

NAME *Physicians*

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THE PHYSICIAN'S GUIDE

to Optimizing the
5 Critical Elements of Your
Financial Strategy
as a High-Earning Medical Professional

Dear Physician,

As a high-earning medical professional, you've got two incredible advantages in the wealth-building game and I want you to take a moment to appreciate them:

- ✓ The ability to work hard toward a long-term goal without an immediate payoff. In today's instant gratification culture, the strength to focus on long-term success is a powerful ally.
- ✓ A high income that allows you to create a dream lifestyle and build true wealth.

But you've also got a trio of unique obstacles to face on your journey to wealth. Obstacles that keep most physicians, dentists, and high-earning medical professionals from achieving their ideal vision of wealth.

- ✗ Delayed entry into the workforce after years of advanced education.
- ✗ High student loan burdens that eat away at your earnings.
- ✗ Pent-up lifestyle expectations after years of living like a pauper.

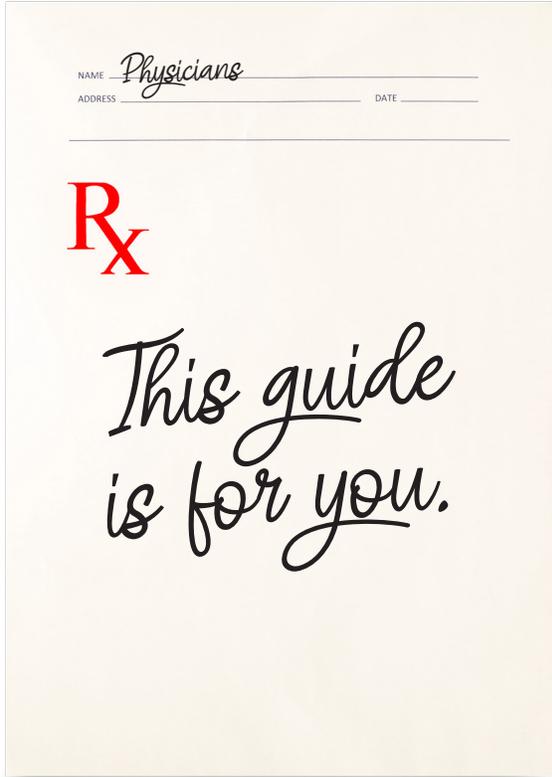
They stand in your way, but you can win the game if you avoid the critical mistakes.

If you've ever thought to yourself...

- I'm finally making a great income... now what?
- I'm pulling down a top 10% salary, but my paycheck still disappears every month...
- I'm not sure if I should be paying debt aggressively or investing for the future right now...
- I owe my family (and myself) a great lifestyle after so many years of scrimping...
- I know I should be thinking about retirement, but I've got my kids' college to save for and bills to pay...



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You're usually the smartest person in the room, but you may not know exactly what to do next with your money—and you don't have time to figure it all out because you're working too many hours each week.

This guide was written to help time-crunched medical professionals like you optimize the 5 critical elements of your financial strategy and get the comprehensive help they need.

One of the biggest myths about being a high-earning physician is that wealth just happens. It doesn't. In fact, despite their advantages, half of physicians are just "paycheck millionaires" who spend nearly every dollar they earn, and have a net worth that's nowhere close to where it needs to be to support their lifestyle.¹

However, this 5-minute guide will show you how to leverage the 5 critical elements of your personal strategy to build wealth and create a better future for yourself and the people you love starting right now.

Imagine a future in which...

Money is a tool and source of confidence, not a stressful or avoided topic.

You have a precise roadmap to your wealth and a place to go to get your questions answered.

You're enjoying your lifestyle, knowing you're putting away money for the future.

You feel more confident and knowledgeable about your financial picture.

If you already know you want help organizing your financial life and making the most of your blessings, please give my office a call or send me an email. We'll schedule a 15-minute chat at a time that's convenient for you.

Mark Zietz, CFP®, AIF®

01

Eating Your Debt Elephant

How do you eat an elephant? One bite at a time. If you're like the vast majority of medical professionals, you started your career with a pile of debt. Some piles are small hills, some are mountains. If you're in the middle of your career and still have debt, you're not alone. Most doctors are still paying off school loans well into their 40s and 50s.²

The key consideration for most is this: should I pay off my debt faster or save more for the future? Your personal answer depends on more than just interest rates and potential growth rates.

