



The Physician Negotiator

Lets Even the odds in the business of healthcare

Transcript

Docoofalltradez 0:02

Welcome to the physician negotiator podcast where no decision is left to chance with your host jack of all trades.

Today on the show, I have Dr. Leaf daily, most famously known as the physician on fire. He is an anesthesiologist practicing in Minnesota and only after nine years has achieved financial independence with plans on retiring in 2019 at the ripe old age of 43. In 2016, he started his blog by the same name and has had tremendous success with almost a total of 4 million views and growing. He recently was nominated for blog of the year at fin con for a Pluto's award. And his blog has been incredibly instrumental in educating thousands of physicians on how to manage their finances and has personally impacted not only my finances, but also my career leaf. Welcome to the show.

Dr. Leaf 0:56

Thank you so much. And I think we should just stop the podcast right there. Because that's going to be a difficult introduction to live up to thank you for all

I know,

Docoofalltradez 1:08

well, I think you deserve it. You know, I know I've been following you now, probably since close to the beginning. And your your writing style. And what you've said is gained such amazing traction that many of my peers have come up to me and said, Hey, have you ever heard of this guy, physician on fire, and it's just incredible how much growth you've had.

Dr. Leaf 1:27

That's awesome. It hasn't really happened much to me there. There are one or two people locally that did find me organically. But yeah, that's, that's really nice to hear.

Docoofalltradez 1:37

My pleasure. And again, congratulations for getting nominated for blog of the year. That's an amazing accomplishment in and of itself as well.

Dr. Leaf 1:46

That surprised me, I was hoping to be perhaps nominated in the fire blog category. So to be one of eight or 10 blogs. And the overall category was a big surprise. And like you said, quite quite an honor.

And it was incredible, then, you know, I was at fin con as you as you were. And I thought that people were amazing. The community is amazing. And it seems like you've been involved with fin con for some time now. And I think everybody kind of builds upon each other, and they really do a good job collaborating,

yeah, so many good people there. And we're all there to support each other and help each other learn and grow and help us reach a wider audience, which is really what we're trying to do is to help people out that are not bloggers, so yeah, and it's only my second year at fin con. And went for the first time in 2017. But I feel like I've known these people for longer than that, you know, you spend a lot of time emailing and commenting on each other's blogs, and maybe a meetup here or there outside of fin con. So yeah, that's kind of kind of my tribe. Outside of my, my normal, everyday persona is the other bloggers and podcasters, etc.

Docoofalltradez 2:53

Well, you know, I was looking at your stats on your blog, and you said you had 15,000 comments. So I think that's enough comments to make a lot of friends, he had

Dr. Leaf 3:02

probably six 7000 of those are mine. It's a lot of typing. I can't believe how much I've hammer on this keyboard. I had to buy replacement stickers for the keys because half of them I couldn't read anymore. I rubbed off the c, m, and I period, comma, they're all gone.

Docoofalltradez 3:18

Wow, that's incredible. And, you know, it seems to me that, you know, the biggest thing that you've done that's incredible is your consistency.

I think X ray vision mentioned on one of his posts that you're every single time he's gone to, or found a new influential blogger you always have comments on on their posts. And so that's pretty incredible that that you're able to, you know, cast such a broad net.

Dr. Leaf 3:40

Yeah, I try to help build community by directing people to other good sites besides my own, and then I visit the myself and, you know, to see what I liked and see what I think my readership might be interested in. So I I link out to 10 different blog posts on the Sunday best every every Sunday consistent for almost two years now. No overtime years.

Docoofalltradez 4:01

Wow. And you and you've never missed a Sunday.

Dr. Leaf 4:03

I have not. There have been days where I wasn't around, but I can schedule those out of time.

Docoofalltradez 4:09

That's, that's incredible. Okay, well, you know, the physician negotiator podcast, the whole premise is to help physicians become better negotiators. And I think your strategy is probably one of the most powerful strategies and that's when you achieve financial independence. And so, you know, the fire movement has picked up some momentum and people like mister money mustache pointed out, and it seems to have gone viral. And you were recently mentioned the Wall Street Journal last week in an article entitled How to thrive in early retirement,

even though the article is traded kind of two very different ways of retiring early, you know, it's like winning the lottery or, you know, making it striking gold somehow.

