



Post-Residency Bazinga: Making the Next Step the Right One

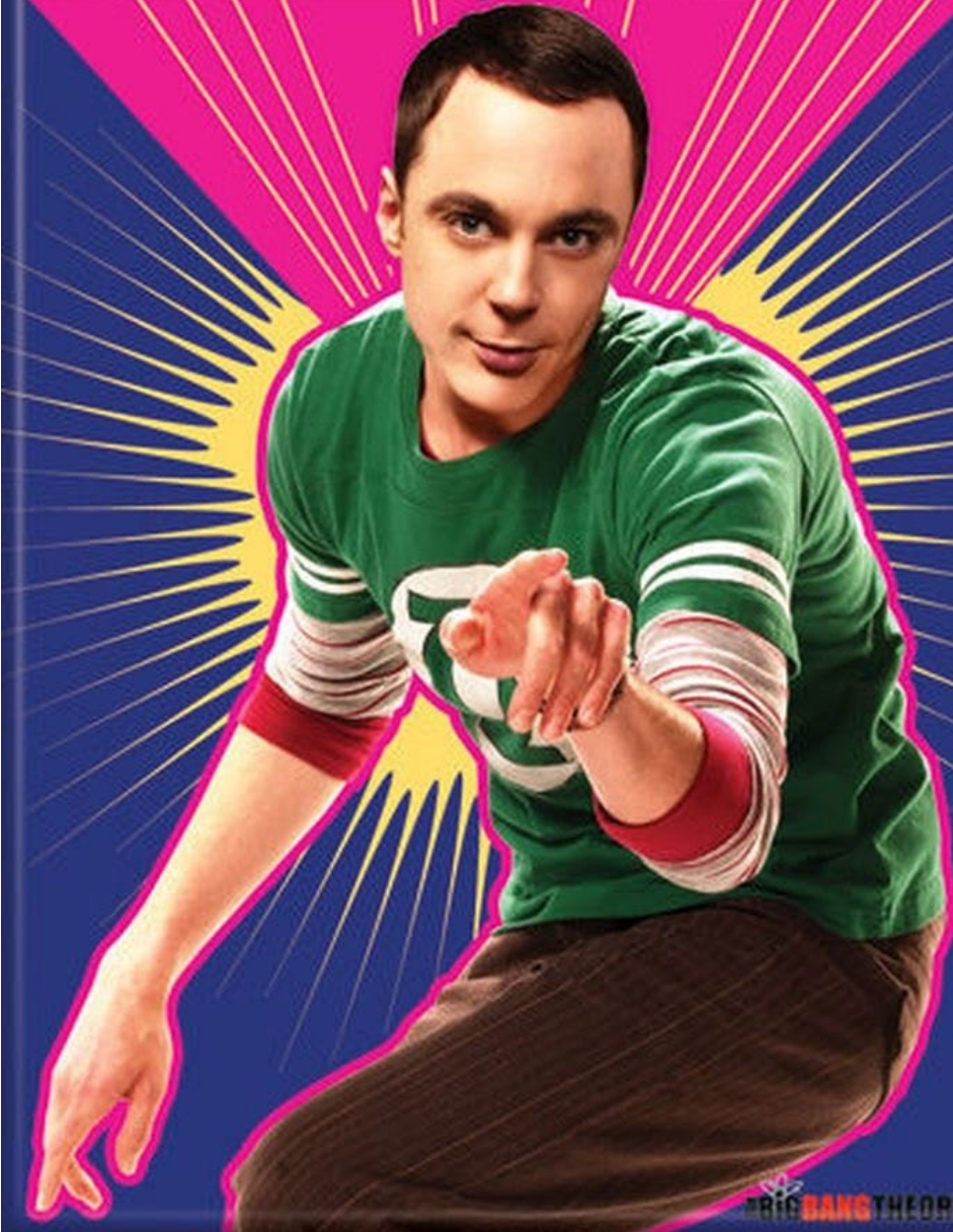
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BAZINGA!™



