



Journal of
*The Association of Hearing Instrument
Practitioners of Ontario*

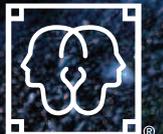
Signal

Spring/2013 • Edition 97

Symposium 2013!

**Retirement Planning for
AHIP Baby Boomers**

Publication Mail Agreement #40612637



helpmehear.ca

Premium hearing
technology
shaped for life



Energy to live your life



How? At Oticon, it means improving a hearing solution user's ability to perform in difficult situations with minimum effort so you can be active the whole day. This is exactly what Alta does.

Alta raises speech understanding in noise to the next level and, at the same time, reduces listening effort. Alta also enables you to tailor a solution exclusively to your clients' hearing needs and personal preferences for sound.

Our new quad-core signal processing platform, Inium, delivers the unique combination of exceptional performance, incredibly small size and ultra low power

consumption. As a result, Alta has raised the bar in speech understanding, sound quality and listening effort, with a wider range of personalization opportunities.

Now you can truly personalize hearing care and unleash your clients' full hearing potential. Alta enables you to reach beyond the audiogram and shape a hearing solution exclusively to meet the personal needs and demands of each client. This isn't just redefining the fitting process. We believe Alta is completely changing the game in hearing care.

To find out more about Oticon Alta, visit personalization.oticon.ca

oticon
PEOPLE FIRST



The Association of Hearing Instrument Practitioners of Ontario

Gateway Plaza, 55 Mary Street West, Suite 211,
Lindsay, ON K9V 5Z6
Tel: 705-328-0907 | Toll Free: 1-888-745-2447
Fax: 705-878-4110 | www.helpmehear.ca

Editor-in-Chief

Lisa Simmonds Taylor

Contributing Writers

Gord Calder, Dan Clements, Robert Glaser,
Gordon Kerr, John Niekraszewicz, Vivienne Saba Gesa,
Lisa Simmonds Taylor, Joanne Sproule, Robert Traynor

Editorial Advisory

Vivienne Saba-Gesa
Joanne Sproule

Managing Editor

Scott Bryant

Art Director/Design

Andrea Brierley
abrierley@allegrahamilton.com

Circulation Coordinator

Brenda Robinson
brobinson@andrewjohnpublishing.com

Accounting

Susan McClung

Group Publisher

John D. Birkby
jbirkby@andrewjohnpublishing.com

Distribution

Signal is circulated to all hearing instrument practitioners, contributing hearing aid manufacturers and suppliers, as well as Ontario otolaryngologists, audiologists, and other interested individuals.

The mission of the Association of Hearing Instrument Practitioners of Ontario is to represent and guide its members in their practice which include, the testing, selecting and fitting, and dispensing hearing instruments and associated devices in the best interest of the hard of hearing, and may include the removal of cerumen from the external ear canal. Membership is available to hearing instrument practitioners or to those who have an interest in the hearing instrument profession.

Signal is the official journal of AHIP, the professional association of Hearing Instrument Practitioners of Ontario, incorporated in 1988 for the purpose of ensuring quality care for the hard of hearing. *Signal* presents technical and trade information to assist hearing instrument practitioners to better serve the hard of hearing.

The publisher and AHIP shall not be liable for any of the views expressed by the authors or advertisers published in *Signal*, nor shall these opinions necessarily reflect those of the publisher or AHIP.



Manuscripts

Researchers, practitioners, and others are invited to submit articles and papers for publication. *Signal* assumes no responsibility for return of unsolicited materials, and is not guaranteeing that every article of paper submitted will be published in *Signal*.

Signal is published quarterly by Andrew John Publishing Inc., with offices located at 115 King Street West, Suite 220, Dundas, ON L9H 1V1.

contents

- 5 President's Report
- 7 Executive Director's Report
- 7 Message from the Editor-in-Chief

FEATURES

- 8 Spotlight On ... Gord Calder
- 12 AHIP Symposium 2013 Schedule
- 14 AHIP Symposium 2013 Speakers
- 16 Did You Hear?
- 18 A Story about a Special Lady in Sri Lanka
By Gordon Kerr
- 20 Retirement Income Planning for AHIP Baby Boomers
By John Niekraszewicz
- 22 Part I: The State of Statements
– Balance Sheets, Income Statements, and Statements of Cash Flow
By Robert M. Traynor EdD, MBA and Robert G. Glaser, PhD
- 28 How To Get Practice Testimonials in Just 10 Minutes
By Dan Clements
- 29 Classifieds



The sound of
another great day.



blissTM



Bliss. Fully natural. Sonic is known for a hearing experience that's remarkably authentic. And that's what your patients will get with new Bliss. Speech Variable Processing and Speech Priority Noise Reduction help patients feel connected to the people around them. Wireless capabilities help them connect to just about everything else. Recommend Bliss to your patients. The difference will be as natural as the smile on their face. [Learn more at www.sonici.com.](http://www.sonici.com)



Available
in miniBTE and
custom models.



AHIP BOARD

Executive



Vivienne Saba-Gesa, H.I.S., President
Etobicoke, ON



Maggie Arzani, H.I.D., Vice President
Toronto, ON



Donna Ross, H.I.S., Treasurer
Toronto, ON



Lisa Simmonds Taylor, B.A., H.I.S.,
Secretary
Cambridge, ON



Shelley Randall, H.I.S., Past President
Niagara Falls, ON



Joanne Sproule, Executive Director
The Association of Hearing Instrument
Practitioners of Ontario
Gateway Plaza, 55 Mary Street West,
Suite 211, Lindsay, ON K9V 5Z6
T: 705.328.0907 • TF: 1.888.745.2447
F: 705.878.4110 • office@ahip.ca
www.helpmehear.ca

Directors



Edmond Ayvazyan, H.I.S.
Toronto, ON



Cheryl Smith-Interisano, H.I.S.
Port Colborne, ON



Scott Laidman, H.I.S.
Napane Ontario



Loris Letain, H.I.D.
Kenora, ON



Nancy Chan, H.I.S.
Burlington, ON

Dear Members,

I would like to take this opportunity to thank you for your support over the past 2 years as president. I would also like to thank the AHIP Board of Directors for their commitment and dedication to the profession. As you know, the position of president cannot be held for more than 2 consecutive years; therefore I will be stepping down at the 2013 AGM. However, as past-president I promise to continue to bring the enthusiastic and passionate drive I had as president. I'm not going far!

There have been so many priorities the association has worked so diligently to meet. Items such as, government relations, long-standing issues with Assistive Device Program, Workplace Safety and Insurance Board, and Veterans Affairs Canada, and the Ministry of Health have been and will continue to be just a few of them. Another priority is to continuing to ensure the rights of the Ontario hard of hearing and AHIP members. And, let us not forget the regulating of our profession.

It's a never-ending journey for your board and your future board to achieve these set priorities. Your support and understanding is appreciated.

I am very proud of the public relation efforts achieved this past year. Our presence at the successfully attended Family Medicine Forum was AWESOME! We are looking forward to attending the Ontario Medical Family Physicians Conference this year in November as well. So exciting!

There is so much I want to say to you all, so I will leave it for the AGM at Symposium which I hope to see all of your beautiful faces there!

Vivienne Saba-Gesa, H.I.S.
AHIP President



INTRODUCING A MORE FLEXIBLE WAY TO TREAT TINNITUS.



XinoTM
TINNITUS

Starkey's new Tinnitus Treatment Solution is designed to deliver all day relief from tinnitus.

Treat Tinnitus the personalized way.



BECAUSE TINNITUS IS DIFFERENT FOR EVERY PATIENT, we designed Xino's Multiflex Tinnitus Technology with personalization and flexibility in mind. We also designed it to seamlessly integrate into most tinnitus treatment strategies.

Xino Tinnitus provides custom relief to your patient's unique tinnitus experience.

www.starkeycanda.ca

Contact your Starkey Representative for more information.



800 387 9353

Dear Members,

What an amazing line up for Symposium 2013. As you will see in this edition of the *Signal*, the events and entertainment have once again surpassed expectations. I am extremely excited about our continuing education opportunities with leading industry experts speaking on current and relevant information important to the hearing instrument practitioner which include such topics as; "Merging Hearing Aids and Cochlear Implants," "Best Practices=Good Outcomes," and "A Practitioners' Guide to Patient Privacy."

As you know, our Annual General Meeting takes place on the Friday morning of the Symposium, which this year is May 3, 2013. By now you will have received your Notice of Annual Meeting which calls

for all members in good standing to attend and issues you important information including; the Minutes of the last AGM, Financial Statements, Slate of Nominees and Proxy.

Please take time to review the full 2013 Symposium speaker line up and schedule of events and plan to attend another spectacular Symposium with lots of learning, laughter, and fun.

