LIFE INSURANCE PLAYBOOK FOR PHYSICIANS

BY THE STRATEGIC DOCTOR

WHY WE CREATED THIS EBOOK

Doctors are some of the most highly trained professionals there are — and they have the grueling educational history to prove it. With four years as a pre-med undergraduate and four more years in med school, they can incur a great deal of debt. Add to that a low-paying, three- to five-year residency, and then a possible fellowship or specialized field, and it is no surprise that the average school debt for doctors is six figures.According to a report by the Association of American Medical Colleges (AAMC), of medical school graduates in 2018, 77% that attended public school had an average of $188,758 in student loans and other school-related debt, while 72% that attended private school carried an average of $209,367 in debt. What's more, 12% of public college students and 23% of private college students who had medical student education debt of $300,000 or more.

The Medical School Debt Report 2019, published by Weatherby Healthcare, surveyed more than 500 physicians nationwide who were actively practicing medicine and had graduated from medical in 2015 or before. The goal was to understand the impact that student debt has on their lives.

- 65% still have medical school debt
- 80% of those with medical school debt still owed more than $100,000
- 32% of those with medical school debt still owed more than $250,000
- 10% of all respondents felt like they would be able to pay off their debt within two years
- 25% of all respondents felt like they would be able to pay off their debt in six to 10 years
- 34% of all respondents felt like they would be able to pay off their debt in 10 years or more

Medical school debt is not the only debt that impacts physicians. In the report, cited additional accumulated debt like buying a home (60%) and raising a family (49%) as factors that impacted their debt by increasing overall debt and slowing repayment efforts. Other financial complications cited were divorce, starting a private practice, caring for family members (ill or aging), and the high cost of living.Some physicians invest or acquire assets, but most aren't liquid and come with stiff penalties if cashed in early. This leaves physicians with few options. Loan forgiveness programs are a possibility, as are debt consolidation, budgeting, refinancing, and working locum tenens.The good news is physicians do not have to be buried in debt. They can find freedom through the infinite banking concept.

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Simply put, it advocates using whole life insurance policies that will distribute the dividends. The owner of these policies has the power, the freedom, to control their cash flow by borrowing from the policies which means they are borrowing from themselves as opposed to relying on lenders or bankers for loans.

The concept is revolutionary and can be an effective way to manage debt.