THE BIG BANG THEORY™

Presenter Disclosures

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Post-Residency: Choosing the Right Type of Practice; Jobs/Fellowship; Financial Wellness Practice Trends – Private, Hospital, Ortho, Multispecialty, Academia, etc

Purpose:

“Completing residency successfully is only one of the stressful endeavors a podiatry school graduate faces. What follows may be the most complicated undertaking we face in our profession. What type of employment scenario best fits our personality and skills? Is private practice, hospital based, ortho group, multispecialty, or academia the best fit? In addition, maintaining financial wellness throughout residency and post residency is crucial. This lecture will help even the most stressed resident through this difficult pathway.”

What We'll Cover...

- Jobs (vs.) Fellowships
- Practice Types
 - Private practice, Hospital, Orthopaedic, Multi-Specialty, Academia
- Financial Wellness Topics
 - Financial Literacy
 - Contracts
 - Student Loans
 - Insurance
 - Retirement
 - Other Financial Considerations



QUESTIONS

- Does anyone have a job yet?
- Do you know what kind of job you (think you) want?
- Do you know where to look for jobs?
- Have you thought about PSLF along with your job search?
- Considered a fellowship?

Job (vs.) Fellowship



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Podiatry Practice

- Starting your career
- Many practice model types
- Start “financial” future

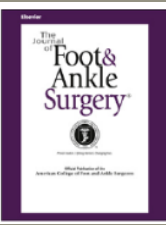
Fellowship

- Ask yourself “Why do I want to do one?”
- Where? “Style?”
 - ACFAS; APMA/CPME; MISC/non-accredited
- When?
 - Start visiting PGY-2 spring, if not earlier
 - Review application process, requirements
- Tips:
 - What does each program offer?
 - Network at conferences, with old fellows, other prospective applicants;
 - **Continue the job search concurrently**



The financial implications of a podiatric foot and ankle fellowship? Is another year worth it?

(Rushing et al, JFAS 2021)



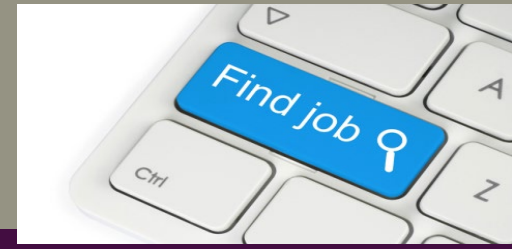
- Q: Is pursuing a fellowship and 1-year of missed income a good financial investment?
- A: Yes* – an “acceptable financial investment” which may “positively affect career earnings”
 - Net present value = \$4.2 million vs. \$3.03 million
 - Net income difference = \$2.5 million
- MISC
 - 1 year less of retirement income
 - \$20,500 invested at 35yo for 30 years at 6% = \$123k (8% = \$224k)

PMID: 35039197

Practice Model-Types

- Solo Practitioner / Contractor
- General Practitioner (Podiatry-Owned)
- General Practitioner (Multi-Speciality)
- General Practitioner (Private Equity Owned)
- Hospital Employed
- HMO Employed
- Military / Government Employed
- Industry
- Research

Where To Look For A Job?



- Websites:

- APMA, ACFAS, Pod Job Success, Podiatry Management, Podiatry Exchange, Pod Today, AAPPM, AOFAS, AOFAS, JAMA, DocCafe.com
- Local State Organization Websites
- School Websites (Kent, NYCPM, Scholl, Temple)
- Monster, Indeed, Glassdoor, HealtheCareers.com, Craigslist
- Recruiters (search for this; get on “lists”)

- Word Of Mouth:

- Keep your ear to the ground.
- Mentors, attendings, family/friends, device reps
- Conferences (APMA, ACFAS, State Mtgs)





American College of Foot and Ankle Surgeons®

Sign up and Mark Your Calendar For the ACFAS Virtual Career Fair
Thursday, February 23, 2023
5:00 - 8:00 pm EST

Before you get busy, seize the moment and sign up to participate in the must-attend hiring event for foot and ankle surgeons like you.