Respectfully Submitted,

Joanne Sproule
Executive Director



Greetings Members,

The *Signal's* 2013 spring edition is a bit thicker than usual thanks to our many regular contributors and our generous AHIP symposium sponsors. Have fun reading over this year's symposium schedule (a little different than previous years), the speaker topics and bios and the manufactures advertisements for their sponsored events. I am looking forward to everything.

In addition to the symposium information we have advice on retirement planning, how to acquire

practice testimonials, and how to read accounting statements. "Did You Hear" offers some new hearing health news, CIHS shares a heartwarming story from Sri Lanka and our member interview returns starring Gord Calder.

Happy Spring everyone. See you in Niagara!

Lisa Simmonds Taylor, BA, H.I.S.
AHIP Secretary, Editor-in-Chief



3

REASONS WHY

1 | MORE SOUND

More sound in - **richer sound** out

2 | MORE WORDS

Improved speech intelligibility

3 | MORE PERSONAL

Connect with your clients using
our exclusive personal smart site -
MY.WIDEX.COM



WIDEX DREAM™
TRUE TO LIFE SOUND

Spotlight On...

Gord Calder

Georgian Bay Hearing Aids, Owen Sound

What intrigued you about this profession and how did you get started?

Gord Calder: We had a friend who was a hearing aid specialist and worked for Thede Hearing Aids in the Owen Sound area. My wife helped him secure his own business here as a Beltone franchisee. Baldwin made the profession sound very fulfilling and asked me to become his partner. After a lot of sleepless nights I made a career change that I have never regretted. He and I were partners for four years before we parted company. Georgian Bay Hearing Aids was born with the assistance of my wife, Martha and Alan Moore of what was then Dahlberg Hearing Aids.

What jobs did you have prior to becoming a hearing professional?

GC: I was an O.P.P. officer for 12 years and posted to the Owen Sound Detachment. Before that I was an installer with the Bell Telephone Co. and a bit of a roustabout with several jobs. There were also two

unsuccessful years of university at Waterloo Lutheran University. I did, however, meet Martha there in a movie lineup in fresh week.

Are you involved in any volunteer activities?

GC: I do some volunteer work at our church; I am a member of RAOGK which stands for a random act of genealogical kindness. I do cemetery look-ups in Grey and Bruce Counties for people from away. It is a long time ago now but I was on the board when AHIP was born and treasurer for the first 14 years which I very much enjoyed.

What do you think has been the best event/achievement in your life so far, either professional or personal?

GC: The major event in my life of a personal note was the meeting, pursuing and marrying of Martha, my wife of a wonderful 43 years. On a professional note I believe it was starting and sustaining my own business.



Martha and Gord Calder, then and now..



What are your hobbies/interests?

GC: I thought, What do I/we do for hobbies? until Martha helped me remember. We like to Geocache which is like adult hide and seek with a GPS. If you have a few minutes then be sure to ask one of us as we love to explain. Astronomy is also a hobby of mine I am a member of the Bluewater Astronomy Society and have a 12 inch telescope at home. We also have an interest in genealogy, researching the various family lines of Martha and myself. We now need to go to Scotland but just don't seem to find the time.

We like to camp with our tent trailer mostly at Grundy Lake Provincial Park north of Parry Sound which is a beautiful place. We travel in different directions: next week to St. Martin in the Caribbean, Seattle area to visit family, check out the Kawartha Voyageur that plies the waters of the Trent-Severn system and this October, Martha and I are going to Peru to see the

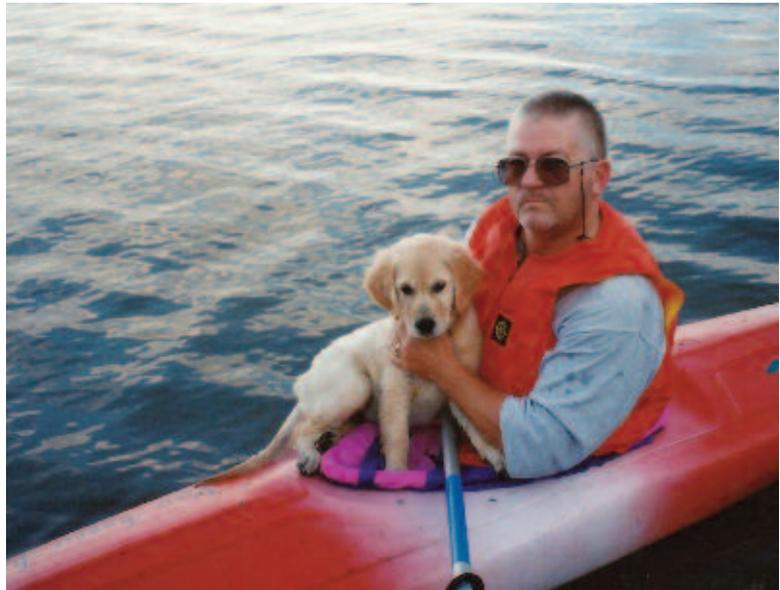
Incan lost city of Machu Picchu among other sites. It has been a lifelong dream of mine.

Please share any addition information about yourself that you think our readers would find interesting.

GC: For the past 28 years I have owned and operated Georgian Bay Hearing Aids to provide an in-home service to the HOH in Owen Sound and area. In 33 years I have seen amazing changes in our profession. As far as the hearing instruments and their fitting; we have come full circle, so to speak, from large analog BTEs through the ITE "bubblegum" phase to as small as possible to today's small RITE BTEs. The programming of the current hearing aids specifically targets the client's hearing loss which leads to greater satisfaction. I cannot help but wonder what the future holds for us.



Officer Gord Calder.



Gord and a friend hit the water..

Comfortable

Small

Invisible

Focusing
on what's
important
to you



Bernafon Canada Ltd.
Phone 519 748 6669
Toll Free 1 800 265 8250

www.bernafon.ca

bernafon[®]
Your hearing • Our passion

One of our favourite sounds is a grand piano playing while we meet and greet with new and old friends.

Join us for the 2013 Symposium welcome reception to enjoy hors d'œuvres and drinks - perfectly paired with great conversation!

Wednesday May 1, 2013
4:30 pm - 6:15 pm
Fallsview Casino Resort
Grand Hall Foyer C&D

Afterwards, join us for a thought-provoking educational session with Sergei Kochkin, PhD, to discover how your practice affects your patients' lives.

6:15 pm - 8:00 pm
Grand Hall E



Symposium 2013

This year symposium will run from Wednesday to Friday. Registration starts at noon Wednesday with the first class beginning at 2:45pm. There will be no breakfast or classes on Saturday. A job fair is being added to the agenda (see below)

For Hotel Reservations - AHIP Rates

Fallsview Resort Hotel 1-888-325-5788 (request AHIP rate)

Niagara Falls Hilton - 1-866-873-9829

Group Reservations - code AHIP - Valid until March 31st, 2013 - BOOK NOW!

Sign on to helpmehear.ca as a member for links to make reservations on line.



ASSOCIATION OF HEARING INSTRUMENT PRACTITIONERS OF ONTARIO

AHIP JOB FAIR

WHERE: Symposium 2013 – Niagara Falls Hilton Hotel

WHEN: Thursday, May 2, 2013 (6:30 pm to 8:30 pm)

WHAT: Exhibitor's Tables -\$300 (includes piped & draped) space is limited

WHY: This Job Fair is a must for those just entering the profession. It is also for Hearing Aid Clinics considering Internship positions and wanting to hire enthusiastic Practitioners.

HOW: AHIP is providing members the perfect opportunity to browse the current employment market while attending Symposium. Our members will be able to meet prospective employers and make valuable comparisons between clinic offerings.

Hearing Aid Clinics (large and small), can provide their best features and will have the advantage of a personal pre-interview selection in the casual “trade show” environment.



AHIP KICK OFF PARTY SPONSORED BY
STARKEY CANADA
WEDNESDAY MAY 1ST 2013

Come Dressed In Your
Favourite PJ's.

A PRIZE WILL BE GIVEN
FOR THE MOST
CREATIVE PAJAMAS.

Finger foods, snacks &
of course – pizza!

Look for your tickets in
your delegate package.

8PM TO 11PM
GRAND HALL C & D,
FALLSVIEW CASINO RESORT.