Dr. Leaf 4:47

Yes, is there are several entrepreneurs in there who, you know, between financial independence overnight when they moved on from a successful business that they started exactly, but I think, you know, the, the, you know, actual knowledge of the fire movement as more of a sound strategy for for achieving early retirement because it's achievable by almost anyone. So, Could you briefly explain what the, you know, the, the f5 concept is that or the financial independence concept.

Sure, when, when we talk about it, you know, in this context, financial independence means that you've got enough money or monthly cash flow to make work optional. You know, it's not the financial independence of no longer having your parents pay your cell phone plan or part of your rent, it means that you are completely independent, not only have any family help, or that you know anybody else's supporting you, but you don't even need your employment income to live the lifestyle that you're living now and comfortable with. So that can happen one of two ways. As I mentioned, you can either build up a nice pile of money and that should be invested with an amount equal or greater to about 25 times of your an anticipated expenses, and that's analytics fences. Another way to do it is to have monthly income cash flow that is stable and exceeds your monthly spending.

Docoofalltradez 6:08

Excellent. And

when did you start a practice? Well, when you when you did started practicing medicine, after residency, you were in debt similar to other medical students who have a who have who leave graduate with some medical debt.

And I guess the average is about \$200,000 today per medical student. So which which concept of fit Did you employ early on in your, in your medical practice?

You know,

Dr. Leaf 6:36

I guess I started and I, of course, didn't know anything about financial independence, but I didn't know little bit about money back in in high school. When I selected the University of Minnesota, they had offered a full tuition scholarship, but I had a number of other scholarships that actually more than covered room and board I did have a little family helped to and and I lived in the state and so it would have been cheap, even if I had a painful freight. I also stayed there at value, as we call it here for medical school. And I had a \$5,000 scholarship to help with that. And so by the time I got out, I had about \$60,000 in debt. And the average back in 2002, when I finished was about \$100,000. So I kept it below, I guess, average and in three ways one wasn't family help that was set up like back in 1980, when my grandfather died. And interest rates were 1415, 16%.

So they set aside some money for the grandkids. And I think I had about \$40,000 over six years. So that certainly helped staying in state for a public university for both undergrad and medical school and receiving scholarships to both have that set me up to have a below average debt load. So that was good.

Docoofalltradez 7:53

Well, that's like diametrically opposed to another article in the Wall Street Journal talking about the dentist that had over a million dollars worth of debt,

Dr. Leaf 8:02

right? You can just borrow, borrow, borrow, and there there will be somebody more than willing to lonely that money after 6.8 or 8.4% that you know, a lot of student loans have been in recent years far above the, you know, the typical interest rates on mortgage or even auto loans. So, yeah, it's easy to rack up debt I looked at ways to keep mine low. I lived in pretty dumpy apartments to I mean, for college it was fine that's just kind of how everybody was living but yeah, I didn't want to come up with a six figure debt and fortunately I did not

Docoofalltradez 8:35

and you know, I think a lot of

a lot of people don't realize that taking on massive debt is going to just impact him for the rest of their lives. And so the guy that has a million dollar debt I doubt he'll ever retire he's probably gonna die with debt if he doesn't get it forgiven somehow

Dr. Leaf 8:50

Yeah, and there are programs to help you know reduce or forgive that debt but even if you do have a half million dollars in student loans that you know you can pay it off but it's gotta be your focus you know, you have to look at that for a start looking at your dream home and you know all the things that you've been thinking about that you would like to have when you make a really solid physician income put those off until you've you've been attacking your debt with six figures a year which should be possible in most specialties

Docoofalltradez 9:26

and you know I had a nice conversation with Dr. Five or Corey faucet about that. And, you know, he's talking about any kid who comes out with student debt in this day and age regardless out of medical school, it regardless of how much they make tackling debt with our high income should be very easy. If you just don't let your finances get out of control, you know,

Dr. Leaf 9:44

get a top priority and you can go at it, a lot of people treated more like a mortgage 25 year repayment plan. And, and that's, you know, that that will that it will work, but it will take 25 years. And you may assume that you're going to be happy in your career for 25 years, but 1015 years, and you might not be as enthused as you were in your first and second year. I mean, that's very, very typical.

Docoofalltradez 10:09

Well, I just read some of the latest data from merit, Hawkins and comp health and the doctors company and they all had similar data, and they all set that up to 70% or 80% of physicians are burnt out right now. It's a massive number.

