The Physician Negotiator

Notes

[00:21:44]

Correction, Interns make money. Just not very much.
Hierarchy of "Financial" Needs

[00:29:58]

"But publicly there is this perception that if you're a doctor you're automatically financially successful."

[00:30:56]

"you will hold yourself up to that same high level of expectation right. It's a public image and it is very difficult for a doctor to remove themselves from the public doctor image"

[00:31:48]

"That's and that's why on my pyramid as you pointed out my base is this big financial protection because if you don't do that psychologically you're really undervaluing yourself."

[00:32:54]

"you out there in the audience who think you're totally protected because your hospital or your medical system has given you a group disability plan ,you are not"

"Let me tell you stressful is going for making you know twenty thousand dollars a month to making three because you only have a five thousand dollar group benefit that is pre-tax so you lose the taxes and then it disappears two years later."

[00:34:46]

"The group carriers have been collapsing through mergers and acquisitions pretty steadily over the last 30 years. There used to be over one hundred carriers and now it's

down to just a couple dozen for the individual side."

[00:36:21]
"Your policy is only as good as this year. As soon as it reaches the anniversary date they issue a new policy with new language."

[00:39:53]
"So the insurance carrier might start off with all these things on a platter but in order to maintain the pricing through the years they'll take a few things off the menu each year on that anniversary date"

[00:41:36]
"And the reason H.R. doesn't really care about it is because if you go on claim you don't deal with H.R. you are put into a completely separate organization where you have a disability claims manager that has nothing to do with your other organization and you are strictly dealing with the insurance company."

[00:42:45]
It actually actually has to do with liability. So if the sales person has said something that's not true but then they're saying it to the claims person. You could get the carrier could be an a liability mess because the salesperson is a representative of the carrier. So what they do is they separate the humans so that the humans that are on the sales side don't talk to the humans that are on the claim side so that the carrier can broadly teach the claimants side to only say these things whereas the salespeople often have more latitude to sell a policy"

[00:43:55]
"But I'll tell you with your policy you don't have to worry about it anyway because your own occupation period is only 48 months after 48 months this policy switches to an any occupation definition and it is very very loose definition of any occupation."

[00:45:35]
"There'll be lots of jobs available to you so your insurance company at in that forty ninth month will take a determination from all the doctors you've seen. They will tell you which occupations you can do and because you can do them. They will then terminate your

claim."

[00:47:33]
"So that's one of the reasons that it's so critically important to get your individual disability insurance while you are in residency."

[00:48:58]
"So you'll stack to individual policies on top of each other and that'll get you up to an industry maximum depending on the carriers for disability insurance. "

[00:49:57]
"And so and even a doctor that's coming onto your organization within those first 90 days that they become a doctor they can actually get an individual disability insurance products without the group Disability insurance product interfering with their benefit amount."

[00:51:01]
"That is a huge struggle through hospital administration and anybody who works for a hospital certainly understands how difficult it is to do things in their departments'

[00:52:20]
"Well when when that system folded in on itself because they found that physicians were biased towards using those products they collapsed all of the external activities and they've tried to internalize those in large bureaucratic systems. "

[00:53:43]
"And so you know when you are a compassionate intelligent dedicated tenacious personality that self selected to go into medicine and then work your tail off to get educated far beyond what most people are to then run into a situation where you don't know what the right answer is it is profoundly disappointing to you."

[00:55:05]
"They tell me they say Chris I don't know what medicine looks like five years from now so I don't have any business telling this young doctor what they should do or shouldn't

do"

[00:57:52]
"I reviewed a case from 2013 the same six day hospitalization had fourteen thousand pages from the EMR"

"So there's all those challenges that are going on right now with technology and in the administration and practice of medicine. And at the same time we've removed this kind of doctor to doctor mentoring about your own life."

[01:00:55]
Advice for physicians under 40.

[01:02:08]
Over 40 advice.

[01:02:49]
What happens if you change jobs. "Well when you change jobs before you're under the new group policy you would exercise all of your future increase so that you're covered on your individual policy maximally. And then the new group policy would stack on top of that."

[01:04:20]
Advice to over 60 year old doctors.
"The a lot of them financially are fine but they spent so much of themselves in their career that they don't really have anything to look forward and retirement and sitting around for 70 hours a week not doing anything is unappealing."

[01:06:23]
Physician Side Gigs

[01:06:51]
"We used to be entrepreneurs."

"You know you are the entrepreneur of your own life and if you would just take a little bit

of time energy and resources to think about the entrepreneurial ship of your own life then the reality of being more of an employee like Doctor it just becomes less stressful if you protect yourself not only your life and your personal health"

Transcript

Docofalltradez: [00:00:00] Very good. All right. Today on the physician negotiator podcast I have Dr. Christopher you bring in Dr. Christopher urinating has a website called Physicians income protection dot.com. And he was recently did a guest post on Corey Fawcett dot com for financial prescription success. I met Dr. Corey through. I'm sorry I met Dr. Harrington through Corey Fawcett. And I was just so compelled by his content that I had to have him on the show. So Dr. Harrington welcome to the show.

Christopher: [00:00:31] Thank you very much. It's it's great to be here.

Docofalltradez: [00:00:33] Thank you so much. Now I read your article on Corey Fawcett's Web site and you said it's really generated a ton of interest since you said you did that guest post.

Christopher: [00:00:43] Yes I I definitely got several hundred new connections electronically and I have been chatting electronically to a lot of stuff online through LinkedIn and Facebook with several several new doctors a lot of them younger attendings and residents.

Docofalltradez: [00:01:04] And you know the one thing that's unique about your city about your Web site physician income protection is that you sell disability insurance but in your previous life you were an anesthesiologist. Is that correct.

Christopher: [00:01:15] Correct I practiced anesthesia from 1998 to 2010 October I'm sorry October 2009 was my last clinical month. And then I was forced to take disability in January of 2010.

Docofalltradez: [00:01:32] And why was that.

