



## PHYSICIANS WEALTH PROTECTION CHECKLIST

In our litigious society, wealth protection is a top priority for many business owners and medical professionals who wish to protect their business and personal assets from exposure to risk. Most businesses can be structured to isolate liability risks, but personal assets can be more challenging to protect. Three basic strategies involve the use of insurance, statutory protection, and asset titling, with insurance as the first line of defense. You may need more sophisticated planning involving trusts and other entities depending on your personal situation.

Below are various aspects we explore as we look to protect your wealth.

### 1. Identify sources of liability

- Malpractice
- At-fault accidents of client or client's dependents
- Business ownership
- Debt, including co-signature or personal guarantees
- Director on nonprofit board
- Divorce or palimony; community property vs. common-law states
- IRS and other tax authorities

### 2. Identify how property is currently owned

- Sole ownership
- Marital property—identify whether tenant in common, tenant with rights of survivorship, or tenancy by the entirety
- Joint ownership with others
- Revocable trust
- Business entity other than sole proprietorship
- Irrevocable trust

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**3. Determine insurance deductibles and coverage gaps**

- Malpractice insurance
- Property and casualty insurance, including home, auto, boat, and umbrella
- Business insurance
- Directors and officers (D&O) insurance of the organization
- Disability, long-term care, and health insurance
- Life insurance

**4. Identify possible statutory exemptions**

- ERISA protections for employer-provided retirement plans
- Bankruptcy protection limits for IRAs and other assets
- Homestead protections for primary residence and vacation home
- Tenancy by the entirety registration or ownership by spouse
- Entity choice for business interests
- Life insurance and annuities
- 529 and prepaid tuition plans
- Certain types of irrevocable and self-settled trusts

**5. Review the estate plan**

- Will the anticipated inheritance be received outright or in trust?
- Do existing wills and trusts contain special needs, discretionary, and/or spendthrift provisions to protect beneficiaries?

As wealth management professionals we take the time to understand your position and research relevant legal and tax codes to ensure you—and your family—are protected. We understand that relying on generalities and not working collaboratively with your legal and tax professionals can leave room for risk. Our goal is to remove that worry with a consolidated, thorough plan.