Dr. Leaf 10:24

Yeah, number one number. So, you know, that asked, Would you recommend this to your kids, or a good friend or a family member and felt the same number say no, which is, it's pretty sad. But it's a reflection of the state of affairs and medicine. Right,

Docoofalltradez 10:36

exactly. So that, you know, there's the concept. So you were fortunate not to have tremendous debt. On the other end of the spectrum, once you graduate, you have an opportunity to make quite a bit of money. And you mentioned one of your posts that you were offered and accepted \$100,000 signing bonus doing your first job, how did that situation end up for you?

Dr. Leaf 10:57

Well, it wasn't quite my first job. It was my second quote, unquote, permanent job. Okay, my first one was a place where I had done welcomes, and that transitioned into a full time job for about four or five years, and then hospital went bankrupt. So we were kind of looking on short notice. And I saw this hundred thousand dollars dangling out there to help open a new hospital, which is kind of a fun thing to do, kind of a unique opportunity. And we took it and we were of the mind that while this health system has money to spend their opening a hospital, this is a growing community, this is going to be great, what we didn't factor in as much as I should have, as you know, the location and distance from family and friends. So we ended up staying for two years, and the hundred thousand dollar signing bonus had a stipulation that you needed to stay for five to hang on to that. So really, what it was, was a \$100,000 loan that was forgiven over five years, and leaving after two, I did pay three fifths of it back with interest. So I've had a red check for 64,000 some odd dollars, I believe,

Docoofalltradez 12:11

well, and, you know, I think that that's a very good learning lesson in that, you know, if somebody dangles a lot of money in front of you, especially, you know, as a clinician or, or as, or, as an anesthesiologist, I guess, usually, there's something, there's a reason why they need to offer you \$100,000,

Dr. Leaf 12:28

that's a good point, it's about supply and demand. But you know, in hindsight, it would have made sense to forego the signing bonus and ask for another 20 or \$25,000 in salary, which would might have been a reasonable tactic, they might have taken me up on that, I guess it would have broken even more or less, but then I wouldn't have those quote unquote, golden handcuffs or, you know, some people might take that hundred grand and spend it put, it alters the down payment on a home in that town, and then they want to leave, they really can't come up with that 60 grand, you know, depending on how they've been living. So, you know, for me, it was fortunate, I was already in a pretty good financial position when I took that job. So I paid off what was left of my student loans, I wasn't spending even half of the salary I made. So paying that money back was not a hardship for me. But it would be for some, some people

Docoofalltradez 13:20

and as you mentioned, I was on a guest post of yours, where you know, that probably the best strategy for dealing with a with a

signing bonus would be to apply a torture dead or certainly something towards where you're not going to lose the money, like you said, with a house and you're going to be tied to, to that to that job, or that location.

Dr. Leaf 13:38

And you certainly don't want to put it into an appreciating asset, you know, like the Dodge Viper that you've always wanted.

Yeah, you know, if you know, there's a chance you might have to pay that back and put it somewhere safe, or have a plan to have that money ready, basically, kind of whole numbers, the fun concept, right, you could have a, you know, \$60,000 ad thousand dollar, you know, emergency of sorts, and you need to be able to come up that money. So, I did have that in the back of my mind.

Docoofalltradez 14:08

Exactly. And I was talking to a couple of people about signing bonuses. And according to the data, like a signing bonus for today's graduating physicians, and almost every specialty are offered signing bonuses now, whereas before, it was, you know, I would say probably from 2011 to 2014, it was really it was

more in common. And so now, you know, all these young graduate graduates have this opportunity to get this money and then negotiate for even more if they need it, but they need to use it wisely. And I think that's the main message that you teach us. Mm hmm.