Christopher: [00:01:35] In 2009 I began becoming weak and it was more on my left side than my right. And. The I started not being able to even lift an I.V. bag mask

ventilation became difficult. I had a lot of shoulder pain. I went ahead and had the shoulder taken care of where every you know everyone thought that was the issue. And then after surgery it turned out I had much more of a neurological component. Eventually I saw three neurologists and a peripheral nerve specialist and I was diagnosed with a left brachial plexopathy stemming from being a high forceps delivery in 1972 and I have the resulting brachial plexopathy from that I was born with an erbs and klumpke's palsy but those had resolved by the time I was a year, year and a half old so completely that you know there there was you know there was no residual. I was a swimmer and in fact my freestyle and backstroke Times were among the top in the United States when I was 19 and 20. And you know you would never think that I had a physical problem and yet my body failed me in my upper 30s and I ended up on disability really out of left field.

Docofalltradez: [00:03:03] Now when start with something with a palsy like that would have it happened anyway or was there something about practicing anesthesia that led to it.

Christopher: [00:03:10] That's interesting. So the way that my peripheral neurologist explained it was that if I had had any more damage at birth than I probably would have retained the palsy for life. Much like the actor Martin Sheen has a policy of his arm and had it recovered very quickly in a month or two then I would have likely still had a problem but it wouldn't have showed up till my eighth or ninth decade of life. And you know when you're when you're 78 years old and you can't put your ketchup up on the top shelf well then that's you know that's a problem you can deal with. But mine was just enough injury that I only made it to about my fifth decade of life and then started having symptoms. So you know do I think that working 80 hours a week hurt me perhaps. But you know I was going to end up with weakness on my left hand side no matter what. You know my career may have contributed to it having earlier in my life than I would have liked. But you know it is it is what it is.

Docofalltradez: [00:04:21] Well I attended an ASA conference several years ago on finance in one of the speakers basically had said that everybody in the audience he said about two in 10 of you would get a disability and the entire audience was shocked. And I think there's a lot of people out there did they don't really understand the odds of them getting disabled in their in their career well I can certainly speak to that.

Christopher: [00:04:46] I. I have spent the last few years becoming somewhat of an expert on physician disability. I like a lot of doctors. I had a policy myself and individual policy and then I also had a group policy and I had two different experiences with those companies and in educating myself over the last few years I found out that the the rate of disability for physicians is approximately three in ten over a 35 year career. And of the 30 percent that get disabled about half of them are disabled for up to a year and then another portion will be disabled between 1 and 7 years and then a smaller portion of that will be permanently disabled from the major duties of their clinical career. Like me nobody wants a one handed anesthesiologist. I mean I can tell you that with 100 percent certainty that if you're left thumb doesn't work in your left hand doesn't grip. You can't be in the operating rooms handling airways. So you know it is a.. The reality is it is a 3 in 10 chance. Well most of those a majority of them are going to be up to that year. Another portion will be one to seven years and then a smaller majority a smaller minority will be permanently disabled from your clinical career. And that that is devastating for somebody who's put so much time and effort into their education and their experience and skills.

Docofalltradez: [00:06:30] Now it happened to you early in your career. Is there any data that would suggest about what time it would occur in their career.

Christopher: [00:06:38] Well obviously disabilities tend to be age related. More of them occur after the age of 55 than before the age of fifty five. And that makes sense from. From what we know practicing medicine is is hard on the body but it's also hard on the mind of those that are procedural lead based tend to get more physical problems than the non procedurally based physicians. But that's not by enough of a percent that you know I think that family doc shouldn't worry about getting carpal tunnel because the reality is that the way we practice medicine has changed dramatically over the last 15 years and the advent of the computer instead of being a occasional interface it's now an every hour interface. So the those cases are slowly climbing up but the one disturbing trend in medical professional disabilities is that the number of mental nervous claims has been climbing every year for approximately 10 years. And that really is a change overall in the nature of disabilities for physicians.

Docofalltradez: [00:07:55] And with respect to that change it sounds like the insurance industry has caught on to that and indeed since then kind of adjusted the way they make their policies on disability correct.

Christopher: [00:08:08] Well for for all group policies you'll find the limitation on mental nervous conditions to be two years and for many individual disability insurance Sharon's policies those would be the private ones that you go out and purchase yourself many of them. The stock option the the the baseline charity option will be two years mental nervous and then you would have to add on an additional premium if you wanted to have mental nervous conditions covered for the life of the policy. And that's so they've they've made it so that they have reduced their risk. But there are options if you want to price in that possibility for yourself.

Docofalltradez: [00:08:51] And in light of the latest data on burnout that may not be a bad option.

Christopher: [00:08:56] Correct. And there are a few of the major carriers that distinguish themselves by offering mental nervous for life but they price it accordingly and they change other aspects of the language in the policy to adjust for that risk premium. So you know it is it's something they've definitely taken notice of. I will tell you that in get team individual disability insurance a lot of the carriers are much more cognizant of asking questions that direct whether or not a person's mental nervous personality or baseline puts them at higher risk of that. So it's not so much in asking you know what your physical problems have been. They they are really attuned to asking Have you ever seen a therapist for any reason ever you know. And they also look at activity. So that's one thing that doctors need to be aware of especially young doctors in residency and medical school. We can all get stressed out in medical school and residency but as soon as you go see a therapist you've eliminated your ability to ever be covered for a mental nervous condition by a disability carrier. Wow. And that really is that is one of the reasons I push interns to get there of their get their individual disability insurance as quickly as they can upon entering residency because that is really as young and healthy as they're ever going to be.

Docofalltradez: [00:10:40] Wow. Well you know with respect to the cost of individual disability insurance it's never been cheaper. Is that right?

Christopher: [00:10:49] It actually has never been cheaper and it is still very expensive and it is worth every dollar if you become disabled you know we'd all like to buy that lottery ticket the night before. It's one point six billion precisely. And just like you'd love to make your first disability premium payment the month before you go on disability. But that's that's not really how insurance works insurance works to pool risk of individuals so that the group itself is safer proceeding through time because there's a known risk you know in this case 30 percent of the pool of physicians will have some sort of disability at some time and because they don't all have disability at the same time and their careers are thirty five years you can price in a structure as an insurance carrier to cover the the the risk. But you know and the more people that participate in it the lower the insurance cost per individual. The problem though is it's it's expensive because of the what it does pay out for somebody in my my case if you get injured 11 years into your career they're going to be paying for twenty to twenty three years. And so it can add up to like millions of dollars and it can it can add up to millions of dollars but it still would not be the same. Millions and millions of dollars I would have earned as a physician. But the the idea that you would trust the 30 percent chance that you get disabled to a group policy that was priced out by executives for the cheapest amount of dollars is not a real smart way to conduct yourself as a physician Exactly.