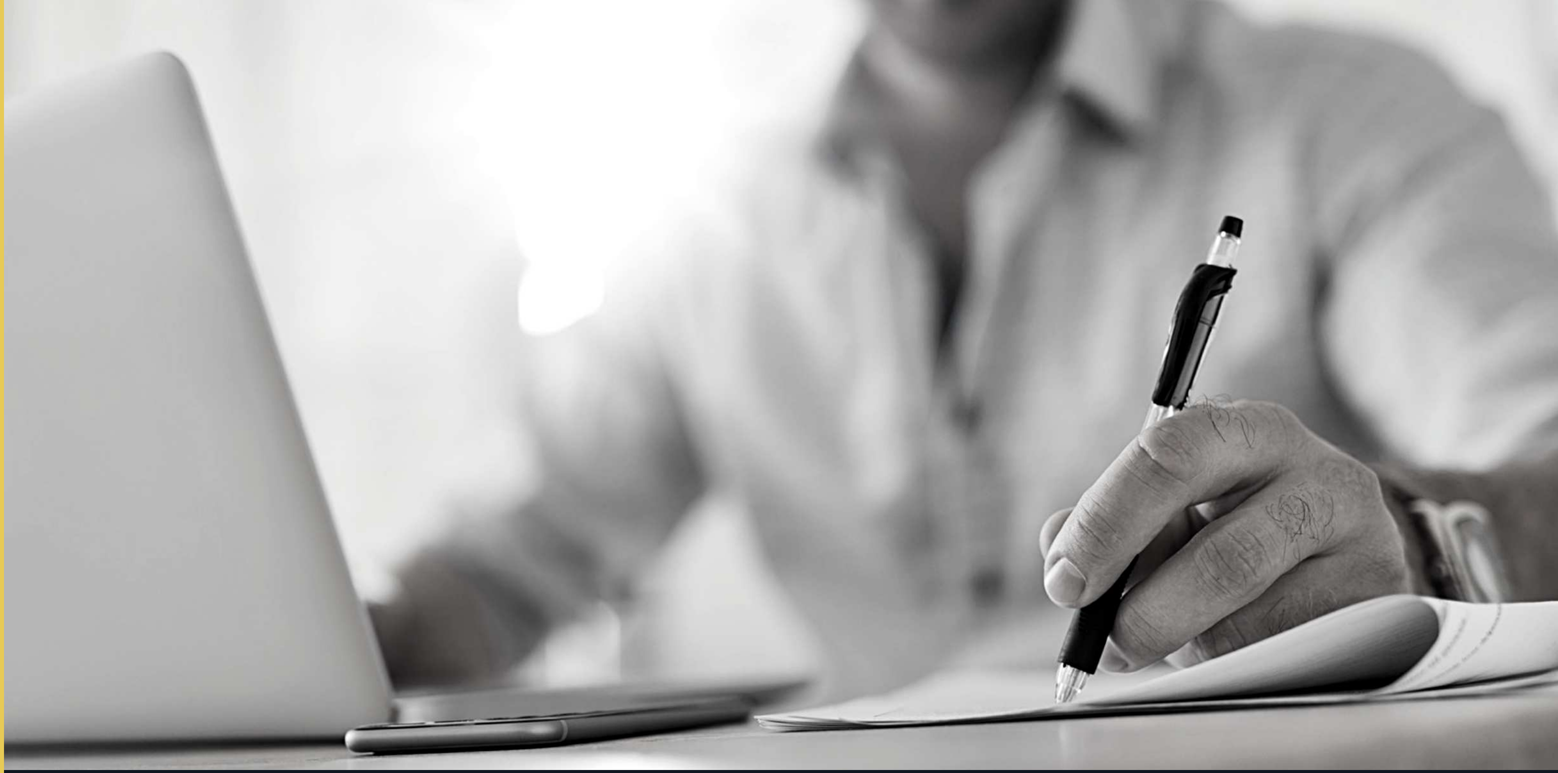
WHY THIS CONCEPT IS TOTALLY DIFFERENT THAN THE MAINSTREAM

Traditionally, someone who needed money for a large purchase or to pay off debt would go to a credit union, banker, or lender to get a loan. These loans usually have high-interest rates, and some have terrible terms – if you qualify for the loan, that is.

Loans typically have a rigorous application process that requires a lot of documentation, much of it personal, and you are locked into a repayment plan for five, ten, or twenty or more years. This means making a payment every single month for decades!

The Infinite Banking concept allows an individual to borrow from themselves using their whole life policy. Now, whole life has not always been viewed in the best light, but that perception typically comes from not fully understanding the benefits and how it works.

Is whole life really so bad? See for yourself. According to the American Council of Life Insurers (ACLI), in 2014, 63.7% of all individual policies sold in the U.S. were whole life, compared to just 36.3% of policies being some type of term coverage. - source.



MY WHOLE LIFE

The Infinite Banking Concept is so simple yet so effectively strategic for building wealth and eliminating debt. You put the money in, take the money out, repay YOURSELF with interest instead of paying interest to a bank or lender, and incurring even more DEBT!

Nash understood that designing an insurance policy property could turn it into your own banking policy, offering financial freedom to you. Using a dividend-paying whole life insurance policy through a mutual insurance company can help you achieve the financial freedom you crave and deserve. It takes traditional banking completely off the table.

Wealth is so much easier to attain when you have a solid, strategic plan – the right strategy. Obviously, the status quo isn’t working. If it was, there wouldn’t be so many who struggle financially. And there would be a lot more people who found true wealth and financial freedom well within their grasp.

Whole life is a powerful investment that allows you to harness the velocity of your money in a tax favorable compounding environment. Banks are constantly circulating your money— and when you take out a loan, you are putting your money into that pool.

You begin this road to greater wealth by properly structuring your policy as a physician banking policy. That is where we come in. We will help you structure your policies in the proper way allowing you to get the most out of your investments. This is how you take back your finances and gain the control you need to create the wealth you want.

Isn’t it about time you leveled the playing field and balanced your piece of the financial pie?

THE STRATEGIC INVESTMENT FRAMEWORK

Building wealth, improving your financial health, and eliminating debt are possible with the Strategic Investment Framework.

S - Safe and secure - Move away from the unstable and unpredictable investments and gravitate to financial decisions that promote security, safety, and stability.