Key Considerations:

- Am I better off paying off my debt faster or saving more for the future?
- Could I consolidate or refinance my loans to get a better rate and attack the principal faster?
- Do I qualify for a repayment program like Public Service Loan Forgiveness (PSLF) or Revised Pay As You Earn (REPAYE)?
- (If pursuing loan forgiveness) Am I meeting all ongoing requirements and setting aside money in case of rejection?

Want help finding your personal answers? Let's chat. Give my office a call and we'll schedule a 15-minute Financial Strategy Session at a time that's convenient for you.

Mark Zietz, CFP®, AIF®

02

Building Your Personal Investing Strategy

Investing is one of your most powerful options for building your personal wealth. Professor Jeremy Siegel of the Wharton School estimates that the compound annual growth rate of the stock market (after inflation) has been about 7% since 1802.³ There are few other opportunities in the world to achieve this kind of long-term growth, especially when partnered with smart allocation to tax-sheltered accounts.

However, your investing strategy needs to consider more than just the pursuit of maximum growth. You should factor in risk, psychology, taxes, behavioral finance, and – most of all – consistency.

Key Considerations:

- Do I have a good overview of all my investments (inside and outside of retirement accounts)?
- Do I have a comprehensive strategy that's tied to my goals?
- Are my investments diversified globally?
- Am I psychologically prepared for volatility and the emotional ups and downs?
- Am I taking too much or too little risk with respect to my goals and comfort level?
- Do I understand the fees and expenses I'm paying and why?

Want help finding your personal answers? Let's chat. Give my office a call and we'll schedule a 15-minute Financial Strategy Session at a time that's convenient for you.

Mark Ziety, CFP®, AIF®

03

Optimizing Your Taxes

Taxes may be the biggest bill you pay over the course of your life, so optimizing your taxes is critical to your long-term wealth plans. In this country, high earners are disproportionately targeted by tax rates, and that's not likely to change in the future. **But lowering your taxes might be easier than you think.**

The Tax Cut and Jobs Act complicated tax strategies for high-income earners, especially physicians and medical professionals who earn income from multiple sources. While some medical professionals can take full advantage of new business pass-through deductions, higher earning physicians may not be able to because they fall into a different "service provider" category. **The bottom line is this: you have a time-limited opportunity (current laws are due to sunset in 2025) to lower the taxes you pay now and tomorrow. Don't lose that chance.**

Key Considerations:

- Am I maximizing contributions to all my available employer retirement plans?
- Should I consider after-tax contributions or a back-door Roth strategy to maximize tax-sheltered growth and tax-free retirement income?
- Do I need to review my taxes and investments since tax laws changed in 2017?
- Do I understand tax-efficient investing and how to allocate investments for tax-sheltered growth?
- Am I taking advantage of tax-loss harvesting to lower my taxes?
- Am I doing enough to minimize my taxes now and permanently lower the taxes I'll pay later?
- Is my income structured to balance taxes against cash flow requirements?
- Am I bunching deductions and qualified expenses to beat 199A thresholds?

Want help finding your personal answers? Let's chat. Give my office a call and we'll schedule a 15-minute Financial Strategy Session at a time that's convenient for you.

Mark Ziety, CFP®, AIF®

04

Protecting Your Assets and Ability to Earn

You and your ability to earn are your greatest assets as a medical professional. When you factor in costs of schooling, residencies and fellowships, and the foregone income from years spent training, your personal investment in your career could be \$750,000+. When you consider that most physicians earn over \$7 million in a 25-year+ medical career, you've got a lot to protect.⁴ Your family also has a lot at stake if something were to happen to you. **If you're well into your career, it's more important than ever to review your coverage to make sure you're covered enough while not paying for more than you need.**

That's why insurance is so critical for physicians and high earners. We'll assume your malpractice insurance is covered through your business or employer. However, if you've got questions about your current coverage or what's included in your contract, please call or email so we can set up a time to review it.

Key Considerations:

Life Insurance

- Do I have enough to ensure my family can live comfortably and save for retirement without my income?
- Does my spouse have enough to cover his or her contributions to the family?
- Will my life insurance move with me if I switch employers or benefit providers?
- Am I taking full advantage of tax-free income opportunities with life insurance?
- Have I reviewed my coverage to make sure I'm not paying too much for features I don't need?