Docofalltradez: [00:12:38] Now the question with respect to cost. OK. So sure. As a rule of thumb you said I think at one point that you get pay for all those every ten thousand dollars of coverage is correct.

Christopher: [00:12:48] Right. So the real range is closer to three hundred to five hundred dollars for quality individual disability insurance per ten thousand dollars of coverage. And I'm pricing that ad in the middle so that's not like if you're an absolute premium person never had a health problem. Never done anything to see a doctor except forget your vaccines. You know your pricing is gonna be better if you were let's say you were an athlete but you suffered a bunch of injuries playing in the NCAA Division One sport you may not get the premium pricing and there may even be some limitation language in your policy concerning those injuries that you got in athletics and that would of course push your price up. There is some differential also between the sexes. Males tend to not males tend to be less expensive as a as a as a risk category than females overall. And so some of the carriers charge females more than males.

However there are still a few states that require what's known as unisex pricing. So they basically average out the men and the women and the price you pay is in the middle. So if you're a man in a state with unisex pricing you can end up paying more for your policy. But if you're a female you'll end up paying less for your policy.

Docofalltradez: [00:14:20] So explain to me how that works then with respect to the price. So if you or you're going to get ten thousand dollars worth of coverage right. Is that over the course of the year?

Christopher: [00:14:30] No. So that benefits benefits are all priced in in dollars per month. So OK ten thousand dollar benefit level would mean that you get paid ten thousand dollars each month.

Docofalltradez: [00:14:46] So it's gonna be roughly three to five hundred times twelve then you can multiply the number of months in a year.

Christopher: [00:14:51] Correct. So you get a ten thousand dollar benefit would be one hundred and twenty thousand dollars a year. You can purchase depending on the carrier up to between 60 and 75 percent of your salary if you purchase your disability insurance with pre-tax dollars. In other words it's some sort of benefit that your group offers and you pay with pre-tax dollars you'll actually receive your ten thousand dollar benefit as pre-tax money which means you'll owe taxes on it. So you'll take home ten thousand bucks you'll pay 30 percent in taxes. And so that will be seven thousand other policies you pay with post-tax dollars and then you'll receive them in post-tax dollars. So that's that also will change the pricing because it's whether or not the company is taking you know that tax equation into into part of the the pricing of the premiums. So there's there's actually a lot of things that go into the pricing but it isn't in so far as your listeners need to understand. You purchase individual disability insurance with post-tax dollars from your own checking account so that you receive those benefits as post-tax dollars and they do not show up as income if your group allows you to buy a group benefit with post-tax dollars. You definitely want to take advantage of that that benefit within your group or hospital.

Docofalltradez: [00:16:31] Is there ever a situation where you want to do the pretext paper with pre-tax dollars.

Christopher: [00:16:35] Oh absolutely. If you are. Well let's say that you went into medicine because you have medical problems yourself and a lot of the great carriers are not going to offer you good policies. You may want to look specifically for groups or hospitals to work for that offer a great group benefit. As far as disability insurance goes and you may not have a choice about it being paid with pre-tax dollars but you could have a choice with how much you maximize it or whether there is a supplemental policy that you can purchase on top of that a lot of times those supplemental purchases must be made in pre-tax dollars because that's how they're priced. So you know with each specific physician depending on their own history medical history they there are different policies from different carriers that work better for their situation.

Docofalltradez: [00:17:37] And with respect to So So let's say you have. I mean obviously you want to be. You want to purchase your your disability policy is early as possible. And if you're as healthy as possible. Yes. So let's say let's say you start. You recommend doing it when you're an intern. What if you wait until you're 10 years into your practice and now you've I'm assuming even if you've aged 10 years and nothing's changed in your medical health it's still going to be more expensive rather than had you purchased it when you were an intern.

Christopher: [00:18:05] It is. And that's actually a really easy way to understand that if you start paying for disability insurance when you're an intern your premiums are priced based on you paying for thirty five years into the system I get wrecked. If you start at 10 years later your premium is based on you paying in for only twenty five years. And it's the same amount though. It's no matter what exactly because you as an individual have a specific risk and that's pooled with everybody else's risk. So that's one of the reasons disability pricing goes up as we age and it also goes up depending on our own medical conditions. So because that premium has to be asked to be priced in their.

Docofalltradez: [00:18:48] OK so in your situation you had a group and an individual.

Christopher: [00:18:53] Yes. So I I started residency and we had a financial lecture. And part of that was to steer us towards purchasing individual disability insurance which I did. I've always been a big believer in savings and insurance. I don't know whether I learned that from my family or where I learned that exactly. But I I've always thought that

that's what everybody did. Everybody saves 20 percent and everybody maximally insures everything because that's the best way to be safe and secure financially. So I went ahead and bought that individual disability insurance policy as an intern and then about six months before I graduated I I took my employment contract as an attending and went ahead and raised the premium to coincide with the additional income I made as an attending and then I also that hospital that I initially worked for offered me an additional 5000 on top of that as a group benefit. So you know for my income at the time I was very well protected when I. Then several years later entered private practice. There was a group policy offered with the private practice contract and I had the choice of either purchasing it with pre-tax or post-tax dollars and I opt for the post tax dollars. At the time because that just made sense to me I didn't want to deal with the taxes because I had no idea what the tax code was going to look like for the next 30 years. So that's the situation I was in when I got disabled was I had one individual disability insurance policy and one group Disability insurance policy.

Docofalltradez: [00:20:43] Well you know what you said was very interesting was that you assumed everybody else did it but that's not the case. Very few people or there's a I would say the majority of people still don't produce it isn't.

Christopher: [00:20:55] Yeah it's actually declining participation over the last 10 years has been noted by every carrier. The truth is back in nineteen ninety to ninety five actually two thirds to 75 percent of all physicians had some sort of individual disability insurance. And there are some programs here in Ohio that are now graduating residents and less than 40 percent of them have an individual disability insurance policy the day they graduate from residency or fellowship and they don't understand what an amazing amount of harm they are potentially doing to their lives by by not having secured this while they were in in residency well.