T - Taxes: tax-free, tax-deferred, tax deduction – Going with tax-deferred violates the first rung of the framework: Safe and secure. Taxes are going to increase; that is just a fact of life. When you choose tax deferment there is a very good probability that taxes will increase by the time your deferment is up. Tax deductions and tax-free are more stable.

R- Recapture interest or reduce payments to other institutions – Take back the money you are paying to bankers or lenders in interest and pay it to yourself. That is what the Infinite Banking Concept does for you.

A - Access to money and asset protection – It is important to have access to money when you need it, and asset protection is a significant part of that. The Infinite Banking Concept provides both of these.

T - Timing at retirement – There are three phases of a person's financial lifecycle: accumulation, retirement, and distribution. Early on, during your accumulation phase, you begin building your financial portfolio by saving, working, and preparing for retirement. When you reach the retirement phase you get to see and experience what your diligent saving and working did for you. During the last phase, you find a balance that helps you maintain your finances without running out of money before death.

E - Environment impact (pandemics, stock market crash, depression) – You do not accumulate or even maintain your finances within a bubble. There are environmental factors that can influence your wealth. Some will increase it, and some will decrease it, but often you can manage the situation and make it work for you. That takes a great deal of finesse.

G - Government influence – The government creates nothing, they acquire resources and move them about, wherever they are needed. It is best to avoid government involvement in your finances. Keep your hands on your money.

I - Interest: compound vs simple (pay or earn) – When you pay interest to a bank or lender, you pay interest. You will pay simple interest or interest on interest which is compound. Shouldn't that go into your pocket and not some bankers or lenders?

C - Control (who is in control) – Look at who is in control of your money right now. Even if you have money. Even if you pay your bills and maybe even have a little bit of fun, who really controls your finances? If you are paying a lender or banker for loans, then you are not in control. Take it back!

TRUE WEALTH BUILDING

Physicians are high wage earners. This is true. But this makes it even more important to store your money in a safe environment where it is not subject to the fickleness of the stock market or the fluctuations of the housing market. It needs to be in a place where it can grow but also where you can reach it when you need it without paying someone else to mind it for you.

Dividend-paying whole life insurance policies are immune to the ups and downs and the volatility of the stock market. At the same time, it allows you to increase your wealth. It is not affected by stock market crashes or global pandemics that cause small businesses to close. It is safe.

Yes, doctors make sizable salaries, but it isn’t enough.

True wealth building is about more than just accumulating money. If you don’t have a plan, if you aren’t disciplined, if you don’t have a strategy for managing it, then you are almost certain to lose it.

It is about keeping your money, which sounds simple, but many people do not completely grasp this concept. There are so many things that you can do with your finances that take the control and power out of your hands and place it into the hands of those who do not have your best interest at heart.

Banks and lenders are notorious for this.

The interest you pay on a loan goes to whoever funds the loan. That is money you could be putting back into your pocket.

True wealth building is about being smart with your money and making wise financial decisions. It’s about knowing all of your options and weighing them carefully. It’s about thinking through your financial decisions without reacting emotionally. It’s about being S-T-R-A-T-E-G-I-C and having a plan in place.

True wealth is within your grasp, even if you are juggling debt. A good plan will address your debt while building your income and portfolio, allowing you to grow and discover the true freedom of having control of your own finances.

WHO IS STRATEGIC DOCTOR?

The Strategic Doctor is the creation of Dr. Erik Nilssen and Dr. Saif Zaman. They recognize the growing financial hardships facing those in the medical community and realize that physicians needed support.

The Strategic Doctor was developed because we see a better way. Simply put, physicians need to learn new strategic methods to safeguard their practices and their own personal financial health in the same way they learn new techniques to treat their patients. The administrative process you use to run your practice today is not the same process that was used 20 years ago. The old methods of saving for retirement and running your practice revenue cycle management won't work in today's environment.

If you're worried about the future of healthcare and your ability to build a thriving livelihood where you're fulfilled and able to bring all of your talents to the work of truly benefitting your patients, you're not alone. We're here to help physicians take control of their financial success while building the community they need to bring the joy back to a valuable and truly needed profession.

LEARN MORE

Interested in learning more about how we can help you? Let’s jump on a call and discuss your current situation and we can also show the exact wealth-building framework we are using to fulfill our mission and dream.

BOOK A DISCOVERY CALL