After you register, we'll send some easy preparation tips so you'll be all set to impress employers. On ACFAS Virtual Career Fair Day, you'll log on, view a list of employers, browse open positions and request to chat with employers you're interested in meeting.

Sign up for free and get your foot in the door with organizations that are actively recruiting foot and ankle surgeons - all from your mobile device or desktop!

Learn more and register today!



What matters to you?

- Location?
- Pay?
- Work Life Balance?
- Harmony of work environment?
- Opportunity?
- Accumulating Surgical Cases for Boards?
- All the above?

What young physicians want from a first job

By Chris Mazzolini
May 27, 2019

**Medical
Economics®**

- Focus on: (1) location, (2) pay, (3) work-life balance
- Setting: hospital > 1° Spp. > Multi-Spp. > Partner > Solo (~2%)
- Big(-ger) cities: 1 in 5 (+1-mil); 45% in >250k pop.
- Concern on student loan repayment –
 - 42% have > \$200k debt
- Residents feel less prepared to handle the “business side” of medicine –
 - “Preparedness” = 8% - very; 54% - somewhat; 38% un-
 - 53% state they received NO formal training on this topic in medical school
- Greatest concerns as beginning a career...
 - “Earning good income; educational debt; availability of free time; insufficient practice mgmt knowledge; dealing with payers”

Jobs – Compare / Contrast

- Go on multiple interviews (of varying “types”)
- Take and consider each one individually
 - Do not directly compare;
 - How does / not each match your “list”
 - Pros/Cons list
 - Does it have what you are looking for?
- Observe EVERYTHING (big **AND** little moments)
- Do some digging around...
- Discuss with others:
 - Family, friends; attendings; co-residents;

The Wrong Job



- Should You Plan on Staying Somewhere Forever?
- First job = Forever job?



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Financial Wellness

Disclaimer

- These slides were put together by the presenters, both of whom are **NOT** a financial advisor, accountant, or attorney.
 - As such, this presentation is for your information and entertainment only and does not constitute formal, personalized financial, accounting, or legal advice.
- The accuracy of any and all information in this presentation should be double-checked using a reputable source, financial advisor, accountant, or other resource.

**The purpose of this presentation is to briefly
introduce topics to get you thinking !**

Topics

- Financial Literacy
- Contract Evaluation
- Student Loans
- The Insurances
- Retirement Accounts
- Other Financial Considerations
- Side-Gigs
- Closing Thoughts
 - (OR) The Next Steps



Financial Wellness / Literacy

- Q: When should you start becoming financially literate?
 - A: YESTERDAY!
- Gaining an understanding of financial wellness now, will literally pay dividends now and into the future.
- Family CFO = Second job
 - Spend time learning about business/finance
 - Hire professionals to teach you (not do it all for you)
- The following slides are here to briefly mention (introduce?) concepts, ideas, and items you should be starting to become educated on and align into ones life.

QUESTIONS

- Has anyone read a financial book?
- Contributing to their residency 401k/403b retirement plan?
 - Know what the employer benefit/match it?
- HSA?
- Investing?
- Has a written financial plan?
- Has life or disability insurance?
- Know what student loan repayment plan they are in?

Some Goals...

- Building Retirement / Future Wealth
 - 401k/403b/457
 - IRAs, Roth IRA, HSAs
 - Investments (brokerage/stock market, real estate, etc.)
 - Kids? = 529 plans (some tax advantages per state)
- Lowering taxable income = lowering tax bracket
 - Retirement Accounts = tax-defer/free contributions
 - Health insurance = High deductible plan w/ HSA
- Maximizing offered benefits
 - Employer “match” aka “free money”
- Personal protection
 - Insurance (Health, Life, Malpractice, etc)
 - Will and estate planning
 - Plan beneficiaries



Why Is Financial Literacy Important?