Docofalltradez: [00:21:44] And you wrote a really nice article about this. You talked about Maslow's hierarchy of needs and put a little spin on it. And you showed the hierarchy of needs with respect to finance the bottom level being financial protection. Correct. And as an intern you have absolutely no income in fact you probably have negative income because you're paying off your student loans but your ability to grow a nest egg is going to take a long time. And so in your hierarchy of needs you have financial protection at the bottom and then financial savings as the next level. And that's

where you mentioned your 20 percent and then financial independence which which is not really the focus of this topic but that's the goal is to get to the point where your passive income exceeds your current income which then can lead to your own personal legacy which would then hopefully give you enough money not only to take care of yourself but all of your loved ones as well.

Christopher: [00:22:40] Yeah I mean my my career focus as my second career in life is to work with as many physicians as possible to make sure that they're financially protected and that they have a financial savings plan that puts them on the path to financial independence. Too many financial representatives, And this is from many companies, they focus on the doctors that are financially independent that have excess income every month and they want to invest it for them and there is not enough time or patience to work with somebody who is six hundred thousand dollars in the hole and is just graduating and they have really no income or they haven't done any of the prerequisites.

Christopher: [00:23:34] And so unfortunately the financial representatives that they do meet really are biding their time for when those physicians quote unquote get their act together and then in today's world it doesn't happen because the financial underpinnings underpinnings that they're taught are are not really in alignment with with with what a resident faces today. Our average resident entering residency as an intern is two hundred and five thousand dollars in the hole from educational loans. They are then swamped with in the first three months probably the equivalent of an average person's first two years at a job any job other than medicine. They are swamped with that amount of data about how to do their job.

Christopher: [00:24:25] It's not only the hospital EMR cars and human resources and all the other things that have to do with having a real job and income but they they have a they have a focus that is on learning their career not on learning how to manage their life. And in fact they they they are rewarded for managing their career and dealing with patients and working inside the system. In the hierarchy of residences of residents and if they go to spend time on themselves you know often and I don't know why we do this still as physicians but we kind of we discourage our fellow residents from taking the time on themselves when all of them should be. And maybe it's human nature. You know we feel better in misery we don't want to leave this one person taking time to eat right and

sleep right and to exercise every day and then they they save 20 percent and they drive you know a three year old Toyota Camry or Honda Accord and they're doing everything they can to protect themselves and to save for their future selves.

Christopher: [00:25:40] And I think sometimes that that is that's that's another stress on residences. You know I'm barely hanging on dealing with my patient load and my 80 hours a week and I don't have time for all this other stuff. And so when I work with doctors I I actually address both problems. I do a lot of life coaching on work life balance because part of the problem with with modern medicine is there's there is a tremendous amount of stress. It's leading to burnout and you know if anybody who's read any of the articles even the rates of Physician suicide have slowly been climbing over the last 20 years. And in fact the American physician as a profession we have the highest suicide rate in the world of any profession in any country. And that is that is really a statement as to how stressful it is to enter medicine in in the 20 20 years here.

Christopher: [00:26:38] And what I've done is I've taken my disability and my experience and education of being a physician I'm married to a physician my younger brother's a physician. I've really had this front row seat to watch medicine change over the last eight years and I've also experienced the entire system as a patient which really opened my eyes to a lot of things that are wrong with the health care system and how I chose to address it was well the basic problem I see is doctors get in way over their heads eight to 10 years out of medical school and residency and they've dug this huge hole and it would be better to not have ever dug the hole in the first place. But that means they need to be taught as an intern or as a medical student. And so that's why I'm putting a lot of the materials that I put out in order to help educate that younger physician so that their career is is really supported underneath by a really strong financial life and financial understanding of keeping themselves healthy both financially and personally.

Docofalltradez: [00:27:54] Well you know this Physician suicide is officially at an epidemic level. The most recent story was out of Stanford where they had one of their graduating resident surgical resident who went out to practice and within six months of practice committed suicide. And you know that the entire city and community mourn for this person because he was very well liked and so Stanford reactively started their wellness program which every other medical school now is modeling. Now part of the

problem with that program in my opinion this is 100 percent my opinion is that they're looking at they're looking at ways to promote resilience amongst these these residents and you know they're promoting health in that sort of thing but they're really I think they're failing to see the underlying cause. And I think I applaud what you're doing you want to start early on their journey to to not let them get them into that position where they get overwhelmed. So even you know at other institutions that I've been to they're focusing on you know eating well and being part of the community. But it seems to me there's more that needs to be done with respect to the infrastructure that's leading these people to be burnt out and to commit suicide in the first place.

Christopher: [00:29:07] And you know that that leads to the why would you not be including basic financial literacy and financial health in a wellness program. And I'll tell you that. Next to sex itself finances are about the most taboo subject to discuss between one human and another in American society and I was going to say especially in medicine because it is there is this assumption leftover from the 80s and 90s that physicians make a tremendous amount of money I have several friends in non-medical Fields who way out earn any of my doctor relatives or doctor friends. And it is there is a growing parity now between medical and nonmedical careers.

Christopher: [00:29:58] And so it's just not true anymore. But publicly there is this perception that if you're a doctor you're automatically financially successful. That perception leads to an expectation in doctors themselves that expectation leads to stress and residents and interns measuring themselves against this mythical perspective that physicians are financially successful and they look at themselves and say well how is that possible. I'm foreigner and fifty thousand dollars in the hole making forty eight thousand dollars a year. And I am I am I. I don't. There's no there's no light at the end of my tunnel because I'm in a cave.

Docofalltradez: [00:30:43] Oh my God. So there's there's a basically disconnect between perception and reality. Absolutely. Society hold you to a certain high level of expectation which you yourself will never live up to. And so it leads to more stress more.

Christopher: [00:30:56] But you will hold yourself up to that same high level of expectation right. It's a public image and it is very difficult for a doctor to remove themselves from the public doctor image. This is you know there is some obviously

some psychology and sociology that I am not an expert on going on. And so you know I only have a few hundred physician friends and I only have talked to several hundred other physicians. And so my perspective is that it's the same story over and over again. It's the same stresses and mismatch between perception and expectation and reality. And so you know again the way to combat that is to say hey yes you're in a pile of debt. The average is two hundred and five thousand but you can get out of it OK.

Christopher: [00:31:48] This is how you build a triangle to be successful. You've got to protect what you've done because you did something that only a very very few number of people in the United States did and that's attend medical school. Then you survived into residency and you are headed towards being a doctor. Why would you not protect your next thirty five years as your first and foremost move to tell yourself I am valuable I'm valuable to me now and I'm valuable to all the mes. Five years 10 years 20 years 30 years from now. So why would you not. That's and that's why on my pyramid as you pointed out my base is this big financial protection because if you don't do that psychologically you're really undervaluing yourself. And if you psychologically undervalue yourself it leads to a lot of other stresses.

