



Urgent Warning to Surgeons Performing Fat Grafting to the Buttocks (*Brazilian Butt Lift* or “BBL”)

By Daniel C. Mills, II, MD, J. Peter Rubin, MD, and Renato Saltz, MD



This urgent advisory is in response to the alarming number of deaths still occurring from the Brazilian Butt Lift (BBL).

The Multi-Society Task Force for Safety in Gluteal Fat Grafting (ASAPS, ASPS, ISAPS, IFATS, ISPRES), representing board-certified plastic surgeons around the world, recently released a practice advisory. Additionally, the Task Force is conducting anatomic studies to develop specific technical safety guidelines.

Since the release of the practice advisory, deaths from this procedure continue to be reported. The unusually high mortality rate from this cosmetic procedure is estimated to be as high as 1:3000, greater than any other cosmetic surgery.

The cause of mortality is uniformly fatal fat embolism due to fat entering the venous

circulation associated with injury to the gluteal veins. In every patient who has died, at autopsy, fat was seen within the gluteal muscle.

In no case of death has fat been found only in the subcutaneous plane.

The Task Force has therefore concluded that: **fat should never be placed in the muscle. Fat should only be placed in the subcutaneous tissue.**

If the desired outcome might require another procedure, then manage the patient's expectations and discuss the possibility of staging (as often done with fat injections, hair transplants, etc.)

It is easy to unintentionally enter the muscle during subcutaneous injection.

Therefore, stay mentally focused, alert, and

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BIA-ALCL Advisory Update

The following advisory represents a collaborative effort between ASPS and ASAPS to produce biannual updates on recent disease developments, government regulatory communications, and consensus recommendations.

Q: What is BIA-ALCL?

A: BIA-ALCL (Breast Implant-Associated Anaplastic Large Cell Lymphoma) is an uncommon lymphoma that has only been

reported in patients with a history of a textured breast implant device. When caught early, it may be curable in most patients. BIA-ALCL is not a cancer of the breast tissue itself, but of the scar envelope that the body naturally forms around a breast implant—called the capsule. All government authorities and oncology organizations currently classify BIA-ALCL as a lymphoma.* However, BIA-ALCL consists of a spectrum of disease that

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Cultivating a More Diverse, Healthy Society

By W. Grant Stevens, MD

This year seems to be racing along—I can't believe that we have already moved into autumn! As we enter the fall season, I think of this as a time for reflection. As a relatively younger Society, we have achieved so much over the course of our lifetime, and yet there is still a great deal to accomplish.

I have made it my priority as your President to showcase our Society's ever-growing diversity, and it is my goal to bring in even more voices during my term. I'm very proud of the strides we have made with women and younger aesthetic surgeons. Not only do we have the Women Aesthetic Surgeons' symposium each year during The Aesthetic Meeting, but this past year featured a private lactation suite as well. We have increased the female presence in leadership positions, and it won't be too long now before we finally have a female president. And our efforts to attract younger surgeons as Residents and Candidates for Membership are in full swing. Residents receive RADAR Resource free and it continues to be a key asset to them. We have also removed a barrier to entry for Candidates for Membership

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Strategies to Reduce Volatility and Improve Tax Efficiency

By Jason O'Dell, MS, CWM, Principal of OJM Group, and Michael Lewellen, CFP, Director of Financial Planning, OJM Group

Many investors believe that the primary goal of diversification is to hedge against risk and volatility. Another fundamental goal for diversification, however, should be to increase tax efficiency—something that many investors overlook.

One simple way to achieve both of these objectives is to consider the addition of cash value life insurance to your portfolio.

Cash Value Life Insurance as an Asset Class

Life insurance may not come to mind immediately when thinking about portfolio asset classes, but it should. Several types of cash value life insurance (CVLI) exist, and some offer advantages over other asset types.

For example, certain types of CVLI offer returns that are not correlated with the stock market. That means a policy can act as a hedge against the losses of traditional investments, such as stocks, bonds and mutual funds. Further, a properly-designed CVLI policy is given preferred tax treatment, allowing cash value to grow tax-free and, if properly managed, accessed tax-free. In this way, it can also act as a tax hedge against capital gains and income tax liabilities.

Types of Cash Value Life Insurance

When considering a tool like CVLI in a portfolio, physicians should understand the different types of policies and how each of them works. We will examine two common types in this article.

Whole Life Insurance

In this type of contract, premiums are paid to the carrier, who then invests them. In return, the carrier credits policyholders with a dividend as long as the policy is in-force. This guaranteed rate gives the policy owner the benefit of a bond-like return. Whole life contract guarantees are generally better than the guarantees offered by other types of life insurance. However, a whole life policy is also less flexible, from a design standpoint, because premiums are fixed. In addition, the costs can be higher throughout the life of the policy.

Whole Life Summary:

- Dividends credited
- Average earning rate can fluctuate from company to company
- Fixed interest rates, similar to highly rated corporate bonds
- Strong guarantees, but no flexibility

Universal Life Insurance

In a pure universal life policy, the carrier declares an interest rate, and they credit that interest rate at guaranteed intervals. Premiums are flexible, and a policy can be designed to have a limited number of premium payments.