**Starkey**
Hearing Technologies

StarkeyCanada.ca • 800 387 9353



Symposium 2013

Fallsview Casino & Resort
in conjunction with
Hilton Fallsview, Niagara Falls

Wednesday May 1st , to Friday May 3rd, 2013
REGISTRATION FORM

Please make cheques payable to **A.H.I.P.** and mail/ICS to:
A.H.I.P., 55 Mary Street W. Suite #211, Lindsay, Ontario K9V 5Z6

If paying by MC or Visa fax to 705-878-4110

Visa or MC #: _____ Exp Date: _____

Name of cardholder

Signature of cardholder

	Before March 31st*/After March 31st
<input type="checkbox"/> A.H.I.P. MEMBER <i>(includes one non transferrable gala ticket)</i>	\$260* / \$360
<input type="checkbox"/> NON-MEMBER <i>(includes one non transferrable gala ticket)</i>	\$290* / \$390
<input type="checkbox"/> FRIDAY NIGHT GALA - EXTRA TICKET <i>each</i>	\$125

Name(s) on Gala ticket(s) to read: _____

****There are no exceptions to early bird rates****

NAME: _____

COMPANY/OFFICE: _____

ADDRESS: _____

CITY: _____ **POSTAL CODE:** _____

PHONE (B) : _____ **(H):** _____

E-MAIL ADDRESS: _____

REGISTRANTS SIGNATURE: _____ **Date** _____

In signing this registration form I understand and hereby give my consent to the Association of Hearing Instrument Practitioners of Ontario for the use of my name as written above, or images taken while at the AHIP Symposium, which may be used by the organization for publication either/or on the organizations website, Signal magazine or such purposes as the organization considers appropriate.

- Check here if you have dietary restrictions & list them _____
(deadline for submission to AHIP office – **April 15, 2013**)
- Are you planning on attending the gala dinner? YES / NO (**please!** circle one)

NOTE: - REFUNDS WILL NOT BE ISSUED AFTER MARCH 31st, 2013

AHIP SYMPOSIUM

Wednesday, May 1, 2013

Time	Room	Sponsor	Event
12 noon-7:00pm	Grand Hall Foyer	AHIP	Registration
12:30-2:45pm	Grand Hall Foyer	EMI	Light refreshments
2:45-4:30pm	Grand Hall E	 Cochlear™ <i>Hear now. And always</i>	SEMINAR: Dr. Ted Mason –The Importance of Binaural Hearing: Merging Hearing Aids and Cochlear Implants
4:30-6:15pm	Grand Hall Foyer	Unitron	Unitron's Welcome Reception
6:15-8:00pm	Grand Hall E	unitron Hearing matters	SEMINAR: Sergei Kochkin - Best Practices=Good Outcomes
8-11:00pm	Grand Hall C & D	Starkey	Starkey's Kick off Night - PJ's & Pizza!

Thursday, May 2, 2013

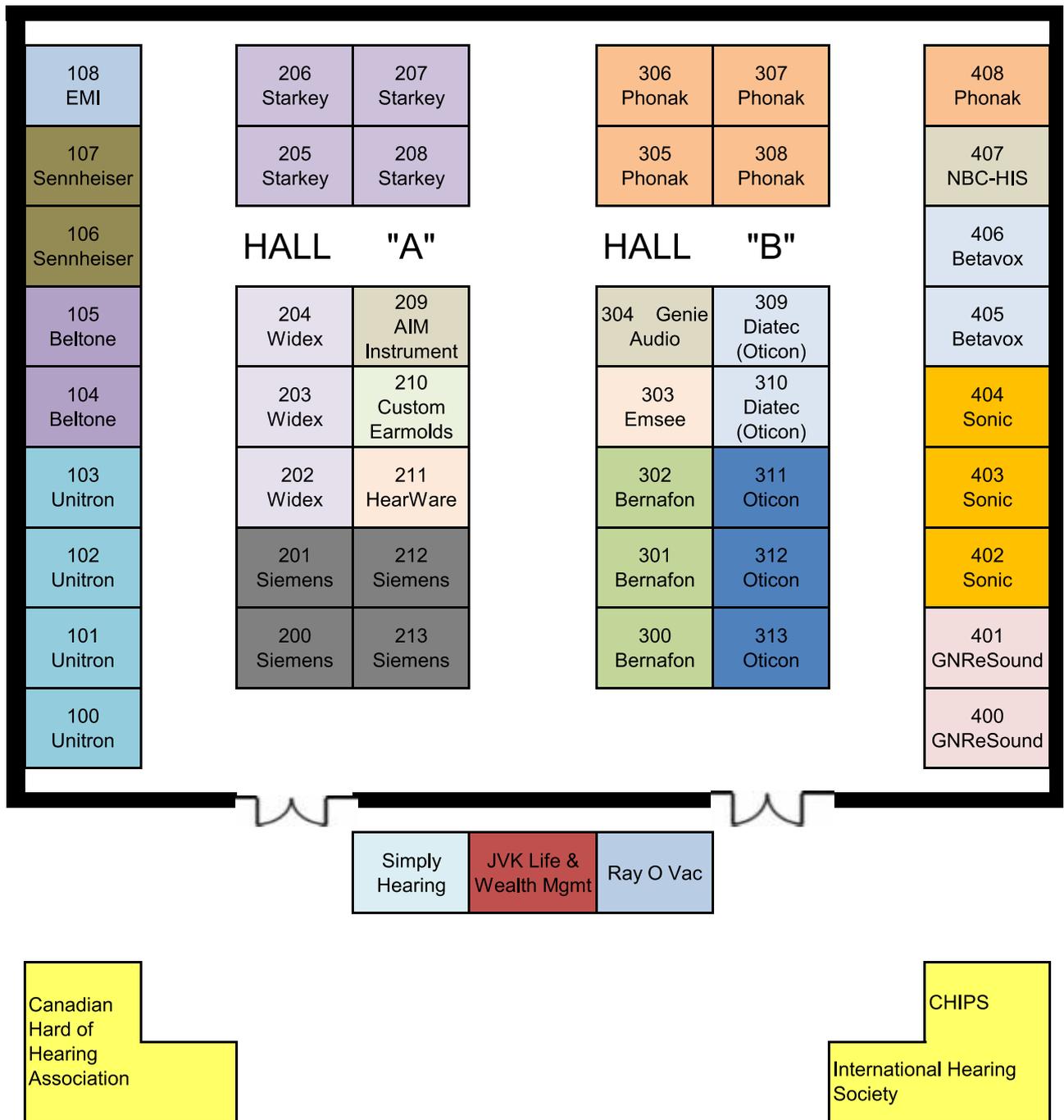
8:30-10:30am	Grand Hall Foyer	AHIP	Registration
7-8:00am	Watermark/Grand Café (Hilton)	AHIP	Breakfast Buffet
8:30-10:15am	Grand Hall E		SEMINAR: Brett Channer - Marketing Strategies in Our Changing World
10:15-10:30am	Grand Hall Foyer	Emsee Labs	Coffee Break
10:30-12:15pm	Grand Hall A	CAEA	Manufacturers' Exhibits- Group 1
10:30-12:15pm	Grand Hall B	CAEA	Manufacturers' Exhibits - Group 2
12:15-1:45pm	Grand Hall C & D	Bernafon	Bernafon's Lunch Comedian: Derek Edwards
1:45-3:30pm	Grand Hall B	CAEA	Manufacturers' Exhibits- Group 1
1:45-3:30pm	Grand Hall A	CAEA	Manufacturers' Exhibits - Group 2
3:30-4:00pm	Grand Hall Foyer	AIM Instrumentation	Ice Cream Break
3:30-4:00pm	Grand Hall A & B	CAEA	Final Opportunity to Visit the Exhibit Hall - Both Groups
3:45pm	Grand Hall A & B	CAEA	Manufacturers' Draws
4:00-4:30pm	Grand Hall Foyer	AHIP	Tables of 10 can be registered throughout Symposium. Last Chance! You must register a seat to attend the Gala.
4:30-6:00pm	Grand Hall Foyer	Oticon	Oticon's Reception
8:00-10:00pm	Grand Hall C & D	AHIP	AHIP's Party
6:30-8:30pm	Hilton Hotel	AHIP	Job Fair - Employers Meet Potential Employees

2013 SCHEDULE

Friday, May 3, 2013

Time	Room	Sponsor	Event
7-8:15am	Watermark/Grand Café (Hilton)	AHIP	Breakfast Buffet
8:30am-12pm	Grand Hall E	AHIP	AHIP's AGM - Members Only
10:00-10:15am	Grand Hall Foyer	NBC-HIS	Coffee Break
12-1:45pm	Grand Hall C & D	Siemens	Siemens' Lunch Comedian: Jen Grant
1:45-2:45pm	Grand Hall E	 Cowan	SEMINAR: Jim Dunsdon - A Practitioners' Guide to Patient Privacy
2:45-3:30pm	Grand Hall E		SEMINAR: Heather Foster - National Investigative Unit - Audit Program
5:00-10:00pm	Grand Hall Foyer	Phonak/Widex	Flipbooks Photography Session Black-tie optional but highly recommended.
5:45-6:30pm	Grand Hall Foyer	Phonak	Phonak's Champagne Reception
6:30 sharp!	Grand Hall C & D	Widex	Widex hosts our Gala Dinner and Treats
8:00-9:00pm	Grand Hall C & D	Phonak	Phonak Presents: Serena Ryder
9:00-12:30am	Grand Hall C & D	AHIP	Rock the Dance Floor
9:00-11:00pm	Grand Hall C & D	Widex	Draw for Door Prizes

Symposium 2013 Exhibit Hall Layout





Phonak Canada Presents

SERENA RYDER

FRIDAY MAY 3RD 2013

5:45pm Champagne Reception
Grand Hall Foyer

8:00pm Performance
Grand Hall C&D

Symposium 2013 Speakers

Brett Channer



With 20+ years in advertising and marketing, Brett is the president/executive creative director of Red Lion – a new company within the Publicis Groupe. Prior to being moved into the new role Brett had a long stint at Saatchi & Saatchi where he started as the executive creative director, moved into the role of president/CEO, and was the only Canadian ever to be invited onto the Saatchi Worldwide Board. Brett was responsible for leading Saatchi Canada to Most Improved Agency in Canada as recognized in Strategy Magazine and one of the top 10 most creative agencies. He has worked with major global brands including Toyota, Kraft, P&G, Nestle, Pfizer, and Labatt/InBev.