Docofalltradez: [00:32:42] Well and on that note you do write about financial safety and physician suicide and burnout. Now with respect to what had happened to you with your group disability policy that led to a tremendous amount of stress as well.

Christopher: [00:32:54] Yeah. So in my particular case in this you'll find this happens with group carriers all the time so those of you out there in the audience who think you're totally protected because your hospital or your medical system has given you a group disability plan you are not most of your plans are they will sell it to you as an own occupation. And if you look at the language you'll find that the own occupation period is mostly two years in group plans. There are a few out there that are about four years but that's it. You have you have a small period where it's own occupation and after that the language will shift to any occupation and they do mean any if you can physically be driven to a toll booth and hand out tickets on a highway. That's a job if you can answer phones. That's a job. If you have your medical knowledge intact and you can review insurance cases that's a job. And so whether or not you do those jobs is irrelevant the fact that you have the potential to do any occupation means that your claim will terminate. So a lot of people that think they have disability insurance if they're disabled

at 40 they will get two years of benefits as a doctor and then that's it they're done. They've been learning to flip burgers very quickly. Right. And so if you think you are stressed out in medicine right now because your hospital changed you know electronic medical records three times in the last five years. Let me tell you stressful is going for making you know twenty thousand dollars a month to making three because you only have a five thousand dollar group benefit that is pre-tax so you lose the taxes and then it disappears two years later.

Christopher: [00:34:46] That's stressful. That is true. But it doesn't have to be that way for my my own. What happened in my case was really kind of unique. So. The group carriers have been collapsing through mergers and acquisitions pretty steadily over the last 30 years. There used to be over one hundred carriers and now it's down to just a couple dozen for the individual side. There were about 70 or 80 carriers in the 90s and now there are 12 carriers left and it might be down to 10 because there are some other mergers going on and there's really only five or six really superior individual disability insurance carriers that you would want a policy issued from in 2018 the group carriers themselves. What happened was 19 days before my last day of work the carrier got bought out and or sold their book of business would be the industry term in insurance and I was part of that book of business and so I got sold and a new policy got issued but my policy was misconstrued. It was it was mis written it had errors in it it had sections missing it had sections that were left blank that in big capital words said use custom wording here. Unfortunately when you go on claim your policy is frozen in time. So for all my colleagues a year later all those policy errors got fixed and they got issued a new policy and that's the other thing about group policies with doctors.

Christopher: [00:36:21] Your policy is only as good as this year. As soon as it reaches the anniversary date they issue a new policy with new language. Could that language stay the same. Yes but on a whim they could change it and most of us meaning ninety nine percent of us will never read the new anniversary edition of our disability insurance product through our hospital or medical group. So with my misconstrued. There was a it was very difficult to determine what would happen to my benefit should I ever even earn a single dollar and I finally got so frustrated in five or six years later from not doing gainfully employable work that I took them to federal court and I learned painfully under (The Employee Retirement Income Security Act of 1974) ERISA law which is what insurance companies function under at the federal level. My carrier actually didn't have

to answer any of my questions they didn't have to tell me what happened and that that put so much stress on me that I became very very very depressed and in fact I started having images of my life without me. So my wife moving on my kids older but I was never in the picture anymore and I had to I had to seek psychological help and I'm not afraid to say this but I. It took me a long time to come to terms with the phrase suicidal ideation but I was I was suicidal whether I wanted to admit it at the time or not and I needed help and I got help.

Christopher: [00:38:07] I ended up being a very good patient. I went through a wonderful program. I continued for an entire year with therapy after that and part of that led to my passion of preventing other doctors from going through what I went through. So you know really there's two parts of my story. I did a lot of things really fundamentally right in my financial life that allowed me to take a huge hit through disability. Eleven years into my career and I want to teach that but at the same time I also want to teach people if you really protect yourself properly then you will be able to focus on your health and getting back to your what your life and not spend six years fighting a hundred and seventy billion dollar company that really doesn't care about you.

Docofalltradez: [00:39:02] So as a fun thought experiment I sent you my group disability policy and the funny thing about that was as I went into my own H.R. website I couldn't find it anywhere. After making about 10 phone calls that actually is that actually is absolutely the modus operandi because they don't want you to know well it's not that they don't want you to know you can do it as long as you follow all the steps which you did. The reason they don't do it is because it changes every single year so they can't exactly put a static PD f up because that PD F will change the next year.

Docofalltradez: [00:39:42] What was incredible is how little knowledge H.R. had about it I had to know. People didn't even understand that physicians actually operated under a different policy than the the non physicians yes.

Christopher: [00:39:53] And so. So at large hospitals that's actually right. So the way disability insurance works is that depending on your occupation you're broken into different classes that have different premium structures to them. So for example and this also has to do with income. So you know non physicians who are not medical professionals are in kind of one class and then there'll be another class of medical

professionals at at hospitals or groups that sometimes includes docs and sometimes doesn't. And then normally physicians are their own class. And then in really large groups you'll usually even have an executive class above that because they have a completely different salary and compensation structure so. The policy for all of the non medical professional people will be a baseline to year policy. It will often be I hate to use the word cheapest but what they do is they control the premium by adjusting the benefits downward in order to maintain the contract with the hospital system. So the insurance carrier might start off with all these things on a platter but in order to maintain the pricing through the years they'll take a few things off the menu each year on that anniversary date. Physicians it's the same thing when you get a lot of physicians together they'll create a physician group Disability product like they have it for your organization and the they will take off things on the platter or if they have to keep them on they'll raise the price.

Christopher: [00:41:36] And that's that's why it's not there because it's a moving target. And the reason they don't teach H.R. about it is it's a moving target. And the reason H.R. doesn't really care about it is because if you go on claim you don't deal with H.R. you are put into a completely separate organization where you have a disability claims manager that has nothing to do with your other organization and you are strictly dealing with the insurance company. And so you are and you're even separated from you know let's say that there is a representative that talks to all the docs when they're on board and at your hospital and says you have this group policy and it's from my company and it's wonderful and it's own occupation and all this that Representative can't talk to you if you go on claim they're not allowed to. The industry forces all claimants into one bucket of communication with an insurance company and all sales into another one.