- We, as physicians are:
 - high income earners;
 - low financial acumen (no business, personal finance, or investment training);
 - way too busy doing our jobs;
 - overly trusting;
 - stubborn and think we know everything;
 - ...despite having little/no formal business/finance education to date
 - think personal finances is too complicated to DIY*
- WE ARE EASY TARGETS to be taken advantage of financially

Resources

- Books

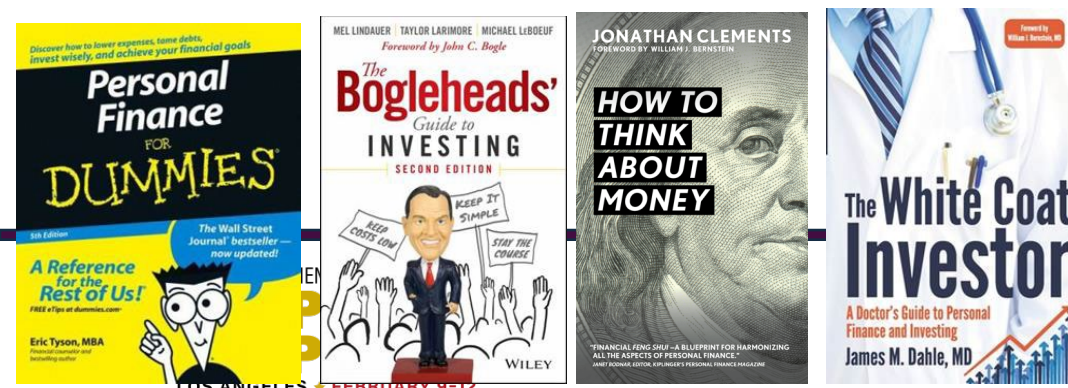
- Personal Finance = Personal Finance for Dummies
- Investing = The Bogleheads Guide to Investing
- Behavioral Finance = How to Think About Money
- Physician-specific Finance = The White Coat Investor

- Online Resources

- White Coat Investor (web, pod, books)
- Bogleheads (web, pod, book)
- Physician on FIRE (web, pod)
- Humble-dollar, Early Retirement Now, Passive Income MD, The Frugal Physician...and more...Just google

- Personal Education

- Basic understanding of your retirement plans (& match), rules re: vesting timeline, other personal financial relevant items
- Accountant?
- Financial advisor (types)



Pyramid Approach to Financial Planning



Important Financial Facts/Figures

| <u>CONTRIBUTION</u> | <u>2022 LIMIT</u> | <u>2023 LIMIT</u> | <u>CHANGE</u> |
|---------------------------------|-------------------|-------------------|---------------|
| 401(k)/403(b) (Employee) | \$20,500 | \$22,500 | \$2,000 |
| 50+ Catch-up | \$6,500 | \$7,500 | \$1,000 |
| 457(b) | \$20,500 | \$22,500 | \$2,000 |
| Traditional or Roth IRA | \$6,000 | \$6,500 | \$500 |
| Total 401(k)/ 403(b)/SEP-IRA | \$61,000 | \$66,000 | \$5,000 |
| SIMPLE IRA/ SIMPLE 401(k) | \$14,000 | \$15,500 | \$1,500 |
| HSA (Family) | \$7,300 | \$7,750 | \$450 |
| Healthcare FSA | \$2,850 | \$3,050 | \$200 |



2023 CONTRIBUTION
LIMITS



Understanding Your Contract

Benefits Through Contract

- Salary structure
- Bonus?
- Sign-on bonus
- Moving expenses
- Buy-in provisions and benefits
- Company CC = pre-tax deductions?
- Ancillary costs = licenses, fees, CME, etc
- Retirement plan and match
- Health Insurance Plans
 - High deductible / HSA?
 - Defer employer HI for spouse?
Ask for bonus/money, etc
- Malpractice Insurance
- Disability Insurance
- Life Insurance

The Bad – Cost of Leaving

non-compete, tail coverage, bonus/\$ forfeiture,
notice of departure ²⁶ (fire vs leave)