Brett is an advocate for managing from the centre out not the top down. Today Brett's passion is focusing on inspiring behaviour modification for new and better outcomes.

Marketing Strategies in Our Changing World

Red Lion is a small creatively driven, strategically sound group of people passionate about creating attraction to your business AND they are part of a multi-disciplinary global enterprise capable of delivering against every medium and tactic. Brett and his team

create brand behavior that delivers against a specific outcome.

Red Lion believes that today, people choose a brand as much by how a brand behaves as they do by what it offers. This is all encompassing, which is why we need to stay free to look at all touch points of your brand or service. It's no longer about what you say, it's about how you behave.

Success for Brett is when everything starts to line up in a direction that hasn't been charted before. The combination of experience along with a constant curiosity are the pillars to creating an organic flow to things. Flow is not following a process but rather letting things happen in a direction based on staying open to a number of ongoing inputs. This flow elevates his own potential, those who work with him and the work they do. This results in meaningful, captivating ideas that truly contribute to their clients' businesses.

Brett recently presented at a hearing aid manufacturers seminar to rave reviews. He was high on our list of suggested speakers for Symposium. We are certain you will be informed and entertained. He is a great speaker. He has done his homework. He gets us!

Jim Dunsdon



Jim Dunsdon has served as Regulatory Consultant for AHIP since his retirement as registrar, Ontario College of Pharmacists in 2000. He is currently president, Transitional College of Homeopaths, and Independent Chair, College of Opticians. His past board service includes the Council on Licencing, Enforcement and Regulation and Professional Examination Service. Jim has consulted widely, including service to Dental Technology, Midwifery Pharmacy, Pharmaceutical Industry and Government. He also teaches jurisprudence and ethics and advises specialty compounders and

alternative health practitioners. He is a graduate of the University of Toronto, Faculty of Pharmacy.

A Practitioners' Guide to Patient Privacy

Jim will highlight the important aspects of privacy and confidentiality which AHIP members, as custodians of patient health information, need to be aware of. The session will allow an opportunity for questions and audience interaction.

Heather Foster



Heather Foster is the senior investigator of the National Investigative Unit (NIU) at Medavie Blue Cross. She has worked in the NIU for the last 20 years. During this time, she has obtained extensive knowledge in the area of on-site investigations, data analysis, information gathering, interviewing skills, and building cases for criminal litigation. She is also the vice chair of the Canadian Health Care Anti-Fraud Association (CHCAA).

National Investigative Unit Audit Program: Overview

In this session, Heather will be providing an overview of the NIU's Audit Program as it relates to hearing services. She will walk through an audit/investigation and explain all steps in the process.

SIEMENS



Visit us
at AHIP
Symposium
2013
Booth # 200

miCON Because the future belongs to Soundability.

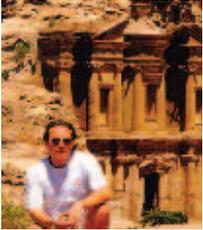
www.siemens.ca/hearing

Proud sponsor of the AHIP lunch.



Life sounds brilliant.

Sergei Kochkin, PhD



Dr. Kochkin is past-executive director of the Better Hearing Institute in Washington DC. Previously he was director of market development & market research at Knowles Electronics, chairman of the Market Development Committee of the Hearing Industries Association, a member of the Board of Directors of the Better Hearing Institute for six years, and past editor of the peer reviewed journal High Performance Hearing Solutions. He has conducted extensive research on the hearing-impaired population in the United States, is the author of 97 publications on the hearing-impaired population, and has spoken worldwide concerning his research. Prior to joining Knowles, he worked eight years for United Airlines as market research manager, industrial psychologist, and marketing performance manager. His formal education includes: Ph.D. - industrial psychology (emphasis quantitative methods), MBA - marketing, MS - guidance and counseling, BA - anthropology.

Best Practices = Good Outcomes

Seventeen aspects of the hearing aid fitting protocol will be related to seven outcomes of hearing aid user success. The data strongly suggests that what happens in the HHP's office has profound implications on the consumer's real-world success with hearing aids. As an introduction relevant 25 year trends in the hearing health industry will be explored along with a detailed look at consumer perceptions of benefit and QOL changes associated with hearing aid usage. In addition I will present BHI's new research on the prevalence of tinnitus in America and efficacy of 9 treatments for tinnitus. Finally we will explore disruptive technology (direct mail and PSAPs) and their impact on private practices as well as non-

adopter views of products, services and occupations compared to hearing health care.

Learning Objectives

1. Our thesis is that hearing fitting practices have not kept pace with improvements in technology. The HHP's protocol (17 measures) used to fit hearing aids is directly related to real-world success (7 measures) with hearing aids. Improvements in quality control in the HHP's office is critical for improving customer satisfaction with hearing aids, keeping hearing aids out of the drawer, providing effective benefit which will have an impact on the consumer's quality of life, in reducing return rates, improving the image of those who dispense hearing aids, further improving the adoption rates of hearing aids, increasing positive-word-mouth advertising and increasing brand loyalty.
2. Demonstrate that there is a relationship between verification and validation and patient visits.
3. Reveal the prevalence of tinnitus in America based on more than 46,000 households and show the relative efficacy of 9 treatment methods.
4. Explore the potential impact of direct mail and PSAP technology on hearing aid sales with a comparison of non-adopter views of other products, services and occupations compared to hearing health care, with the intent of demonstrating the HH industry is at a tipping point.

Theodore P. Mason, MD



Dr. Mason came to Western Massachusetts in 2002, bringing access to otologic procedures and technology previously only available in Worcester and Boston. After finishing his residency in otolaryngology, head and neck surgery at the University of Illinois, he went to the prestigious California Ear Institute at Stanford for two years to work with some of the nation's finest leaders in the treatment of ear-related disorders.

After arriving in Springfield, Dr. Mason worked to establish the Baystate Medical Center Cochlear Implant Program, now recognized as one of the northeast's busiest and most respected implant programs. He provides state-of-the-art diagnostic and treatment modalities for the full breadth of otologic disorders for adults and children.

The Importance of Binaural Hearing: Merging Hearing Aids and Cochlear Implants

There is strong evidence, both scientific and anecdotal, that demonstrates significant hearing benefit when both ears are utilized for remedying hearing loss. This is even more crucial in patients

with more severe degrees of hearing loss. In many circumstance cochlear implantation can provide improved speech discrimination in patients with severe to profound sensorineural hearing loss. What many do not realize is that a conventional hearing device is often used in conjunction with a cochlear implant to provide enhanced performance in challenging listening situations. This lecture will discuss how hearing instrument practitioners can work alongside a cochlear implant program to provide the best quality care for their patients.

The presentation will include presentation of scientific evidence behind binaural intervention as well as an overview of cochlear implantation. A cochlear implant recipient will join the discussion to provide an account of his personal journey and experience with cochlear implantation. A representative from Cochlear Canada will also provide specific insight on how to establish a relationship with a local or regional cochlear implant program. Time will be allotted for questions and answer with all presenters.

Red Wine and Red Grapes Help Protect against Hearing Loss and Cognitive Decline

Previous research has shown that a chemical compounds found in certain wine and grapes can reduce the risk of heart disease, but a new study has found that those compounds may also protect against hearing loss and cognitive decline.

According to researchers from the Detroit-based Henry Ford Hospital, consumption of the chemical resveratrol may preserve hearing and prevent cognitive decline. Resveratrol is found in high concentration in red wine and red grapes, though smaller amounts are found in other foods such as blueberries.

Lead author **Michael D. Seidman** stated

the group's study focused on "resveratrol and its effect on bioinflammation, the body's response to injury and something that is believed to be the cause of many health problems including Alzheimer's disease, cancer, aging and hearing loss."

The researchers set out to discover the effects of resveratrol on COX-2, an enzyme in the body responsible for inflammation and pain. The scientists conducted an experiment on laboratory rats in order to test this. Knowing that excessive noise exposure causes an uptick in COX-2 expression, some of the animals were administered resveratrol before being exposed to the noise. The researchers

found that the subjects who had consumed the resveratrol beforehand experienced an inhibition of COX-2 expression- and consequently suffered significantly less hearing loss.