Docofalltradez: [00:42:37] And is that because of a contractual obligation that they signed when they work for the organization.

Christopher: [00:42:45] It actually actually has to do with liability. So if the sales person has said something that's not true but then they're saying it to the claims person. You could get the carrier could be an a liability mess because the salesperson is a representative of the carrier. So what they do is they separate the humans so that the humans that are on the sales side don't talk to the humans that are on the claim side so that the carrier can broadly teach the claimants side to only say these things whereas

the salespeople often have more latitude to sell a policy. And. I could even use your group policy as an example when you were onboard and they likely told you it was an own occupation product which sounds fantastic right because all dogs one own occupation.

Docofalltradez: [00:43:36] Well as of today I had a it was a mildly heated discussion as to whether from with other members of my department as to whether or not we had on OK and certain members were convinced this was a great policy in and all is well in the world and I said Well I'm not sure that's the case. And so and that's when I went ahead and reached out to you.

Christopher: [00:43:55] Well I mean your policy and you know this. We could've pulled this from 60 different systems across the United States. Your your policy is a it's good in some some regard. Let me tell you the good things the good things are. It offers fifteen thousand dollars post-tax per month as a benefit as a maximum. And that would be up to 60 percent of your salary. So if you were making you know if you're making five hundred thousand dollars a year 60 percent would be three hundred thousand. And since fifteen thousand times twelve is one hundred and eighty thousand that's below three hundred thousand you would get paid fifteen thousand dollars a month because you're well below that 60 percent max. But if you were only making two hundred thousand dollars a year then 60 percent of that is one hundred and twenty thousand your benefit would be reduced to ten thousand dollars a month. OK. Now because that money is post-tax you don't have to really worry about the tax code through time. If you are able to hand out tickets at a toll booth on a highway that will count as any occupation if you can flip burgers one handed that will count as any occupation if you can review a chart.

Christopher: [00:45:35] There'll be lots of jobs available to you so your insurance company at in that forty ninth month will take a determination from all the doctors you've seen. They will tell you which occupations you can do and because you can do them. They will then terminate your claim. So this is not a this is not a policy designed for anybody who experiences a disability that is short of a total catastrophic disability. So if you were a doctor and had a stroke. This policy would be great because it would literally pay you 60 percent up to fifteen thousand a month post-tax through the entire occupation period of age sixty five and that's great if you have a total catastrophic

disability for your family to be able to take care of you. But if you have anything short of that of loss of limb or the loss of use of your mind you really are boxed in to a 48 month benefit period and that's it. You're gonna be off claim at the end of that they are going to terminate it and and the the sad part about a generous product like this one meaning that it goes up to fifteen thousand is it removes the possibility of a doctor like yourself saying hey I don't like being only covered for four years I'm going to go out and look at a great carrier and I'm going to get an independent disability insurance product for myself. And what you're gonna find out is that unless you make substantially over three hundred thousand dollars all of your benefit has already been taken up by your group product so you can't even purchase individual disability insurance.

Christopher: [00:47:33] That's the real the real rub in these group policies and that's where I see a lot of young attendings there. They're making one hundred and eighty thousand they're making two hundred and they've got this great ten thousand dollar a month group benefit that only lasts for two years. But they can't physically apply and and acquire individual disability insurance because they already are covered 60 percent or 70 percent of their income. So that's one of the reasons that it's so critically important to get your individual disability insurance while you are in residency. I wrote a short article about you know I think was called P.G. y one and done. But the point was that if you want to get your individual disability insurance your intern year and you want to make sure that you maximize that contract with the ability for the future increase options so that you can go up to 17 or twenty thousand dollars depending on the carrier and for 75 percent of docs out there that is the only policy they will ever need for their entire career. They got it at the lowest price they got it from a great carrier. They they they have it available for their entire career and they can have it increase or decrease with the years.

Christopher: [00:48:58] So then let's say you are in a specialty where you go on from residency to a fellowship and you go on from that fellowship to another fellowship and you are looking at an income that might exceed six hundred thousand dollars coming out because that's the specialty you're in. Well then what you want to do is in that six month will that last year of training you will want to look at your disability insurance and you may want to actually purchase a second individual disability insurance policy. And that in the industry is known as stacking. So you'll stack to individual policies on top of each other and that'll get you up to an industry maximum depending on the carriers for

disability insurance. Then you go join a group. In that group insurance product will stack on top of those. And that's really how you maximally cover yourself. So.

Docofalltradez: [00:49:54] So it has to do with timing then really more than anything else.

Christopher: [00:49:57] Yes. And so and even a doctor that's coming onto your organization within those first 90 days that they become a doctor they can actually get an individual disability insurance products without the group Disability insurance product interfering with their benefit amount. So it's critical but I'm sure you weren't told that when you were onboard it I'm sure when you join. They didn't say hey this is a group Disability product but it's really good if you're totally disabled if you stroke out if your heart doesn't work or your spine fails. But if anything less than that happens to you and it will to 30 percent of you we're going to pay you for four years and then you're on your own extra.

Docofalltradez: [00:50:42] Well you know goes back to what we were talking about earlier though they changed every year. Yes. And if you go if you go based upon which recommended by your peers without really getting you know getting the document which you later have access to and then getting you know a third party to give you an actual appraisal you wouldn't even know.

Christopher: [00:51:01] That's right. You would not even know. And that's and that is the sad part because they're not teaching this to interns and residents anymore. And then trying to get in to teach residents and interns. That is a huge struggle through hospital administration and anybody who works for a hospital certainly understands how difficult it is to do things in their departments so for instance when you want to go speak to a resident group you have to get your entire talking points and everything through. Normally the Graduate Medical Education Office everything has to be approved and then if you're doing any sort of solicitation in there that all has to be removed and so you know I'm kind of in a unique position in that I have been able to talk with residents and some medical students without those restrictions because I teach one to one physician to physician not as a financial representative although I have the ability to sell insurance. I really do what I do more for the education component than I do for the insurance sales component.

Docofalltradez: [00:52:12] And you know I can see way that you know the Graduate Medical Education Committees would want to protect their residents but at the same time they're kind of hurting them.