Dr. Leaf 14:43

Yep, I

think a down payment and it's almost a terrible idea. But it all depends, like I say, as long as have the ability to pay that back because they almost always come with some stipulation, I received a signing bonus at my current job because the one I took which is closer to family and friends it's here in Minnesota so when I came here it was a much smaller signing bonus and I think I had to stay two or three years to keep it but you always have to keep in mind that even though everything looks perfect and this is your dream job something like half about half maybe even more people leave their first job within the first two or three years and so you make sure that you have the ability to get out of a contract even though it's going to cost you much of that signing bonus so have that money at the ready

Docoofalltradez 15:34

yeah excellent advice so when you went to when you first started your job everybody wants to employ certain strategies to achieve financial independence 401 K's real estate taxable investments what what was your main strategy for for achieving financial independence

Dr. Leaf 15:51

now the first few years now was newly married and when a building our dream home after a couple years of doing welcomes so I was maxing out a SEP IRA in hindsight I would choose a solo 401k individual 401k and that was I think anywhere from 45,000 a year to maybe 50,000 a year those first five years when I was independent contractor and I think the first few years that's pretty much all I did was this set but it was 50 grand a year and then I saved up enough to buy you know waterfront lot with cash and build our home with a down payment on a construction loan and that sort of thing

once I get to be more settled and

we and we had our home we had money left over beyond the max of now it's 55,000 into an individual 401k or SEP IRA then I started a taxable account and that ended up getting most of our dollars and then today now I'm employed and have been for the last six seven years or so. So now it's a 401k a 457 be those get 18,000 now 18, five per year do an HSA with a high deductible health plan so that's another 7000 a year for a married couple with a family and and then it's taxable after that so looking at my portfolio today it's it's something like 50 to 55% taxable investments which are to me one of the one of the best accounts you can have if you do it in a tax efficient way it's really really not

you know, taxable it's kind of a misnomer you can keep it very low tax if you do things right

Docoofalltradez 17:40

right. And I my understanding your texts, your taxable account, your tax burden is actually very low approximate Hello Is it

Dr. Leaf 17:47

well my average dividend You know the old on on the passive index funds that I own and they own little bit of Berkshire Hathaway stock to it's the only individual stock I own. I like to keep my dividends little because they're taxed, so it's about 2% that is taxed. And then at what rate is that text, it's 15%, because I'm not in the highest tax bracket words, 20 and then another 3.8%, once you earn over about \$250,000, you pay that and it or the ECA tax. So now we're at 18.8 plus state tax, that's another almost 10%. So I pay about 30% tax on the 2% dividend I get, which is point 6% per year. So it's pretty reasonable. And it can be lower than that live in a lower tax state. If you earn less money. And in retirement, it could be zero if your taxable income is under about 77,000, \$70,000,

you don't even pay tax at all on qualified dividends or long term capital gains.

Docoofalltradez 18:55

Well, on that note, so you did you know, you mentioned it in your blog geographic arbitrage. So one strategy obviously, is to live in a low state with low

taxes. Also, the The other advantage is you can live in the state with low cost of living. And I think you had mentioned it in one of your blog posts. Yeah, yeah, geographic

Dr. Leaf 19:11

arbitrage, that's the term that's been tossed around for, you know, living, like I said, in a lower cost of living area, but also making a higher salary. And, and that's somewhat unique to healthcare, right. Because in finance, and law in tech, you know, there, there are jobs in San Francisco and New York, and some places that are highly sought after that cost a lot of money, if you want to make a lot of money. And those fields you can need to be where the money is right in the Bay Area, or something, or, you know, if you're in finance, or law, maybe it's New York City, or Boston, and in so you make a lot of money, but you spend a lot of money in medicine, it's a supply demand issue. So if you live somewhere where there are fewer doctors, you can probably get paid a bit more. And those places tend to be, you know, in the Midwest, in the rust belt in the south, places that don't cost as much to live and tend to pay more.

Docoofalltradez 20:09

So Dr. Foster productive query file said, he actually lived in a town with under 25,000 people for his entire career. And he, you know, he said, there were two advantages of doing that. Number one, you could command a much higher salary when you negotiate your contract. And number two, you know, it was just a better lifestyle for him and his family. And with respect to the size and the schools, and he didn't have any traffic. And it's it's an option that I think a lot of, if you look at the data, a lot of younger physicians are ignoring them, all of them would rather live in a city above, you know, between half a million and a million people. And they're doing it at their own at their own peril, because then they can't really negotiate a higher salary.