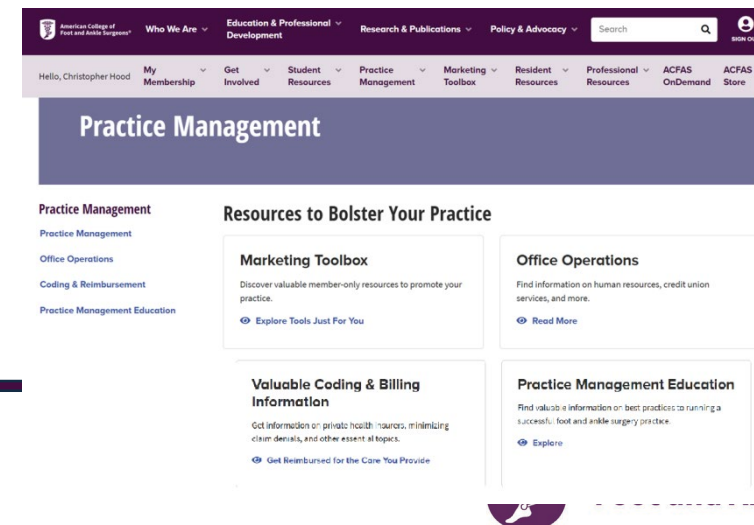
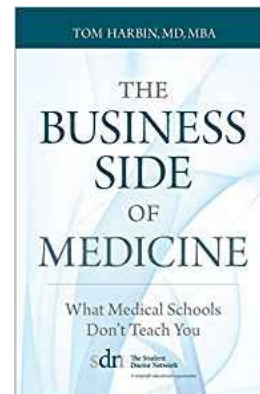


How To Make Money

- Learn how to bill
 - Start in residency
 - Learn from attendings
 - Spend time in private offices
- Practice management skills
 - Marketing
 - Billing
 - Learn from attendings
- Clinical/Surgical skill improvement

- ACFAS Items on ALL Topics

- Website
- Webinars
- Courses



Student Loans



- Payment structures
 - Private vs. Federal held loans
 - Various federal repayment plans (IRB, PAYE, RePAYE)
 - Refinancing strategies (& free money)
- PSLF
 - Is your residency/fellowship at a non-profit (501c3)
 - Is your employer a non-profit?
 - 10 years / 120 qualifying payments to forgiveness
- Current political battles re: forgiveness and implications
 - Deferred, “counted” payments since spring 2020;
 - \$10-\$20k forgiveness policy – taxed?
 - Taxable forgiveness burden/exposure on most plans

Mean Edu debt (2020)

- \$260k for DOs
- \$205k for MDs
- \$300k for DPMs* ('22)
- \$300-\$450k is becoming more common

Company advice reviews:

- Student Loan Advice (Andrew Pauslon, CSLP) –
@studentloandadvice (IG)
- Student Loan Planner (Travis Hornsby) -
@studentloandplanner (IG)

Student Loans

- Common Questions:

- Should I pay them off early?
- Should I invest instead and stick to the repay schedule?
- Should I refinance/consolidate?
- What should I do?
 - Run the numbers
 - Pay for advice

- Considerations:

- (+) Free-up cash-flow
- (+) Tax write-off
- (+/-) “Crystal-ball (stock market or federal interest)
- (-) Cannot un-refinance
- (-) Capitalization of deferred interest

The Insurances

- Life Insurance Policy (Term)
 - Personal
 - Employer designated
 - How much? (\$1-mil/\$100k)
- Disability Insurance Policy
 - Personal (“own-occupancy”)
 - Riders
 - Employer / Group
- Umbrella Policy (Personal Liability)
 - (+) Homeowner/auto
- Malpractice Insurance
 - Claims-made vs Occurrence
 - Claims-made = Tail Coverage

• Differences

- Gender
 - Life (cost) = $w < m$
 - Disability (cost) = $w > m$
- Purchase prior to:
 - Completing residency;
 - Having kids;
 - Have a major health event*

Retirement Accounts



- You cannot afford NOT to start stashing money
 - Time = Compound Interest
- When do you want to retire?
- Understanding disbursement rules (age, amounts, penalties)
- Examples of Plans
 - 401k / 403b
 - 457
 - IRA / Roth
 - HSA
 - Social Security (?)