Christopher: [00:52:20] Well they are and it's you know I would blame them. But when you talk to program directors over the last 20 years and my understanding is you came into medicine right around 2000 so you probably saw the very tail end of the pharmaceutical reps coming in and bringing lunches and giving out pens and did notes. Well when when that system folded in on itself because they found that physicians were biased towards using those products they collapsed all of the external activities and they've tried to internalize those in large bureaucratic systems. And it's not working very well. I know that I'm working with the hospital system right now where they are struggling to create a professional development didactic and curriculum for their graduating residents because they have seen over the last five years they're graduating residents are not doing as well as the ones from five years before that. And it's because they simply are not exposed to the other parts of being a human being who also happens to be a physician. And the other thing is obviously the debts have increased substantially over the last five 10 years.

Christopher: [00:53:43] So those those two components together is you know you've got a debt servitude type component to a graduating resident. At the same time a complete lack of education. And so you know when you are a compassionate intelligent dedicated tenacious personality that self selected to go into medicine and then work your tail off to get educated far beyond what most people are to then run into a situation where you don't know what the right answer is it is profoundly disappointing to you. So when somebody says hey you should be you should have an individual disability insurance products. Right. And you don't know anything about that because you've not been taught anything and then this you know happy salesperson tells you that hey if you join Hospital X we have a group Disability product and you're covered. Well you don't know anything about it so are you going to start asking questions that you believe might make you look stupid in front of other people.

Docofalltradez: [00:54:56] And you mentioned that the previous generations of people who actually had that business acumen are now fading away. So it's not like human access to a generation of people to to mentor you.

[00:55:05] Right. And so that is another dynamic to physician stresses that are older physicians and I'll say for those fifty three and older if you're listening. One of the things that you guys have done is with the invention of the electronic medical record your personal satisfaction and has gone down and your stress has gone up. Practicing medicine and in in part of that frustration. There is less confidence about mentoring the younger generation those under fifty three and especially those under 40 in mentoring them because a lot of them. And you know these are my contemporaries now in their upper 40s and lower 50s. They tell me they say Chris I don't know what medicine looks like five years from now so I don't have any business telling this young doctor what they should do or shouldn't do and instead of just applying to medical knowledge and the practice of medicine and the infrastructure of health care it's gone global into this bucket of. I don't teach anything because I don't want to be wrong for these young kids.

Docofalltradez: [00:56:21] Which then further adds to their stress.

Christopher: [00:56:25] Yes. And that is that is the the domino effect of what's happening and know technology is wonderful but the adoption of any new medium by by humans takes a little bit of time. And some are early adopters some get it and then there's public acceptance. But those often take a generation or two generations to really become part of the culture and in what you've seen in medicine and a half a generation we have really advanced on on communications and documentation.

Docofalltradez: [00:57:01] But then taking a giant step back with respect to personal development.

Christopher: [00:57:05] And well we've taken a giant step back on the quality of that communication and Doc right. So it is. And I'll use an example. I have a little bit of law school under my belt and a little bit of business school and one of the things I did when I was practicing was I was an expert witness for surgery ICU Anastasia and even pain management which I practiced for about a year. I I found that when I would look at a

case in two thousand three four or five that often I was looking at anywhere between three and five hundred pages of material for an entire week or 10 days hospitalization.

Christopher: [00:57:52] That as recently as 2012 2013 I reviewed a case from 2013 the same six day hospitalization had fourteen thousand pages from the EMR. I can't even tell you how overwhelming that was to see that in one decade 20 times as much information is produced. And so you know that case I actually took some time and looked at it and you know ninety nine percent of it is duplicated. So it it will say the same thing over and over and over and over again and I can see doctors filling out three filled out notes just hitting return return return return return return and they don't realize that it's generating this massive massive amount of material that is it's it's impossible to navigate after the fact. I can't imagine what it's like to navigate trying to practice medicine. So there's all those challenges that are going on right now with technology and in the administration and practice of medicine. And at the same time we've removed this kind of doctor to doctor mentoring about your own life.

Christopher: [00:59:12] And I think that I think that that's why I have found I think that's why I'm I'm moved to do what I do and to work with the doctors the way I do is because it it's a huge deficit. I have experience and and expertise and I love to teach. I love to teach medicine. I love the teaching Anastasia residents that those were that was the highlight of my career was when I got to teach both the SRO and A's and and medical students and residents. I just absolutely love teaching. And so now I found a new thing to teach for and and I'm I find that I'm just as just as emboldened with trying to get everybody to learn everything as I used to be.

Docofalltradez: [00:59:56] Great. We know Chris and I don't see this this medical system getting any better. I'm sure the manner of bureaucracy will even increase in physicians frustrations will continue to evolve. So I really I really loved your message of financial protection and and you know there's two I think we have two audiences here right now. I think we have an audience of young people who we can give them fair warning on on what steps they need to take to protect themselves for the duration of their career and also bear in mind their career may not be 35 years it might be just 10 years or 15 years. And so you really want to take the steps to make sure that you're protected and then the second thing I want to talk about is you know you're you have a couple of mid career people like myself for example you just reviewed my group policy

and what I've done is I've done the reverse stacking so I have my group policy and then I have a private policy stacked on top of it right. So what advice would you. And that's that's pretty much the majority of people that I know who have the situation. So what advice would you get.

Christopher: [01:00:55] So let's let's let's break those into two groups. Let's break it into the the under 40 crowd which will be your young attendings and residents right now you know if you're in residency get yourself to an independent insurance broker and get yourself individual disability insurance from a quality carrier get a quality product make sure that it has all the future increase options on it so that it will cover a majority of your career. So you get that in place. The if you're an attending and you're within a system and you're only under a group product then you need to do a couple of things you need to one find out if it's possible that you can get an individual policy for the people who are under your contract who are making less than two hundred fifty thousand dollars. They would be basically boxed out from getting anything but there are other policies out there that only go up to five thousand if that's the case then they can qualify for five or six thousand dollars. Now they can put future increase options on it and they can they can get that gap sealed.

Christopher: [01:02:08] Once you hit 40 you start to acquire medical conditions. Maybe you've been burnt out in the system. Maybe you've gone to therapy all the sudden getting insurance and I don't know in your particular case whether that was a problem you're you're pretty healthy from what I know of you. So for you it was just simply Hey I make this much money I've got this coverage. How much more can I get. And hopefully when you got your individual disability insurance product you had some future increase options on there because if you were ever to leave your current job and I don't know your family decides to move to Florida you go get a job down there.