Dr. Leaf 20:49

Yeah, and that's somewhat variable to know, for example, here in Minnesota, I am also in a town of under 25,000 people. And that's how I grew up. That's how my wife grew up. And that's what we prefer to be honest, I mean, I have lived in, I lived in Minneapolis for eight years. And I know people that live, let's say, in the suburbs, where the pyramids is really good, if Great job, there's a ton of Fortune

500 companies there, you know, they, they make a lot more than I do. So it's not necessarily that you can't make money in a metro area. But it depends where it is. And it depends on the specific job. You know, I've talked to anesthesiologist in New York making low seven figures, believe it or not, and it can happen even an expensive area. But the average income when you look at all the data, it's always higher here in the Midwest, on self, and not so much in Seattle, San Francisco, LA, East Coast, etc.

Docoofalltradez 21:46

Fair enough, fair enough, if you make a very good point two, so when I first started, I belong to a practice that had a very, very good payer mix. And then over the course of time the payer mix went from very good to horrible, and, you know, the cell as a result, you know, as, as a group of clinicians, we took a giant hit to the point where we had to close our practice and then become employees, just to just to make it so, yeah, I totally agree with them.

Dr. Leaf 22:13

And that's a good point, you know, what, what job you take may not be the job you have in five or 10 years. So, you don't want to make do any plans based on this, you know, outside salary that's maybe 50%, or 80% higher than the MDMA average, or something. And I've seen stuff like that, but they may or may not be stable.

Docoofalltradez 22:32

Totally agree. So,

Tanya Hester from our next life, she, she won the blog of the year, actually, if I know Tanya. And anyway, she wrote a post recently said, financial independence doesn't mean you have to quit your job, it just means that your job needs you more than you need them.

Dr. Leaf 22:50

Lately, people have been even blogging about calling you a few money. So how does it How does achieving financial independence change or leverage in with respect to your job? Yeah,

Tanya said it well, right, you know, the job needs you more than you need the job. And so you know, when your your BATNA, the best alternative to a negotiated agreement is, is walking away, and maybe taking an extended vacation or pursuing some passion project you've had on the back burner for a long time, if that's the worst thing that happens, you know, you can say no to a lot of things you can make a demands you might not otherwise even consider making, and certainly have a better way to have a good good chance to get what you're looking for in that negotiation. In one way. It's it's helped me I had been thinking it would be really nice to work part time, but in a group of five docs, I just didn't see how that would be feasible. Unless one of them was willing to work half time with me, we'd hired another Doc, but nobody was really at that point. They're all pretty hungry. And, you know, maybe even still paying off those student loans after a number of years. So I just casually brought it up to one of my partners and said, You know, I wouldn't mind going in part time sooner than maybe anyone's ready to share that john with me. And he said, Well, you know, I've been thinking about this, because this wasn't the first time I had mentioned that. And he said, You know, I mean, if we just reach work 10% more, which is very doable, and that would open up, you know, 40% of your schedule. I said, Yeah, why wouldn't it let's, let's do that. So after talking to everyone, and then administration signing off on it, I've been working a 0.6 ft. ie, scheduled for about a year, and my partners have been working 1.1. And as far as I can tell, everybody's been pretty happy with

Docoofalltradez 24:36

that talk about a win win. So you know, you like you mentioned, there are lots of people out there who really want to work harder, but they're limited because, you know, maybe the way the the pies divided up the same things happening in my employee, my job, I have a brand new grad who wants to work every weekend and every night, but he just can't because everybody's sharing the part of the pie. So I, you know, I think what you've done is incredible. And that, you know, step back so that somebody who wants it can take a

Dr. Leaf 25:03

take a lot of groups have that built in, and we're small enough that we hadn't really been consideration before. But, you know, you certainly hear about people selling their call. In other words, you can have a new money, I don't need it, I

don't need to work, I don't need the money. larger groups a lot are set up that way where you can kind of work anywhere from point five to 1.5 by just flipping the schedule around. But it wasn't that way here. And, and, you know, I don't know that I would have just said, If I can't do this, I'm out. But knowing that I would have that option. If I really chose that a nuclear option. It was there and one affected me financially, you know, in terms of being able to live the life and living and support my family.

Docoofalltradez 25:46

Well, you know, you mentioned earlier that, you'd started doing locums when as your first job that transitioned into your first permanent job. I think what a lot of physicians are doing now who are in the situation that you were in, and they don't want to, you know, put too much pressure on their partners. They give their group sufficient time to get a replacement and then they go start doing locums. Did you ever consider doing that

Dr. Leaf 26:09

in Lotus was a great way to start my career. I got to try out all these different practice styles.