Disability Insurance

- Do I have specific insurance for my specialty?
- Is my policy through a company with a good rating and reputation?
- Have I reviewed my coverage to make sure I'm getting the best rates and coverage for my current income?
- Have I reviewed the tax treatment of my disability coverage?
- Am I paying for disability coverage in the most cost-effective way?

Additional Coverage

- Have I reviewed my umbrella policy to make sure it's enough to protect my family and assets from personal liability?
- Have I considered how I'm going to cover long-term care needs in retirement?

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05

Retiring Healthy, Wealthy, and Wise

Whether retirement is around the corner or a long way away, you have special considerations as you approach and enter retirement. You have all the tax considerations of a high earner, and you need to be savvy about how you draw down your investment accounts and where you take your income. Practice owners, contractors, and high-income earners can take advantage of advanced strategies to sock even more away in tax-sheltered accounts and draw tax-free income in retirement.

Though earlier is always better where retirement is concerned, high-income earners can “catch up” to retirement even when they start later than they’d like. **If you’re a late bloomer, please reach out: your window of opportunity is still there, but you’ve got to make your moves fast.**

Key Considerations:

- Have I run income projections to determine how much wealth I need to build before retiring?
- Am I saving enough each year to reach my “Big Number”?
- Am I proactively considering how I’ll take income in the most tax-efficient way in retirement?
- I have a practice I intend to exit: Will my succession plan maximize value while protecting my patients?

Want help finding your personal answers? Let’s chat. Give my office a call and we’ll schedule a 15-minute Financial Strategy Session at a time that’s convenient for you.

Mark Zietz, CFP®, AIF®

NAME Physicians
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Rx

You Don't
Have to Walk
the Path Alone

As a physician, your story is unique. You went into medicine to help people, but you also want to live a great lifestyle—plus you've also got all the external pressures and expectations of others because you're a doctor. I can help you balance that.

Ultimately, your goal is to take a wellness approach to your finances and have a comprehensive financial strategy that takes into account all of the 5 critical elements in this guide. It's not enough to treat debt, investing, taxes, protection, and retirement separately. You risk missing critical things and giving up opportunities when you don't treat your finances holistically.

Most medical professionals I've met are highly motivated to build wealth and do more with their money. However, they often trip and fall just after they get started.

- They don't have time to figure it all out.
- They aren't sure who to trust with their money.
- They start, get hung up, and have to put their finances on the back burner over and over again.

If this guide hasn't given you confidence in your next steps, you don't need to go it alone. All you need to do is call my office or send me an email.

Right now, you might be thinking:

- I know I should be doing all this, but I don't know how to get started...
- I've got a few questions that I'd like answers to...
- I'm probably paying too much in taxes right now...
- I'm knowledgeable about finances, but I just don't have time to manage all this...

Why get professional advice instead of doing this yourself?

My team has the **skills, knowledge, and technology** to help you create your comprehensive strategy and navigate complex, ever-shifting markets. Most investors (even the smart ones) make expensive mistakes that can cost (\$138,960 over 20 years by one estimate).⁵

Instead of burning your **limited free time** on research, projections, accounting, tax planning, investing, risk management, and more...wouldn't you rather be spending time with your family and living life, confident that you've got a team of professionals working to keep you on track?

If you want to take control of your money and feel the peace of mind of knowing you've got it all covered, please reach out to set up a no-obligation FREE Financial Strategy Session.

We'll talk about your situation and get clarity on what you need to do next, and you'll walk away with answers to the questions holding you back.

I'm looking forward to meeting you,

Mark Ziety, CFP®, AIF®
WisMed Financial, Inc.

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Sources

¹ <https://www.medscape.com/slideshow/2019-compensation-wealth-debt-6011524>

² <https://www.medscape.com/slideshow/2018-physician-wealth-debt-report-6009863#12>

³ <https://economics.mit.edu/files/637>, Table 1

⁴ 2018 average salary: \$313,000 salary x 25 years = \$7.285 million

Source: <https://www.medscape.com/slideshow/2019-compensation-wealth-debt-6011524#2>

⁵ https://www.capitalgroup.com/advisor/pdf/shareholder/ingefl-050_dalbar.pdf

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