

108: Your Words Create Your World



Full Episode Transcript

With Your Host

Bonnie Koo, MD

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Welcome to *The Wealthy Mom MD Podcast*, a podcast for women physicians who want to learn how to live a wealthy life. In this podcast you will learn how to make money work for you, how you can have more of it, and learn the tools to empower you to live a life on purpose. Get ready to up-level your money and your life. I'm your host, Dr. Bonnie Koo.

Hey everyone, welcome to episode 108. So the actual meat of the episode is going to be really short, or maybe I just really have two unrelated things to talk about. In any case, I really want to make sure that if you have student loans, that you are aware of two sort of ridiculous, amazing, whatever you want to call it, updates to loans that have been possible because of the pandemic.

Now, whether or not you agree with the current president, he has made basically sweeping changes. And many folks, this is not just limited to physicians by the way, because people other than doctors also have federal student loans, right? Lawyers, pharmacists, anyone who went to college and beyond.

And so here's the deal, and I'm giving a very brief summary, and it's possible I'm going to get some details wrong. So like I said, this is for folks with federal student loans. Now the thing is, some of you may think that you have private loans. And what I have found by talking to my really good friend, Travis, he's the founder of Student Loan Planner, and I'll talk about him a bit more in a bit.

Some of you folks out there have federal loans, but you think you have private loans. So I just want you to double check, it'll just take a few minutes, hopefully, of your time. Now, how do you know if for sure you have private loans? If you, yourself, privately refinanced the loans with a company like Sofi, for example. But it still doesn't hurt to double check and just make sure, you know, for that peace of mind.

So two major things have happened this year, one that was announced just a few weeks ago, at least when I was recording the podcast at the end of

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April. So the first thing is the PSLF waiver. PSLF stands for Public Service Loan Forgiveness, and like the title says it basically provides student loan forgiveness if you work for the public service. Now, that's defined as working for a nonprofit, basically, okay? And you need 120 payments, which is basically 10 years.

Now, there's a lot of stipulations to this. First of all, the program started, I think it was 2006 or 2007. So if your loans were before then you're out of luck because the program just wasn't instituted. Kind of like Roth IRAs, they weren't always a thing. So you couldn't do one before it was created, which I don't remember the date, but it was around when I was in college.

And you also need to have a specific loan type called direct loan. So I know so many of you have federal student loans, but since you didn't have the right loan type, not that you're out of luck, but now it's going to take extra time to get to those 10 years. But this waiver actually helps you with all of that.

So number one, you still have to fulfill the basic criteria of 120 payments and working for a nonprofit because, for example, you may have worked five or six years for a nonprofit and that includes years in training. It does not include years in school, but your internship, residency, et cetera all count. And some of you have had very long trainings, right? So that counts. But you may have started working at a private practice right after, which generally does not count.

So anyway, back to what the PSLF waiver does. It basically lets you take your current federal loans that are of the wrong loan type for PSLF and lets you convert them to direct loans. But you have to do this before the deadline, which is October of 2022, okay? And there's a little extra cherry on top for this.

So let's say you have a bunch of federal loans and they have different amounts of payments that you've made, and this is pretty typical. So for example, loan one may have 50 payments, loan two may have 120

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payments, these are the non-direct. And then your direct loan may have 100 payments. But when you convert these all to direct loans, I think the actual word is consolidate but you get what I mean, the loan with the highest number of payments supersedes all the payments.

Meaning, let's say you have the direct loans I just mentioned in the example, 100 payments, but one of your federal loans that isn't a direct loan has 120 payments. When you convert it all to direct, it's as if you've made 120 payments in the direct loans, as if they were always direct. So this is like crazy, okay?

And I think, don't quote me on this, if you do end up having more than 120 payments, I think you might be eligible for a refund, but don't quote me on that. Okay, that's the PSLF waiver and that's been out for some time now.

Okay, now let's talk about the new thing called the IDR waiver. Now, what this does, again, I am summarizing so please always double check what I'm saying. Basically, if you have periods of forbearance that are at least 12 consecutive months, those months will count as if you made payments. Let me say that again, if you have long periods of forbearance defined as 12 consecutive months or more, they will count as payments. So let's say you have 12 months of forbearance consecutive, it'll count as 12 payments.

Now, there's a lot of you who have non-consecutive months or forbearance, and I think there is another way around the rule, it's something like a certain amount of months within a three year period. It's some version of that, so make sure you look it up.