Emily, learn what, what worked for me, and what didn't, and what I enjoy the most. And so I'm glad I did it. Then I thought about doing it at the end of my career as well. But given where we're at, and, you know, the age of my kids and all that, I don't know that I want or need to be scheduling my life and our travels around different Logan's gigs. So I certainly thought about it. And I thought maybe I would work until the kids were out of the house. And then are, you know, twilight years of my career might be spent traveling the country and doing Logan's in my 50s, but the way the finances have worked out and the way I've discovered this whole financial independence movement, I've decided that I'm not going to work until I'm in my 50s

Docoofalltradez 27:01

now. Congratulations. That's, that's incredible.

So you are you're thinking you're going to be done next year, approximately.

Dr. Leaf 27:08

Yep. Yep. So we hired someone who actually trained in the same residency program that I did, who was from the small town where I am, and he will be graduating June 30 and moving up here right then. So once he's here, the subtle than good to go independently. Because we only have one doc in each facility at a time, it's maybe it's a little bit of a tricky job to just jump into from residency, which is a very different sort of model where supervising you know, three or four nurse anesthetist at a time, and we have no other doc anesthesiologist that is on site to to confer with so I'll stick around probably 468 weeks, whatever is deemed necessary until he's up to speed and good to go on as well.

Docoofalltradez 27:54

Excellent. So many feel that medicine is a calling and I know you would one of the articles you've written your criticized for retiring early due to the fact that you know, people in the comments felt like you were not serving the needs of the public. And it's it's something that I've kind of been thinking about quite a bit myself. And I'm just curious, what what's your opinion on all that?

Dr. Leaf 28:17

Well, as far as it being a calling in, I wish I could say it was my calling. I think it's been a great job at had Well, for 12 or 13 years of a good career, I've been happy with it and get to do really helpful things for people. I also get paid to do that. It's a nice an exchange with society, you know, I do my anesthesia job, and I get considered well to do it. I didn't sign on to any particular contract to do it for X number of years, there are people that do you know, for example, if you have the military pay your way, then you owe them for years, I think absolutely. people that do that on to honor that commitment. There are also similar loan forgiveness programs were working in rural areas, and I was not part of one of those, although, in hindsight, I probably should have looked at those little more closely. Because I do for living in rural areas that might have had programs available to me. So yeah, I think you should go up to anything that you sign on the dotted line and do what is required. That's not the case in you know, for most of us who are just out here practicing, we do have free will. And, you know, if you start saying, oh, anyone that took, you know, government money to help fund their education should work a full career on Oh, no one's going to retire unless they started in private preschool, kindergarten all the way through, never,

never took a single penny further education at any point, but you know, darn near everyone, at least everyone has at some point. And so somehow this is supposed to be an argument for physicians, but not people in other fields who might have attended public schools at some point. And I just think, you know, okay, how much is enough? At what age is it ok to retire? Is it ever okay to work part time? Or should you work like that young doc and your practice every weekend? Because your candy and you're capable, and you could if you wanted to, you know, how, what point is that enough? I don't know.

Docoofalltradez 30:16

I totally agree. You know, so, I guess the criticism comes from, you know, people would argue all, you only work 10 years, you know, whereas if you look at it generations before, especially the baby boomers, many of them work till they die, men even work over 4040 years, etc. So, recently, it's, you know, I was thinking about this, and I've started just number crunching, adding up all the hours that we, that we put into to to create our career. And if you add in medical school, which is obviously, you know, you could have started earning money right out of college, but you didn't, you went to medical school, you do four years of residency, and then you work nine years of the job. And if you average in the medical school, say, I don't know, 60 to 80 hours a week residency is 80 hours a week. And the job is about a minimum of 60 hours a week I calculated it up to

it's about,

say, 30, 40,000

hours. And if you divide that by 2020, you get 25. Yeah, starts to look like

so you're done.

