date box to add xx days from the invoice date (e.g. +30 to add 30 days).

#### 5. Quickly enter bills/contacts/invoices

Select the + key from the top blue menu bar to quickly open a new entry.

# Innovation at its' best

**It is no secret that the age of technology is in full swing. While this means some doors may be closing for businesses, there are equally as many opening to accommodate for industry demands.**

Cutcher & Neale has recently been involved in the judging panel for an innovation challenge, assisting the finalists through workshops and judging the teams during their live pitch.

The challenge provided an opportunity for some of Australia's leading entrepreneurs to showcase their start-ups, learn from industry professionals and pitch their ideas to an expert panel.

Held over 3 days, the challenge involved a series of boot camps designed to test the competitors as they battled it out to impress the judging panel with their innovative ideas and savvy business techniques.

This event has certainly caught our attention over the past two years, with 2016 focussing on entrepreneurs breaking into the healthcare sector and 2017 focussing on the professional services sector, particularly accounting and law.

The five finalists for the last years' healthcare challenge were exceptional, providing solutions for areas such as patient care, financial management, data sharing, skin cancer diagnosis and artificial intelligence for the visually impaired.

This years' finalists continued to set the bar high, with the focus being to create efficiencies for businesses and



individuals regarding high volume contract negotiations, provide easy to use solutions to assist in the creation of software coding, address the issue of ongoing management of trust accounts for beneficiaries and provide platforms for businesses to connect with advisors and contract workers.

The finalists for 2017 included:

- Checkbox
- BenchOn
- TIP Partners
- NOD
- Blenktech

Innovation and entrepreneurship are all too familiar for our Medical Services Division, pioneering a number of industry specific products including Australian Medical Benchmarks and WealthStart.

WealthStart is a tailored wealth creation service specifically made for Doctors in Training to create solid financial structures in the early stages of their career.

**WealthStart provides practical advice, offering a wide range of services to help you on your financial journey.**

## **Our WealthStart Package includes:**

- Salary packaging structure to take advantage of the Hospital FBT exemption
- Tailored wealth creation strategies
- Your tax return completed and lodged
- Exclusive industry related wealth and superannuation seminars
- Investment property and negative gearing strategies
- Access to Australia's largest property research database
- \$100 off your AMA membership

Our mindset being, within the early stages of your career is where some of the most important financial decisions will be made. You need solid structures from the very beginning to enjoy a lifetime of wealth creation and preservation.

It is wonderful to see so many innovative ideas evolving within both the medical and accounting industries, helping to create efficiencies, assist businesses to achieve their goals and provide solutions for medical practitioners and practice managers.

**WealthStart** [wealthstart.com.au](http://wealthstart.com.au)  
A Doctor in Training's guide to financial success

# Are you getting the most out of your super?

By now you should have seen some of the legislative changes proposed in the 2016 Federal Budget Update.

These developments have received a lot of negative feedback. However, many have overlooked the great opportunity that they present for doctors to maximise their tax situation, especially those who are employed part time in conjunction with running their own Practice.

If this applies to you, you may have already encountered challenges in the past when trying to pay personal contributions. This is due to legislation which prohibited tax deductions for doctors if their salary income was more than 10% of their assessable income (inclusive of fringe benefits and other concessional super contributions).

As of 1 July 2017, the government has abolished this rule which is great news for many doctors!

## So, what are the facts you need to know about the most recent legislative changes?

- From 1 July 2017, there is a \$25,000 annual contribution limit irrespective of your age
- There is no need to meet the old 10% rule to claim deductions for personal contributions i.e. all members can claim a deduction for any personal contributions
- Members over the age of 65 are still required to meet a work test each year in order to make contributions



- You can make catch-up concessional contributions for up to 5 years where you did not maximise the \$25,000 limit. The first year you are allowed to make a catch-up contribution for is the 2019 Financial Year

For example, it is currently March 2022 and Dr Jones is assessing her contributions made over the past four financial years.

She has determined that she has only had her Superannuation Guarantee Charge of \$5,000 contributed each year from the hospitals she temporarily worked in over the years. She had not made any additional contributions for herself in those financial years.

This means that she has unused concessional contributions of \$80,000 (being \$20,000 each year for 2019, 2020, 2021 and 2022).

Being unsatisfied with this lack of super, Dr Jones decides to make a \$80,000 contribution into her superannuation fund and claims a tax deduction for the amount.

Assuming Dr Jones is taxed at her marginal rate of 47% (including Medicare levy), the tax saving of the deduction would be \$25,600 (\$80,000 x 47% - 15% tax paid in the super fund).

## However, to be eligible you must satisfy the following criteria:

- You must have unused concessional contributions from a previous year
- You can only use the previous five years of unused concessional contribution cap amounts (with the first eligible year being the 2019FY)
- You must have a total super balance of less than \$500,000 (as of 30 June in the previous year)

As 2019 edges closer, now is a great time to start thinking of your long-term plans.

If you believe that this could be an effective strategy for you, consult your financial advisor to start planning the most beneficial strategy for your financial and personal circumstances.

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