Because the study has only been conducted in animals, further research is needed to confirm whether the findings also apply to humans.

<http://www.medicalnewstoday.com/articles/256802.php>

Stress Makes Exhausted Women Over-Sensitive to Sounds

Women suffering from stress-related exhaustion exhibit hypersensitivity to sounds when exposed to stress. In some cases, a sound level corresponding to a normal conversation can be perceived as painful. This according to a study from Karolinska Institutet and Stockholm University's Stress Research Institute which tested sensitivity to sounds immediately after a few minutes' artificially induced stress.

The study, which is published in the online scientific journal PLOS ONE, involved exposing 348 people (208 women and 140

men) between the ages of 23 and 71 with low, medium or high levels of 'emotional exhaustion' to five minutes of experimentally induced physical (hand in ice), mental (performance on a stress test) and social (being observed) stress.

The results show that women with a high level of emotional exhaustion exhibit higher sound sensitivity after an experimentally induced stress exposure than those who were not exhausted. Some even experienced sound levels as low as 60 decibels, the level of normal conversation, as uncomfortably loud. People with a low

level of exhaustion, on the other hand, became less sensitive to sound immediately after being exposed to five minutes' stress, a phenomenon that the researchers describe as "shutting their ears" – a normal stress reaction. The same trends could be observed in men, but the differences were not statistically significant. The researchers also point out that, interestingly, there was no difference in sensitivity to sounds between the groups prior to the stress exposure.

<http://www.sciencedaily.com/releases/2013/01/130115085533.htm>

Understanding Meniere's Disease

Many of us have felt dizzy after standing up too quickly or have heard ringing in our ears after attending a noisy public event. And, we've probably also felt fullness in our ear as the result of a bad cold or upper respiratory infection. But when those three symptoms are present together, it may be a symptom of Meniere's disease.

Health professionals believe Meniere's disease may be caused by an improper balance of fluid in the inner ear. This imbalance may also be affected by migraines, allergies, head trauma, viral

infections, and the inability for the ear to drain properly.

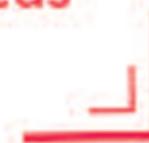
Meniere's disease can cause great discomfort and interrupt daily activities. Episodes can last longer than 20 minutes, cause extensive dizziness (vertigo), a decreased ability to hear and be accompanied by nausea and vomiting. In addition to permanent hearing loss, patients may fall frequently, experience extreme nausea due to the vertigo and have an increased risk for developing depression or anxiety.

Although there's no known cure for Meniere's disease, your physician can recommend ways to minimize the symptoms such as medications for motion sickness and nausea as well as long-term medication to reduce the amount of fluid in your inner ear.

<http://www.healthyhearing.com/content/articles/Hearing-loss/ Causes/51054-Understanding-menieme-s-disease>



Come Strike a
Pose with Us.
Today the Focus
is on You!



You are invited to the Bernafon Luncheon at noon on Thursday, May 2nd at the AHIP Symposium.

Lots of yummy food will be provided for you to enjoy not to mention a bellyfull of laughter! Laughter will be provided by our guest comedian Derek Edwards.

Don't forget to visit our booth located at 300, 301, 302.

Bernafon Canada Ltd.
Phone 519 748 6669
Toll Free 1 800 265 8250

www.bernafon.ca

bernafon[®]
Your hearing • Our passion



WIDEX[®] *proudly sponsors the*

2013 *Gala* Dinner

AHIP Symposium

Friday, May 3rd, 2013 • 6:30 p.m.

Fallsview Casino Resort • Grand Hall C&D

905.315.8303 | 1.800.387.7943 | www.widex.ca | www.widex.pro

How To Get Practice Testimonials in Just 10 Minutes

By Dan Clements

A while back we used a very simple – and free – process to quickly gather testimonials from our patients. If you’ve ever wanted to add positive comments to your website, print materials or other marketing efforts, it’s surprisingly easy to gather them.

“A very personalized experience – when I am in her office, I feel like I am the only patient she has.”

“The staff are very welcoming, the appointments never feel rushed, and you are always given plenty of time. The doctors truly listen and want to learn about my symptoms.”

Those are just two of the 32 testimonials we received in just a few minutes of work. Here’s the process we used.

1. Create a SurveyMonkey account. Don’t worry. It’s free.
2. Create a survey using just two questions. You can create your own wording, but here’s what we used, more or less:
 - *What do you enjoy most about your experience at our clinic?*
 - *What can we add or improve to make things better?*

The second question will give you some great ideas for new services, or ways to improve. The first one will give you testimonials. Every time.

Tip: There are a variety of question types in SurveyMonkey. We used the “comment/essay box” style so people can just type their answers in.

3. Add a check-box: “Can we

4. use your comments on our website?”
4. Collect an email address and name. (Optional) You can then follow up if you need to, or use their name as part of the testimonial.
5. Email the link to your survey to your patients/clients. Use some variation on this:

We’re always looking for ways to improve our service, and would love your input. This survey only has **two questions** and shouldn’t take longer than two minutes to complete.

Thanks for your feedback!

We’ve also done the same thing in our waiting room using paper, but the email survey seemed to work a lot better. Either way, the secret is to keep the survey ridiculously short (you can even use just one question if you want) and *tell people how short it is*. That way people will actually click through and answer it.

That’s it. After that, just sit back and wait for the responses!

Dan Clements is the author of *The Practitioner’s Journey*, a practice success guide for complementary health care professionals. Visit www.practitionersjourney.com for free articles, ebooks and more resources to help you grow your health care business.



A Story about a Special Lady in Sri Lanka

By Gordon Kerr, Executive Director
Canadian International Hearing Services

Nitha Weeratna was a teacher in her home village of Grampha, Sri Lanka in 1991. Her daughter had recently delivered a beautiful baby boy they named Narada. Within a few months of his birth Narada was diagnosed as profoundly deaf. As you can imagine, the family was upset but they were determined to understand and to cope with this challenge. Narada was fitted with hearing aids at an early age, and with the encouragement of family, and in particular his grandmother Nitha, he developed speech.

By the time representatives of Canadian International Hearing Services (CIHS) visited in 2005 Narada was 14 years old, spoke both English and Sinhalese, and played sports and the violin. In addition, Nitha had opened her home as a school for oral rehabilitation for children in the community who were deaf and hard of

hearing. At the time of our visit there were 23 children registered at the school with more than 20 waiting to attend.

Prior to the visit by CHIS, Nitha had registered her school with the Department of Education and had registered the Narada Hear Foundation. It had a board of directors, a plot of land and a set of plans for a school building to accommodate 50 children. The role of CIHS was to assess the services provided by the school, to meet with service clubs such as Lions and Rotary, with similar organizations providing services for the deaf and hard of hearing and with government officials to encourage them all to support the building of the new school and education centre for the community.

Nitha Weeratna.



(Ed Note: The incidence of hearing loss in Sri Lanka is quite high.

There are several reasons but that is not the purpose of this report.)

Progress has been slow. The tsunami of 2004 devastated much of the west and south coast of Sri Lanka so reconstruction of the nation took priority. However, CIHS and a couple of other overseas Non-Government Organizations (NGOs) have helped with fund raising. In addition, CIHS continues to supply the school with hearing aids. As of 2012 there are two new buildings on the site and children will be attending school there in 2013. There is still a financial need for furniture, salaries and another building. CIHS will continue to support the Narada Hear Foundation.

As you know, members of AHIP are the reason CIHS has survived all these years. Without all the hearing

aids you send us we would have been out of business a long time ago. We continue to send hearing aids to all parts of the world telling people, “just send us an audiogram and we will do our best to provide hearing aids.” What we need most are “power” BTEs and programmable hearing aids. We no longer have requests for custom aids.

Again, thank you for your continued support and we look forward to those packages you deliver at the symposium. If you would like to make a monetary donation to the Narada Hear Foundation through CIHS, please feel free to contact us. All donations receive a tax receipt.



Retirement Income Planning

for AHIP Baby Boomers

By John Niekraszewicz



Bob and Mary run a successful hearing practice and one day Mary looked at Bob and said, “It wasn’t that long ago when the kids were young and you told me that we’d be retired at 55, travelling the world and playing golf everyday. What happened? We’re now both 59 and working harder than ever.”

Retirement is a major event and like most people, Bob and Mary have not prepared themselves emotionally or financially for this time in their lives. So, after surviving a major health scare, they decided it was time to meet with their financial advisor and start turning their hard work and savings into an income stream that will last their entire lifetime.

Their financial advisor, John, starts off the meeting with two simple questions: “How much money would you like each month deposited directly into your bank account and when would you like this income to start?”