Christopher: [01:02:49] Well when you change jobs before you're under the new group policy you would exercise all of your future increase so that you're covered on your individual policy maximally. And then the new group policy would stack on top of that. So what's really important for midlife doctors those that are 40 to 50 three is if you you're going to change jobs if that's part of the plan in the next couple of years. Then you need to look at positioning yourself even if you just buy a very small policy like fifteen hundred dollars a month but you have the future increase options so that during

the transition from one job to the other job you can exercise those those options. That is that is kind of the only way to get that in that midlife which is you know it's a little bit more of a difficult especially if you're like a career guy and a system. You know I don't suggest quitting your job and going to another job for a year and then coming back. But there are docs who have taken sabbaticals to do locums work for six to 12 months and then they come back and they have their individual policy completely maxed out which then puts their group on top of it and they're good for the remainder of their career. Say from fifty three onto 65 to 70 which is when most of us spend down into retirement.

Christopher: [01:04:20] And that brings us to that last group of doctors if you're listening and you're over 60 years old. One of the really and it's tragic because I you know I looked up to a lot of the doctors who are now in that 60 to 70 age group they were my mentors and they are not all retiring well. And it really has very little to do with finances. The a lot of them financially are fine but they spent so much of themselves in their career that they don't really have anything to look forward and retirement and sitting around for 70 hours a week not doing anything is unappealing. So one of the things that I've I've written about illicitly in small amounts is that if you're going to retire have a plan and and fade out of medicine don't just stop cold turkey reduce the amount that you work maybe transition to a teaching position so that your experience can then be used for the younger guys and gals. And leave medicine at the same time you develop new skills and hobbies and interests for yourself after your career because chances are you're going to live to 80 or 90. And so that that's that's another part I think that is very stressful is that doctors know there's a doctor shortage. A lot of them are hanging onto their careers. A lot of them are being motivated by the system to work as hard as they can and they finally get to that point where they have to retire physically then they have nothing to do and they're miserable. And that's that's not a good plan at all.

Docofalltradez: [01:06:12] Excellent advice. You know breaking it down to three different generations and I think you've nailed it very very well is of utmost importance. But I want to emphasize to anyone who might be missing. Don't quit your job.

Christopher: [01:06:23] No no no you don't do your job. You know and a lot of docs will talk in the surgical lounges about you know I I'm building up another stream of income I know a couple of surgeons that bought a car wash and then they found out running a

car wash is not only expensive but extremely time consuming. Right. Well that's something they did they didn't have a lot of time to devote to this.

Christopher: [01:06:51] I've seen I've seen you know we are we we're a self selected group of self-motivated people who used to be entrepreneurs who in this this new health care sector we are much more like employees and you know if I could if I could end with some final advice is don't treat yourself like an employee. You know you are the entrepreneur of your own life and if you would just take a little bit of time energy and resources to think about the entrepreneurial ship of your own life then the reality of being more of an employee like Doctor it just becomes less stressful if you protect yourself not only your life and your personal health just like you protect your finances and you build a really strong foundation to your pyramid then let's pay off the debt. Let's save 20 percent every month of your entire life and that will lead definitely to financial independence at some point and then you know honestly from that point on you. You have the best launch that a human life can have you put a lot of time and effort into becoming extremely skilled at something. You then use that experience and skill to gather resources and you brought other people into the fold you might have grown a family in the inner Medium. But you took the time to take care of yourself first. There's a great little not a comic but a picture I like of it's a doctor sitting on an airplane putting the oxygen masks on everybody else first and that is that is sometimes what I think we do professionally and I think sometimes we don't we don't attend to ourselves with the same care well Chris wonderful advice.

Docofalltradez: [01:08:50] We put so much content into this one podcast. You know I think we're going to have to break it down maybe into two podcasts because there's such good information here. What's the best way for people to get a hold of you if they want to learn more about your writing and or to get more advice from you.

Christopher: [01:09:08] Well my my Web site is WWW all one word [01:09:13] physiciansincomeprotection.com [01:09:16] and in fact you can just e-mail me at Chris@Physiciansincomeprotection.com or you can call me at 6 1 4 7 3 8 9 9 1 1. I work with all doctors. I will. There's no upfront fee or anything for talking to me you know and I try to assess each doctor individually because there really is no if I could give you a general equation that would fit every doctor I would but you really can't do that because as a group about 7 to 10 percent of us come from families that have had

money and wealth and they teach those individuals those skills early in life. But 90 percent of us are gonna finish medical school with a negative balance in our life and we won't have had those skills from our family. And then we all have the potential to do well financially but it's an uphill battle because we don't have the skill set or the knowledge or the experience. So you know that's what I try to fill in that gap.

Christopher: [01:10:25] I try to try to teach that from my own experience but also from a lot of education now that I've gathered and so again it's w w w physician's income protection dot com and I would be happy to talk to anybody.

Docofalltradez: [01:10:40] Great. And just a final note I will put all this your Web site all your information on to my Web site as well. And additionally you've written quite a few articles and it's on medium.com. Is That correct?

Christopher: [01:10:54] Yes on medim.com and I've written some on Doximity and you mentioned the article that Corey Fawcett. Let let me do a guest posts on his Web site. So yeah I'm I'm out there online. And if you search for Christopher Harrington our doctor for Dr. Christopher Yerrington you'll come across a lot of the stuff I've written.

Docofalltradez: [01:11:19] Likewise if you go to my Web site thephysiciannegotiator.com I will have all of Chris's articles and we'll have all the links and all the information if you would like to get ahold of it. So that's it. And Chris I'd like to thank you for joining us. It was an amazing.

Christopher: [01:11:35] This is your first podcast race actually is my my inaugural podcast. Yes unbelievable. I would have never guessed that and I've done a lot of speaking though to groups a lot of dinners a lot of resident groups a lot of two on ones three on ones with doctors. So I've gone over a lot of this material many times but I did I really appreciated you you you were able to guide and make it succinct here and anything anything more I can do for you just reach out.

Docofalltradez: [01:12:06] Thank you so much. You know I really appreciate you coming on the show. I think the audience is gonna love your voice. I think they're going to love your content and maybe I look forward to collaborating you more in the future.

Christopher: [01:12:18] Absolutely. Thank you very much.

Docofalltradez: [01:12:20] Ok. Take care.