Other Financial Considerations

- Emergency Fund
 - 3-6 months coverage
 - Liquid
- Estate Planning
 - Will / Living Will
 - Advance Directive
 - Medical Power of Attorney
- Policy Beneficiaries
 - Update! - Spouse, kids, estate
- Home Ownership
 - Home Loan, Refinancing, etc
 - Physician mortgage loans
- Personal Insurances
 - Home / Auto
 - Umbrella (add-on)
- Debt
 - Evil necessary
 - Try to limit, in excess
 - Avoid “bad” debt

Side-Gigs

- Ancillary Income – Doctor
 - ASC buy-in
 - Consulting
 - Advisory boards
 - Med-Legal work
 - Surveys
 - Per-diem
 - Educational side-gigs
- Ancillary Income – Personal
 - Real estate
 - Investing

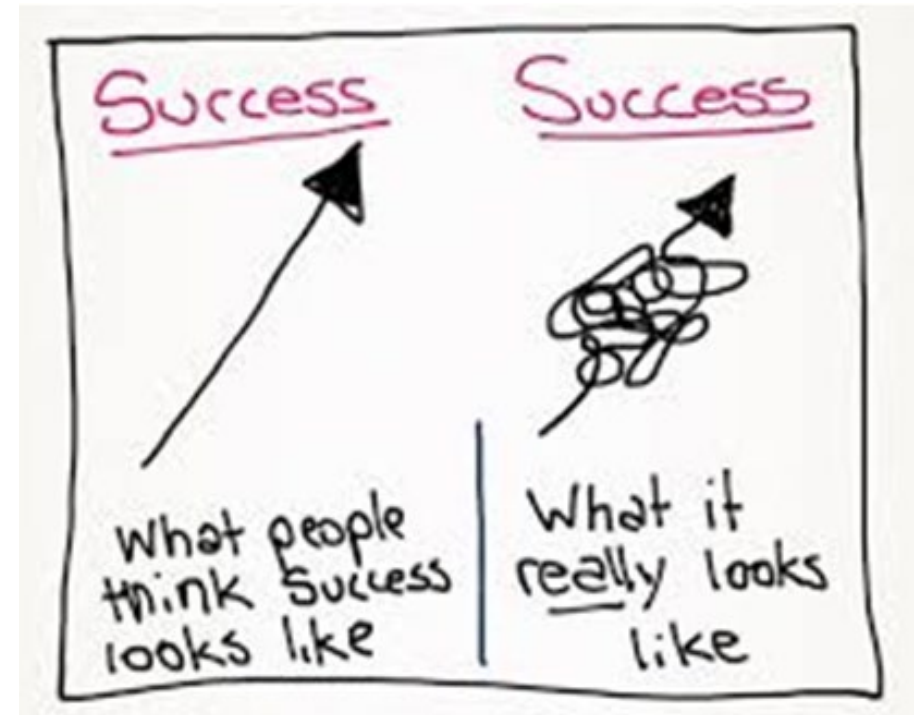


The Secret To Physician Wealth

- Make a lot of money
- Don't spend a lot of money
- Make your money work as hard as you do
- Don't lose your money
 - Creditors, Taxes, Death, Disability, Speculation
- You've already won the game (the rest is easy)
- Convert your high income into a high net worth

Closing Thoughts

- “What do I / we want out of this life?”
 - Professionally?
 - Personally?
- Financial goals?
- Personal / family goals?
- Prioritize saving, spending
 - Budget & plan (financial plan)





What should you do next (or first)?

- Education through literacy
- Make a “Written financial plan”
 - Re-evaluate quarterly/monthly
 - Automate
- Live like a resident your first 2-5 years
 - Pay down debt, save home down payment, max retirement accounts
 - Grow into your income
 - Pay down (bad) debt
- Goal = Saving 20% (or more) of gross income / year
- Get insurance (life, disability)
- Evaluate your student loan payment plan



Thank You!

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