Yeah, even with you. And that is limit include call. So I think even with your career, you've more than adequately put in the hours if you want to look at it that way. I'm

Dr. Leaf 31:28

in my 13th year, I mean, I could do it another 13 years. But I do have autonomy, free will. And it's up to me to choose what's best for my family. And I so yeah, I don't feel any, any strong sense that I owe society more than, than I have given

Docoofalltradez 31:48

totally agree, Robert, door goes he he's the the physician, the physician investor, and he has he coined a term called doctors are not professional students. And so you know, it's not the money anymore, but it's the amount of time it takes to want to do the chapter invest just to get into medicine. So you have to go into debt, you have to give up all your free time when you're young. And then by the time you get out, then you have to deal with the bureaucracy of the of, you know, modern medicine. And now add to that this whole NYU endowment where physicians get to go to medicine get to potentially get a free medical school tuition, then then I have a feeling society is going to hit put even more pressure on us to potentially like, continue our careers in Definitely,

Dr. Leaf 32:36

yeah, you gave me an idea, you know, we hear about delayed gratification quite often with our career to be talking about late gratification. And that's usually used in the context that we don't have money. And we can't spend money until we're in our 30s. And that's when people sometimes spend more than they are two and then end up, you know, in depth indefinitely. But we also have to wait graphical in terms of just slowing down and enjoying life and having time to do the things that we want to do outside of medicine. And so I feel like, in some ways, I've been doing that gratification for quite a long time. Yeah. And as far as what we always really what we agreed to, right. Yeah, I agree. And there's no, you know, there's no sense in holding, you know, a mother or father who wants to be home with their children to any 40 year career, like, like some people might have done in the past, that was their choice, and we get to make our own choices.

Docoofalltradez 33:39

Totally agree. One of my favorite quotes is hope is not a strategy near a greater administrative burden, and record burnout, how can we use fit to help to reduce or change this trend?

Dr. Leaf 33:51

Yeah, that's tricky. You know, the, the one thing that have been talking about that does give us better bargaining power, and also gives us the power to walk away and to quit. And some people will choose to do that

one thing. And the last question you talked about, as you know, how, you know, I'm walking away and not going to be helping people anymore. But I'm not saying that I am just a retired person, right, I'm saying I'm retiring, to do something different, which is to continuous, this blogging and this website, where I actually do help, like you said, thousands of people on a regular basis. And so in my job, I can only help three or four people at a time with a website, I can help thousands of people at a time. And so I do have that to hold on to in terms of the whole burnout situation. I mean, we certainly do need some people to stay and fight. You know, there's the whole anti MLC movement and, you know, alternative board Mbps, you've got people doing direct primary care, and concierge care, and all these things that are a little bit outside of the quote unquote, mainstream and I think that's great, you know, I don't have really the bandwidth the time to devote to these different causes. But I like that trend to do something that isn't just kind of throwing the party line and doing with Amy says we need to do and what the

Board of Medical Specialties says we need to do fighting back a bit. And so, you know, I think becoming less reliant on all these entities that say, we are allowed to practice and we can have these privileges and, and finding alternative ways to practice or certainly step in the right direction.

Docoofalltradez 35:34

I totally agree. I think with

if your if your blog continues to grow, and you continue to expand the number of physicians that you help and they in turn achieve their own financial independence, then they'll have more, you know, leverage to not be subjected to all to these administrative burdens and these regulatory burdens that that are placed upon them. So I would argue that you're going to in generally, I think you're going to be one of the biggest proponents for helping these people fight

the internet right away as that is true. There's some truth to that. And that's, it's pretty cool.

Yeah. All right. Well, I got a bonus question. The stock market is a it's correcting. And no sooner than it starts correcting people on Twitter are panicking. Especially, especially the younger kids who haven't seen the 2001 the 2007 and the other corrections in the past. So what advice do you have

Dr. Leaf 36:28

for today, of course, you know, I don't know, the overall direction, we lost six or 7% last week, bounce back a little bit yesterday, I try not to pay that much attention. But like you say, if you're on Twitter, you're going to see it, I, you know, I was I started my practice in 2006, and started putting, you know, about 50,000 a year into the stock market. And I saw that money that I put in, in the fall of 2006, you know, get cut by half, but I just kept putting money in because I could look at the trend going back to the earliest 1900s that was just logarithmically Up, up, up, up up and have faith that the future will look something a little bit like the past, you are buying into companies that produce actual products and own actual factories and have millions of employees. You know, stock market isn't just this nebulous thing, it's ownership in, in businesses that are doing things all over the place, and making products that we use every day. So my, my advice is to have some kind of a written plan, and whether it's something you write out and call it an investor policy statement, or just a an asset allocation that says, I will maintain 80% stocks and 10% bonds and 10% real estate and just stick to that and ignore what happens on a day to day and week to week basis. So that's, that's what I've done in my career. I was invested a little bit back in 2000, just a little IRA started when I worked at the grocery store, and that kind of thing as kid but I did see my money, lose money, and then come back. So I've come back. And then in 2006, you know, I said, I'll go down to the Nadir in March Drupal nine. And I thought, I'll come back. And so have faith that that will happen again. And if it doesn't have worked, we've got bigger problems than just our little investment accounts, you know, more of a societal breakdown problem.