“The truth is,” said Bob, “we planned to retire a few years ago but things changed. We thought one of our kids and a key employee would take over and expand our business so that we could ease into retirement, but that didn’t happen. Then we ran into problems with our real estate investments. At first, things were great. We were lucky to have tenants who treated our properties like their own, but then the recession hit.

One tenant lost her job and couldn’t pay rent and another skipped town after trashing the place.” At this point, Mary jumped in, “All this stress is what caused Bob’s heart problems, so we sold all the income properties and put the money in guaranteed investments at the bank.”

“This is why we’ve come to see you, John,” said Bob. “No one is interested in buying our business for what we think it is worth and the interest paid on our investments at the bank is next to nothing. How are we ever going to be able to afford to retire?” “And leave something for the kids,” added Mary.

“The first thing I need to do is find out where you stand financially,” said John. “This means tallying up all of your liquid investments including the retirement assets that I advise you on and then seeing what monthly income stream you could reasonably expect.”

“Well,” said Mary, “besides the Registered Retirement Savings Plans (RRSPs) we have with you, there are RRSPs at the bank, a Group RRSP at the office, and a spousal RRSP Bob set up years ago. Then there are Tax Free Savings Accounts, a couple of personal bank accounts, and company chequing account.” “Don’t forget the Locked-In RRSP with the really low investment management fees,” added Bob.

Like many Canadians, Bob and Mary think that diversifying their assets means owning similar investments but at multiple financial institutions. In



actual fact, proper diversification requires looking at all of your assets as a whole and then allocating a percentage to different asset classes in such a way to maximize your rate of return for the chosen level of risk you are willing to take. For example, owning two Canadian equity mutual funds would create diversification if one invested in large companies and the other in small companies. This way there is no overlap or duplication of investments. Another reason for consolidating assets is that some companies offer volume discounts and this savings together with potential tax savings could help generate more retirement income.

Another misconception is that a Locked-In RRSP is locked and that wholesale pricing on investment management fees continue after you leave your employer. In fact, the terminology locked-in means that you cannot make withdrawals from a Locked-In RRSP until age 55 and then only a maximum amount can be withdrawn annually. You also have control to make any changes to the investments just like you can with any other RRSP. But don't be surprised to find out that on a Locked-In RRSP you are paying the higher retail pricing for investment management fees.

"Now that we know what the total value is of your liquid investments," said John, "I will apply the Rule of 25. This rule of thumb states that you need to accumulate a nest egg that is 25 times the amount of income that you want. For example, if you would like \$40,000 of income each year in retirement, then you should have a nest egg of \$1,000,000."

"Forget that monthly cheque in the mail for \$10,000 Mary," said Bob.

"Wait guys," said John. "There are two important ways that we could improve on this rule of thumb and generate more retirement income. First, by owning capital-class mutual funds, when you sell high to buy low, you don't have to pay taxes right away on the profit you make. This will allow you to focus on changing your asset mix of investments when necessary without having to worry about the tax consequences. The second way to improve on the Rule of 25 is by reducing investment management fees. By consolidating your assets you may get a break on prices much the same way as your old employer did for your Locked-In Pension Plan when they negotiated a volume discount on your behalf."

"Ok John," said Bob. "It seems that we should be able to start easing into retirement without worrying about running out of money and have to retire more than once. Let's go check out that new retirement community on the golf course, Mary. I'm ready to start having fun again."

John Niekraszewicz (Nick-ra-shev-itch) BMath, FCSI, CFP, FMA is the certified financial planner responsible for the AHIP Health & Dental Benefits Plan provided by JVK Life & Wealth Insurance Group. John is also the principal of JVK Life & Wealth Advisory Group, a firm providing investment, retirement, tax & estate planning. John welcomes your questions and can be reached at john.niekraszewicz@jvkgroup.com or 1-800-767-5933.

Part I: The State of Statements – Balance Sheets, Income Statements, and Statements of Cash Flow

By Robert M. Traynor EdD, MBA and Robert G. Glaser, PhD



About the Authors

Robert M. Traynor (far left) is CEO/Audiologist with Audiology Associates, Inc., Johnstown, Colorado

Robert G. Glaser is CEO/Audiologist with Audiology Associates of Dayton, Inc., Dayton, Ohio

For most hearing health care practitioners the patient is foremost as we provide hearing care services. Successful practitioners know that when their practice is centred on their patient's welfare, success will usually follow. Probably the greatest responsibility of the patient-centric practitioner is to be in business next year when the patient needs things that are warranty items, or other services that may be of benefit to them. There are many stories of highly successful patient-centric practices that did not survive for one reason or another caused by difficulties on the business management of the practice, not patient care.

Generally, educational programs that prepare hearing care professionals for the clinical world do not adequately prepare clinicians for survival within the business community as there is much information that must be assimilated in the clinical treatment of our patients, thus, minimal or no time to prepare perspective clinicians in business management. When entering into private practice, hearing health care professionals must realize that they become part of the cold hard business world and survival depends upon making a profit. Although suppliers, creditors, employees, and others care about the patients we serve, the business of hearing health care is like any other business requiring much attention and monitoring to succeed. Thus, to be a good manager, clinicians must have the capability to digest information about the financial performance

of the practice and develop the background to translate that information into decisions that move the practice toward profitability. Although it is not necessary to obtain an MBA to know how to run your practice or an center within a hospital, educational, or other institutional setting, courses in accounting and finance are substantially beneficial and readily available at most local community colleges. These courses offer the practitioner greater insight into the management their practice and give them the power to interpret the relevant business variables. The following discussion is an attempt to orient clinicians to the basics of the Balance Sheet, Income Statement and, probably most important, the Statement of Cash Flows.

Financial Statements

Most of us use the services of an accountant to prepare reports and assist us in the interpretation of the information they contain. Traynor suggests that practitioners should have knowledge of the vocabulary and language of accounting to effectively communicate with the accounting (and bookkeeping) professionals who manage their practice and protect their assets.¹ Although it is the bookkeepers that enter the day-to-day data, it is the accountant that prepares reports that assist practitioners in making evidence-based decisions regarding the success or failure of daily operations, conducting a specific clinical procedure, or a new market offering. These reports are fundamental to understanding the

reasons for positive or negative changes in the bottom-line performance of the practice. Such accounting reports are prepared according to internationally accepted accounting rules called the Generally Accepted Accounting Principles (GAAP), a universal method of valuing profit and measuring assets and liabilities. Although they vary slightly from one country to another, GAAP rules are used to conduct accounting in all businesses. GAAP describes how transactions for costs, profit, inventory, sales, and other business specifics are recorded and facilitates the comparison of one business to another since businesses all use these same procedures for accounting. While the role of an accountant in the practice will vary from one practice to another, the professional assistance of these practitioners is essential to success.

There are two primary objectives of every business, including hearing health care practices; profitability and solvency. Unless a practice can produce satisfactory earnings and pay its obligations in a timely manner, all other objectives will never be realized because the practice will not survive. Financial statements that reflect a practice's solvency (the Balance Sheet), its profitability (the Income Statement) and a view of its financial health (the Statement of Cash Flows) provide the practitioner substantive information upon which to make well informed decisions about the operations of the practice. These financial statements are so important that bankers and other lenders depend on them to support their decisions to grant credit opportunities. Bankers and lenders know that financial statements are the basis of the calculations for business ratios that offer important, informative metrics about activity, liquidity, and leverage (debt) of the practice.

Balance Sheet

The Balance Sheet contains the elemental fiscal components of the practice; information about assets, liabilities and owner's equity. It presents a snapshot of the financial condition of the practice at a specific moment in time, usually at the close of an accounting period such as the end of the month, quarter, or year.² [Businesstown.com](http://www.Businesstown.com) indicates that the purpose of the balance sheet is to quickly review

view the financial strength and capabilities of the business as well as answer important questions such as³:

- Is the business in a position to expand?
- Can the business easily withstand the normal financial ebbs and flows of revenues and expenses?
- Or should the business take immediate steps to strengthen cash reserves?

The balance sheet gets its name from the fact that the two sides of the statement must numerically balance, as presented in the classic formula presented below:

$$\text{Assets} = (\text{Liabilities} + \text{Owner's Equity}) + (\text{Revenue} - \text{Expenses})$$

Assets are recorded on left side of the Balance Sheet and Liabilities and Owner's (stockholders) Equity are recorded on the right side of the Balance Sheet, as presented in Table 1. On many balance sheets, Total Assets are set to equal 100%, with all other assets listed as a percentage of the total assets. On the right side of the Balance

Sheet, Total Liabilities and Equity may also set equal to 100%. Entries of all liabilities and owner's (stockholders) equity accounts are represented as the appropriate percent of the Total Liabilities and Owner's (stockholders) Equity. The Balance Sheet

Assets		Liabilities & Owners' Equity	
Current Assets:		Current Liabilities:	
Cash	34,000	Short Term Debt	20,000
Accounts Receivable	80,000	Accounts Payable	35,000
Merchandise Inventory	170,000	Other Accrued Liabilities	12,000
Total Current Assets	284,000	Total Current Liabilities	67,000
Property, Plant and Equipment (Fixed Assets):		Long Term Debt	
Equipment	40,000		50,000
Less Accumulated Depreciation	(4,000)	Total Liabilities	117,000
Total Assets	320,000	Owners' Equity	203,000
		Total Liabilities and Owners' Equity	320,000

Table 1.

must contain all of the practice's financial accounts and should be generated at least once a month. Monthly review of the balance sheet provides a comprehensive overview of the practice's overall financial position at that specific point in time.