And my friend Travis told me that if you believe that your student loan lender, whatever they're called, strong armed you into forbearance or where you have non-consecutive months. Basically, if you feel like your lender is shitty, and many of these lenders are shitty, you may have heard of the lawsuits against them at least Nelnet, I think, and maybe even Navient. You can actually file a complaint, which may or may not work in your favor, but you don't get what you don't ask for.

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Okay, so long story short, if you kind of zoned out while I was saying all this, if you have federal loans you need to pay attention. Okay, that's basically the basic gist. And I really gave a high level summary, so I want you to make sure that you're not leaving money on the table.

One of my clients got over \$350,000 forgiven with the PSLF waiver, because this was before the IDR waiver was even announced. So listen, there's a lot of details and paperwork you need to file. And if you're like me and would rather schedule time with an expert to save a lot more time, then I strongly recommend Travis and his team at Student Loan Planner, studentloanplanner.com, we will link it in the show notes.

I've known Travis since, gosh, I think at least 2017 and I've really only heard amazing, positive feedback about their team. So the way it works is you schedule a consult, and they are booked a few weeks out now.

And so even if you're not sure you want to look into this, I want you to book a consult because you can cancel. And please cancel instead of not showing up to your consult because they are getting booked out because all the student loan people are getting basically bombarded and overwhelmed in a good way with folks wanting to make sure that they're not leaving money on the table.

And after this consult call with his team, you get six months of email support. If you book a consult using my link or simply mention my name, Bonnie Koo, or Wealthy Mom MD, you will actually get an additional six months of email support for a total of 12.

Now, it's pretty typical, after you have a consult more questions might pop up in your mind or maybe you forgot about something, some detail, so that's why they offer that email support afterwards. So I just want to make sure you guys all know about this.

I'm going to be talking about this probably between now and October because people literally are leaving hundreds and thousands of dollars on the table. And this is a life changing amount. And what I mean by that is

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that monthly payment that was going towards student loans can go towards investments, can go towards other things that you'd rather spend your money on than a loan.

All right, so that's my little rant about student loans. And I actually want to tell you a story about Travis. I had mentioned that I've known him since 2017 or so. So I did a live conversation with him about student loans, I've done two actually. But we did a second one because of the new update with the IDR waiver.

And after the call him and I had a private conversation and just catching up because we haven't seen each other recently. The last time I saw him in person was when I lived in Philadelphia and that was a few years ago. So I was reminiscing about a conversation that we had in 2018. So in 2018 I attended FinCon, so this was the fall of 2018.

Now, FinCon is a conference for anyone in financial media. So podcasters, bloggers, those type of people, not so much for consumers. And so I remember seeing Travis, you know how conferences are, you run into people, have side conversations. And so I think we actually did plan to meet.

So anyway, I was really excited to tell him about my plan. And I'm just laughing at myself, I'm not laughing at you because you might think I am when you hear my story. So I was really excited about this plan I had concocted, or rather calculated based on all the number crunching that I was doing. Because at that time, this was just a few years ago, I was all about the figuring out my financial independence number. And plugging numbers into the calculator, compound interest calculator, blah, blah, blah.

So if you're like, "I have no idea what you're talking about." It's basically the number that people talk about, this is basically in the context of stock market investments inside of a retirement account. So basically, for every million dollars you have in retirement, that ends up being about \$40,000, a year to live on.

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And in case you're wondering why is it only \$40,000 when you have a million, because you want that income to be paying you for a long time because most of us live a very long time. So let's just say you retire at 50, and you die at 90, so you need to make sure you don't run out of money. And so basically, when you withdraw \$40,000 out of every million, called the 4% rule, it's highly unlikely you will run out of money.

And this assumes that the money is invested. So that's just a side note, and if you don't know what I'm talking about, don't worry about it. Basically the gist of the story is I had basically figured out a way to achieve what I coined at the time as pre-FI, pre-FI. Meaning the number where you can start working part time because the money that's in retirement, that's invested will continue to grow even if you put less money in it.

So basically, in my mind I had like concocted this number before the full retirement number where you can cut down. And so I forget exactly how much time that was going to be for me, but let's just say it was something like, oh my God, in five years, maybe it was 10. Let's just say 10 years. Travis, in 10 years I can go part time. I think it was less, but I honestly don't remember at this point.

And I'm thinking he's going to say something like, that is so amazing. Congratulations. That's so smart of you. He did not say any of those things. In fact, he said, "Why aren't you just going part time now?" And when he said that, I was not happy. I thought he was being kind of a jerk. I mean, he's not a jerk, but you know how friends sometimes say things and you're like not happy about it? So that was one of those moments.