Docoofalltradez 38:26

Exactly. I think I tend to the AC in 2009, and I attended a financial summit or want, you know, as a kind of an all day lecture, that was an optional lecture. And it was right it we're at minus 43%, and all the it's a half the people that there must have been 100 people sitting there. And I had spoken to, I don't know, maybe 10 or 20, and they all sold everything at the bottom. And so the speaker heard of this, and he jumped up and said, God for the gloves, and now go, yeah, don't sell sell. He's like I said, I'm begging, you said, I beg you do not sell. And so all that, you know, in these positions were just so skeptical and, you know, I hated his advice. I totally I, you know, I said, Okay, maybe now's a good time to buy what's fascinating

Dr. Leaf 39:13

about, oh, we have nine, it was just on the heels of the year 2000, 2001, you know,

so we've just seen this happen, right? I mean, we had recent history, you know, it's only happened twice in the last eight years, you know, you know, since the great depression that we saw stocks plummet by that much the early 70s were pretty rough to with hyper inflation. But, but, but you have the reason history of a big nosedive, and knowing that

history repeated itself, again, with a bounce back, so I think it was, yeah, but emotions are hard to control, you know, and you can, you can logically say, very much, I will continue to invest when the market drops 30 to 50%. But when that happens in your, you know, your \$2 million becomes point nine or 1.2, that's, that's cause for concern. But if you recognize that as a buying opportunity, yeah, stick with it, that you'll come out ahead in the end.

Docoofalltradez 40:12

Totally agree.

Well, great. This has been Oh, yeah. So final question,

what bit of negotiation advice would you give a millennial coming out into resident, you know, just graduated from residency today, that would, that would impact them the most in their careers

Dr. Leaf 40:32

and just know your value, you know, and, and you may not know that intuitively, and you may have to ask around, you know, there are thousands of physicians doing the same thing that you're doing interviewing and applying for their first job. And there are 10s of thousands, hundreds of thousands of physicians actually, that have done this before. And so, you know, you're not on an island you've got, you've got people out there, you can ask questions, you know, you've got places like the white coat investor forum where you can ask a question anonymously, you've got Facebook groups, you know, I've got one physicians on fire, there's, you know, a number of others that are physician only, and you can kind of feel like you're in a protected space and ask those questions. What do you think about this contract that our contract review services that will look them over for you, and maybe even negotiate on your behalf. And so just know you're worth if you don't try to figure it out before you just sign the boilerplate contract out there?

Docoofalltradez 41:29

Excellent. Well, hey, I really appreciate it. what's what's the best way for people to get ahold of I you can

Dr. Leaf 41:34

go to my website, which is called a physician on fire, but just type in p o fire at pf, Ira calm, you can find me there. I'm on Twitter and physician on fire, Facebook, same thing. So Google, anything like that, and you'll find me quite easily

Docoofalltradez 41:53

excellent. Hey, well, Hey, leave. I really appreciate it. I think this podcast hopefully will help many of these the same that we've been talking about this whole time, the residents specifically people who even even if you're halfway through your career, I hope this will help them get some traction in in their ability to not only understand finance but to negotiate their their way through. Yes, and

Dr. Leaf 42:16

was a pleasure to meet you at fin con just a few weeks ago, and it's been great talking to you once again.

Docoofalltradez 42:23

Thanks for the invite. Thank you so much. Well, that's the end of our show. I'd like once again, I think leave the physician on fire for participating in this podcast. If you'd like to hear more from leave, head over to the physician on fire.com. If you are would like to leave us some comments and or get the show notes, head over to the physician negotiator calm and please subscribe if you'd like to get more content. I'm going to be having a weekly show we're going to get more physician influencers, more legal professionals who will help you negotiate your best deal in medicine.

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