Assets listed on the Balance Sheet are items of value that represent the financial resources of the practice. Accounts listed on the Balance Sheet are placed in order of their relative degree of liquidity (ease of convertibility to cash) therefore; Cash is always listed first since it does not require an action or an agent to convert cash into cash. Accounts Receivable is listed second since it represents Cash but must be "converted" into cash by collection. Assets are commonly differentiated into two classes; Current Assets and Fixed or Long-term Assets (see Table 1). Current Assets are short-lived and are expected to be converted into cash or to be used up in the operations of the practice within a short period of time, usually within a fiscal year. Current Assets include cash, accounts receivable, product inventory (hearing instrument and assistive listening device inventory, batteries, etc.) and prepaid expenses, such as insurance.

Next are the Long-term or Fixed Assets that will not be turned into cash within the practice's fiscal year. Examples of Long-term or Fixed Assets may include (but are not limited to) audiometric and other equipment used in the practice, office equipment and computers, purchased vehicles, purchased buildings, leasehold or tenant improvements, telephone systems. These assets are found in the balance sheet (Table 1) listed as "Property, Plant and Equipment" or as "Fixed Assets." To best conceptualize Long-term or Fixed Assets, consider that most fixed assets are purchased over time and must be in place over a long period of time to foster the day-to-day clinical and business operations of the practice. As equipment ages, it is said to depreciate. This depreciation of the equipment is an expense and can be claimed as a tax deduction. The accountant for the practice will evaluate the appropriate method for calculation and the extent of deductions available for every fixed asset listed on the balance sheet.

Liabilities include all obligations the practice has

acquired through daily operations of the practice. Liabilities include Accounts Payable (ex. hearing instrument and ALD acquisition costs), Accrued Business Expenses, Interest Owed on Loans, and other obligations incurred from daily operations. Owner's or shareholder's equity includes financial investment by the owner or shareholders and the earned profits that are retained in the business. Current liabilities are listed as amounts owed to lenders and suppliers and are usually separated by those that are due in the short term and long term. As with the asset categories, current liabilities are delineated into subcategories such as short term debt, accounts payable and accrued liabilities. These are referred to as current liabilities since they are due to be paid in a short period of time, usually within the fiscal year. A separate category is retained for long term debt, such as bank or other loans payable over a much longer period, usually longer than the fiscal year. All current and long term liability amounts are then totalled collectively to reflect the total liability of the practice (see Table 1). Owner's (shareholder) Equity represents funds that were initially invested by the owner as well as the profit that was earned and retained in the practice. If the practice were to liquidate, the owners (stockholders) would be an expense requiring payment, thus it is listed on the liability side of the balance sheet as a financial obligation that must be repaid at some point in time.

Income Statement

The Income Statement is sometimes called a profit and loss statement or "P and L" statements and depicts the status of overall profit within the business. McNamara indicates that income statements simply include how much money has been earned (revenue), subtracts how much money has been spent (expenses) that results in how much money has been made (profits) or lost (deficits).⁴ Basically, the statement includes total sales minus total expenses. It presents the nature of the practice's overall profit and loss over a specified period of time. Therefore, the Income Statement gives a practitioner a sense for how efficiently the business is operating.

In accounting, the practice's profitability is measured by comparing the revenues generated in a given

period with the expenses incurred to produce those revenues. The difference between the revenue generated and the expenses created during the generation of the revenue is the profit (or loss) of the practice. In a practice, revenues are defined as the inflow of revenue from providing patient care or the dispensing of products. Expenses can be considered the sacrifices made or the costs incurred to produce these revenues. If revenues exceed expenses, net earnings result while if expenses exceed net revenue, a loss is recorded.

As with other financial statements, the Income Statement, presented in Table 2, may be prepared for any financial reporting period and is used to track revenues and expenses for the evaluation of the operating performance of the practice. *Businesstown.com* suggests that managers can use income statements to find areas of the practice that are over budget or under budget and identify those areas that cause unexpected expenditures.⁵ Additionally, the Income Statement tracks the increase or decrease in product returns; cost of goods sold as a percentage of sales and presents some indication of the extent of the practices' income tax liability. Since it is very important to format an Income Statement appropriate to the type of business being conducted, the structure of income statements may vary from one business or practice to another. In audiology the format may depend upon the mix of business conducted in diagnostics, hearing products, and rehabilitative services.

Net Sales on the Income Statement consist of sales figures representing the actual revenue generated by the business. Marshall states that the Net Sales entry on the Income Statement represents the total amount of all sales less product returns and sales discounts.⁶ Directly below the Net Sales in Table 2, is the Cost of Goods Sold (COGS). COGS are costs directly associated with making and/or acquiring the products that are sold by the practice. These costs include the acquisition of products, such as hearing aids or assistive devices provided by outside suppliers. If hearing instruments are repaired or manufactured by the practice, COGS could also be materials, parts, and internal expenses related to the manufacturing or repair process, such as faceplates,

Audiology Associates, INC.	
Income Statement	
Year the Ended December 31, 2006	
Net sales.....	1,200,000.
Costs of goods Sold.....	850,000.
Net profit.....	350,000.
Selling, general and administrative expenses.....	311,000.
Income from operations (EBIT).....	39,000.
Interest expense.....	9,000.
Income before taxes (EBT).....	30,000.
Income taxes.....	12,000.
Net Income.....	18,000.

Table 2.

shells, microphones, receivers, and components. Net Profit, sometimes called Gross Profit, is derived by subtracting the Cost of Goods Sold from Net Sales. This Net Profit, however, does not include any operating, interest, or income tax expenses. Just below the Net Profit entry in Table 2 is a category for Selling and General Administrative Expenses. This subcategory is described by Tracy and Marshall as a broad “catch-all” category for all expenses except those reported elsewhere in the Income Statement.^{6,7} Examples of Selling and General Administrative Expenses that may be recorded here are legal expenses, the owner's salary, advertising, travel and entertainment, and other similar costs. The actual income from operations, sometimes called Earnings before Interest and Taxes (EBIT) and is the result of deducting the Selling and General Administrative Expenses from the Net Profit. The Earnings before Interest and Taxes (EBIT) is the net revenue generated by the practice but there are still interest expenses and taxes that must be recorded. At this point, the Interest Expense is deducted and then the tax amounts are subtracted to arrive at the Net Income (or Loss).

Statement of Cash Flows

Successful practitioners know that profit and cash flow can be two totally different things, but they are intimately related. A practice can be highly profitable yet on the verge of bankruptcy if the profits are sequestered, for example in the Accounts Receivable

Audiology Associates, INC.	
Statement of Cash Flows	
Year the Ended December 31, 2006	
Cash Flows from Operating Activities:	
Net income.....	\$ 18,000.
Add (deduct) items not affecting cash:	
Depreciation expense.....	4,000.
Increase in accounts receivable.....	(80,000.)
Increase in merchandise inventory.....	(170,000.)
Increase in current liabilities.....	87,000.
Net cash used by operating activities.....	<u>\$(161,000.)</u>
Cash Flows from Investment Activities:	
Cash paid for equipment.....	<u>\$ (40,000.)</u>
Cash Flows from Financing Activities:	
Cash received from issues of long term debt.....	\$ 50,000.
Cash received from sale of common stock.....	<u>190,000.</u>
Net cash provided by financing activities.....	<u>\$ 240,000.</u>
Net cash increase for the year.....	<u>\$ 39,000.</u>

Table 3.

– high profit, low cash flow. This situation results in limited cash to pay the practitioner, employees, taxes, and/or to service the accounts payable. Conversely, if there is substantial cash inflow to a practice but excessive overhead costs that are strangling profitability, financial difficulties will ensue – low profit, high cash flow. This is a situation where in the practice owner has overextended available resources with ill-conceived equipment purchases, exceptional leasehold costs, or extraneous staff salaries and other questionable business decisions.