Another type of universal policy (and one investors should pay special attention to) is the *equity indexed universal life* (EIUL) policy. Like standard universal life policies, EIULs offer cash values, but they have a different way of crediting interest. Carriers with EIULs take the policy premiums and utilize them to implement a *collar strategy*. In a collar strategy, premiums are paid to the carrier. The carrier then sells call options and buys protective put options on positions they own. In return, the policy's performance is tied to an index, such as the S&P 500. Because a collar strategy is a *protective strategy*, the carrier is able to guarantee the policyholder a *floor*, or minimum return (i.e., 0%) that protects them from losses. With an EIUL, if the index the policy is tied to goes down 20 percent, the cash value will not go down. EIUL policy cash values also have a *ceiling*, or cap, on the upside (i.e., 10%), which means that if the index goes up beyond the cap, the policyholder will get a portion of the total upswing.

EIUL Summary:

- A floor to prevent losses
- Capped upside potential
- Index-tracking cash values

Improving Tax Efficiency

Tax efficiency is a facet of retirement planning that is often neglected. Yet, this should be one of a physician investor's primary concerns, since the only sure thing about the future of taxes is that it's *completely unpredictable*. When an investor cannot see what is coming, the only way to hedge against

the possibilities is to structure one's assets so that some are removed from potential tax burdens. That is the goal when using CVLI.

Potential tax exposure in retirement is often visually represented by buckets. First is the *income bucket*, which is comprised of taxable income sources—such as a 401(k), traditional IRA and/or pension. When a retirement saver contributes to these accounts, they receive a deduction and the contributions grow tax-deferred. But when they begin to take distributions, they are taxed as ordinary income. While it is advantageous to get the tax deduction on the front end, investors should hedge against future tax rate risks by not having all assets in the first bucket.

The second bucket is the *taxable bucket* or *capital gains tax bucket*. This will generally include anything that is in a taxable account or a brokerage account, such as stocks, bonds and mutual funds. Assets distributed from this bucket are taxed at a capital gains rate, which is advantageous because long-term capital gains rates are lower than income tax rates.

The third bucket is one that is often overlooked, and that is the *tax-free bucket*. This bucket includes accounts such as the Roth IRA and investments such as municipal bonds. In these accounts and investments, the contributions grow tax-free and distributions are tax-free. CVLI also fits into this bucket because, when the policy is properly designed, dollars that are put in grow tax-free, and the owners can withdraw them tax-free.

Conclusion

Physician investors should consider having a licensed advisor review their portfolios to determine if a CVLI policy could provide a hedge against market volatility and future taxes. An important goal should be to ensure the insurance contract is structured in such a way that the premiums do not exceed tax law limits, thus creating what is referred to as a *modified endowment contract*, or *MEC*, as that will prompt the loss of all the tax benefits.

Advisors should also confirm that the funds designated for payment of the EIUL premiums can be committed for the long term, so that the policy does not lapse. If the policy lapses

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after funds have been distributed, the distribution can become taxable. In the same vein, since EIUL contract expenses are generally front-end loaded, a distribution plan should be designed to avoid pulling money out of the EIUL policy for roughly 10 years. Finally, advisors and investors should work with a carrier that historically has not increased charges on their active policies.

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Jason M. O'Dell, MS, CWM is a financial consultant and author of more than a dozen books for physicians, including "For Doctors Only." He is a principal of the wealth management firm OJM Group www.ojmgroup.com, where Michael Lewellen, CFP® is the Director of Financial Planning. They can be reached at 877-656-4362 or odell@ojmgroup.com.

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Fastest Path to Cosmetic Patients and Profits

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Have a social media corner where they can post photos and spread the word about you to their Internet friends.

Patient Advisory Board

Successful companies have a Board of Directors that guides them with strategies to grow. You can do the same with your own Patient Advisory Board.

Invite 25 of your favorite patients to be on your new Board. These patients visit you often, have connections in the community and are loyal fans. Have them bring a friend who is not yet a patient of your practice.

Hold a Board meeting at a nice restaurant in a quiet room. Serve cocktails and a nice dinner and present a short talk on your services while showing lots of before/after photos.

Now open it up to your attendees with a question they can brainstorm such as:

"How can I grow my practice with more patients just like you?"

Have your staff write down all ideas that come out of this brainstorming session so they can follow up after the event.

Additionally, give \$100 gift cards to their friends to experience your practice and report back to you on how the patient experience can be improved upon.

Not only will this solidify your current patients' loyalty, you will grow your practice with the 25 new patients they brought to you.

That's how you grow your practice easily, quickly and cost effectively.

Catherine Maley, MBA is author of "Your Aesthetic Practice/What Your Patients Are Saying" and President of Cosmetic Image Marketing. She uses creative patient-attraction and staff-training strategies to get you more patients and more profits. Catherine can be reached at (877) 339-8833 or visit her website at www.CosmeticImageMarketing.com.



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Of course, many of these devices do live up to their promotion and hold an important place in your armamentarium. Patients love noninvasive options. And often these procedures can turn a one-time visit into a regular and loyal patient.

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You can access SAC by logging onto www.surgery.org/surgeonasconsumer and entering your user name and password. There you will find reviews from other members and be able to submit your own. **Remember, SAC is a service exclusively for use by Aesthetic Society members.**

Help yourself and help others by reading and writing device reviews today!