The Statement of Cash Flows reflects the cash position of the practice as well as the sources and uses of cash in the practice during a specified business cycle. It presents how cash flows in and out of the practice. While, monthly cash flow statements are useful, quarterly cash statements of cash flow are essential to provide a look at trends that might be developing in the overall cash flow picture of the business. To illustrate how cash flows in and out of the practice, Marshall indicates that the Statement of Cash Flows is used to identify the sources and uses of cash over time and can be compared to the current period for analysis.⁶ In Table 3, the Statement of Cash Flows is divided into three general sections, Cash Flow from Operating Activities, Cash Flow

From Investment Activities and Cash Flow From Financing Activities. The Operating Activity section begins with the Net Income (taken from the Income Statement, Table 2) and includes all transactions and events that are normally entered to determine the operating income. These entries include cash receipts from selling goods or providing services, as well as income earned as interest and dividends, if the practice has investments. Cash Flow from Operating Activities also includes additions or deductions of items that affect cash such as depreciation, increase (or decrease) in accounts receivable, merchandise inventory and liabilities, resulting in the Net Cash used by Operating Activities. The Net Amount of Cash Provided (or used) by practice operating activities is the key figure on a Statement of Cash Flows. The Operations Section is of the most interest since it presents the specific areas of the practice where cash was consumed by the running of the practice.

The second section of a Statement of Cash Flows reviews Income generated from investing activities. This section includes transactions and events involving the purchase and sale of equipment, securities, land, buildings, and other assets not generally held in the practice for resale. This area of the statement also covers the making and collecting of loans, if the practice internally finances products and services these loans to consumers internally. Investing Activities are not classified as operating activities since they have an indirect relationship to the central, ongoing operation of the practice. Transactions within the third section record Cash Flows from Financing Activities and deals with the flow of cash between the practice, the owners (stockholders), and creditors as well as the cash proceeds from issuing capital stock or bonds if applicable. For example, if there was a need to transfer profit from the practice to the owners or from the owners (or creditors) into the practice, it would be reflected in the Cash Flows from Financing Activities section. Careful review of the Statement of Cash Flows can offer valuable information to the practitioner as to where the cash generated actually goes and presents an invaluable opportunity to make adjustments in practice operations for management purposes.

Epilogue

Although these statements are extremely useful, Freeman indicates that these data are a record of practice performance. Until the data is calculated into the various ratios that unlock the valuable information within the Balance Sheet, Income Statement, and the Statement of Cash Flows the totals are just numbers.⁸ The real information in these statements are the calculations that determine the practice's liquidity, activity and leverage (debt) ratio simple calculations. Although calculations can be conducted on all of the statements, the ratios of primary importance are conducted on the balance sheet and income statement data. These financial accounting ratios can give the practitioner information as to if there are enough funds to pay the bills, how long it takes to turn the accounts receivable, or inventory and even give information as to the debt of the practice. The next part of this series will discuss the calculation of some important ratios that can influence the management of the practice as they are tracked from month to month, quarter to quarter, and year to year.

References

1. Traynor RM. Fiscal Monitoring: Cash Flow Analysis: In: RG Glaser and RM Traynor, eds. Strategic Practice Management. San Diego, CA: Plural Publishing. pp. 74. 2008
2. Brealey R, Myers S, and Marcus A. Fundamentals of Corporate Finance. McGraw-Hill: New York. 2002.
3. Businesstown. 2003. The Balance Sheet. Business Town . Com. Retrieved March 25, 2005. Available at: <http://www.businesstown.com/accounting/basic-sheets.asp>.
4. McNamara C. Profit and Loss Statements. Authenticity Consulting, LLC. 2007. Retrieved April 7, 2007. Available at: http://www.managementhelp.org/finance/fp_fnce/fp_fnce.htm#anchor561785.
5. Businesstown. The Income Statement. Business Town. Com. 2003. Retrieved March 25, 2005. Available at: <http://www.businesstown.com/accounting/basic-sheets.asp>.
6. Marshall DH. Accounting: What the Numbers Mean?, 6th Edition. New York: McGraw-Hill; 238–47. 2004.
7. Tracy J. 2001. Accounting for Dummies, 2nd Edition. Hoboken, NJ: Wiley Publishing.
8. Freeman B, Barimo J, and Fox G. 2000. Financial Management of Audiology Practices and Clinics. In: Hosford-Dunn H, Roeser R, and Valente M, eds. Audiology Practice Management. Thieme: New York, pp. 351–62.

Reprinted with permission from Canadian Hearing Report.

ActivEars has a position for a Hearing Instrument Specialist, any experience considered. Sarnia office.
Please FAX your resume to 519-537-5519.



Join our Team of Professional Clinicians!

As a growing organization with ongoing clinic expansion, Hearing Solutions is seeking a dispensing Hearing Instrument Specialist. As part of our organization, you will have an opportunity to further develop professionally. You will be trained to use the latest technology from various hearing aid manufacturers.

As a dispensing Hearing Instrument Specialist in private practice you will have the satisfaction of maintaining your patient relationships from the initial consultation through to their successful fitting.

Our clinics incorporate all the newest technology to create an interactive patient experience. You will be fully supported by our customer service team, marketing and administrative personnel so you will be able direct your focus on your patients and their hearing health-care needs.

Our compensation packages include: competitive salaries, commissions & bonuses, health & medical benefits, vacation package, along with ongoing training, education and professional development.

Immediate openings in the West End of the GTA. Knowledge of English, Hindi, Urdu, Punjabi, and Gujarati will be a definite asset.

We encourage all suitably qualified applicants to email their resume in confidence to audiology@hearingsolutions.ca



Full-time and part-time positions

Hear Right Canada is looking for a Hearing Instrument Specialist in these areas.

EXPERIENCE:

You are a practicing or recently graduated Hearing Instrument Specialist in Ontario with all the qualifications to dispense hearing devices and are eligible to be an authorizer with ADP, WSIB and DVA.

RESPONSIBILITIES:

- Perform audiometric assessment and evaluation of hearing loss.
- Client counseling on recommendations and expectations.
- Recommend and dispense hearing aids and other hearing devices.
- Knowledgeable on all new products and services to assist clients.
- Provide professional, courteous services to assist clients in a timely manner.
- Assist and support all Hear Right Canada's personnel.
- Training and community travel as required.

Please send resume to:

Email: hearrightcanada@gmail.com

For Sale

Used Beltone AE-2 (Same as Madsen Itera) audiometer, calibrated and ready to go with headphones. \$3,000. Home visit case available. Inserts also available.

Assorted sound level meters for sale, ideal for establishing noise floor at home visits. Excellent deal on 2 new in-stock Madsen Otoflex 100 tympanometers.

- 1 Used sound booth – big and spacious – external dimension 9'5" wide x 8' deep x 8'4" tall.
- 2 Med R/X video otoscopes, new in stock.

Call Scott at AIM Instrumentation today or see us at AHIP. 1-800-871-9967

Classifieds

How does a Kiss sound?



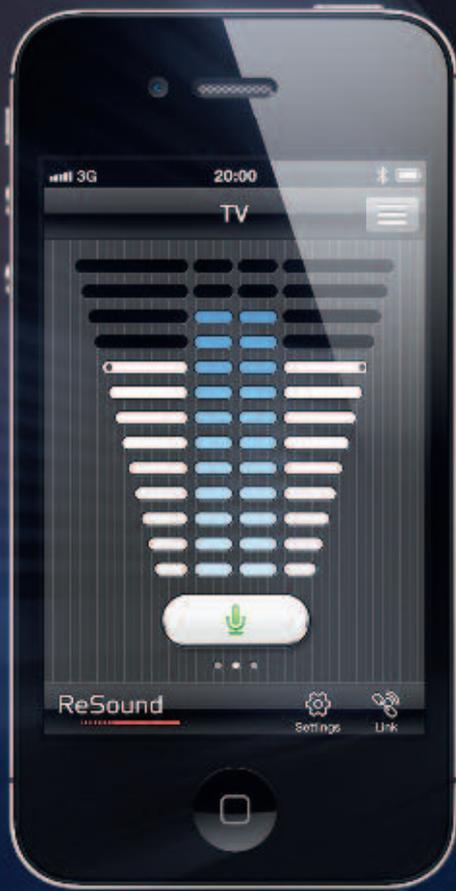
Natural. Introducing Moxi Kiss.

Close your eyes for a minute. Now picture a beautifully refined little hearing instrument. Imagine that behind its enticing exterior is technology that lets your clients experience the most high-fidelity, natural sound, automatically, in any situation. Now open your eyes and say hello to love at first sound with Moxi™ Kiss.

ReSound Control™

An industry first

Now available on the App StoreSM



Smart control anywhere

Connectivity options that take the experience of hearing to a whole new level.

Market-leading. Empowering. Hassle-free.

www.gnresound.ca/rscontrol



ReSound Unite™ Phone Clip+ is required for operation.



www.gnresound.ca/control

The trademarks listed are owned and used by The GN ReSound Group and its related affiliates. Apple, the Apple logo and iPhone are trademarks of Apple Inc., registered in U.S. and other countries. App Store is a service mark of Apple Inc. Android is a trademark of Google Inc.

ReSound

rediscover hearing

ReSound Canada • 1-888-737-6863