And I honestly don't remember the rest of the conversation. But basically, he just challenged my thinking. Because obviously, as you can tell, I had come to this conclusion based on a plan that I could see where it could work. Does that make sense? And what he challenged me was that let's just throw away that stupid calculation you just did. That's basically what he said.

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And he's like, but what if you could actually do that now? And I didn't have an answer back then. But what I can tell you looking back at that conversation, this is literally why I do what I do. Because so many of you think that if you have the perfect plan, the roadmap, where you can see exactly not even where you want to go, but how you're going to get there, then you feel better.

I'm trying to like think of the word or phrase, like it helps you believe that it's going to happen. That's what that's the phrase I was looking for. And so I just want to offer that maybe that's not true. And when we limit ourselves to the plan that we have in mind, to the roadmap that we either created ourselves, or copied, or picked from Google, whatever, you are seriously limiting what's possible.

And so I didn't mean to actually tell this full story about Travis but I think it's working out greatly. Like if I literally thought that was what I was going to do or just stayed on that literally one track track, I would not have the life I have now, truly. And I'm not saying the life I had was bad, but I was able to go "part time" a lot sooner than my plan.

And side note, the whole full time versus part time is like steeped in time for money, which I talk about a lot. So I actually hate those phrases because it also insinuates that if you go part time you should make part time money or some version of that. And that is also not true because money doesn't come from time. And I'm actually very close to working only three days a week and still making lots of money. So there's that.

Okay, so long story short, the gist of this story is that you may have put a little box around yourselves, but you can't see the box. You know, have you watched The Matrix? It's kind of like that, you may not know what's actually going on. And that was a moment when I had that conversation with Travis that really sticks out on my mind.

And a similar moment is when I started working with my coach because she did not see the limits I was placing on myself with regards to the

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business and other things I want to create my life. Okay, that is actually not what I want to talk about on this show. But the actual content is actually really short and sweet.

So here's what I wanted to say, about 20 years ago I took a personal development course. And it was by Landmark. And I remember one of the programs was, it was about communication. It may have been called, yeah, I think it was called the communication course, because I think we called it cap for short. Whatever, it was about communication.

I don't remember specifics, but I remember one sentence and I would think about the sentence often. And here's the sentence, your words create your world. Meaning that the words coming out of your mouth creates a reality. I'm sure you guys have heard this before. But the reason why I bring this up is because of Brene Brown.

Now I've been talking about Brene a lot on this podcast, and even in my emails, et cetera because I'm just so in love with her book, Atlas of The Heart. And I think I may have told you, not only did I buy the book, I bought it on audiobook. And I wasn't going to because I have the book, but then someone told me that, A, she reads it. Which I have some of her books on Audible and I think there's a book where she didn't read it and it just was not as good.

So she narrates it, but she also adds little stories and things that aren't in the book, which she's allowed to do because she is the author. And the reason why I say that is when I was recording my book, because I narrate it. And if you don't know I have a book, it's called Defining Wealth For Women. And if you haven't heard of it, then you must get my book, and there's an audiobook version if you're more of an audiobook person.

And when I was narrating, I remember my sound engineer telling me if it was a professional voice actor, they have to literally say every word in the order it's written. But as the author you can do whatever you want because it's your book. Anyway, that was kind of a bit of a side note.

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So the reason why I'm mentioning Brene Brown is Brene has a TV show based on the book. So I was watching that, this is actually where this comes from. So she talked about how the words we use to describe what we're thinking and feeling actually change our experience of what we're experiencing. Did you guys get that?

I'm going to say it again, the words we use to describe our experience, including our thoughts and emotions, affects how we experience things. I say this a lot to my clients inside of my program. I will literally gently correct what they're saying not in a, well, maybe they think it's annoying. But I do it from a place of oh my God, if you just change this one word, it's totally going to change everything. Because that's how powerful words are.

Because here's a common thing that you can use in your own life. So a lot of my clients will say things, "Well, I have to do this, I have to do that." And here's the problem with that phrase, "I have to." First, it's as if you have no choice in the matter. Because you always have a choice. Always. Two, you give all your power away as if you don't have control over your life, right?

You're able to take back your power and agency when you change that phrase to, "I choose to do this, I choose to do that." And not just say I choose to, but you can also add things like some of my clients will say, "Well, I have to pick up my kids," or "I have to make dinner for my kids." This is a common sort of phrase, especially when it has to do with kids.

And I'll gently correct them. I'm like, "You don't have to pick up your kids." And I'm laughing because they usually look at me really weird. I'm like, "No, no, no, you really don't have to. There are parents who literally don't pick up their kids and abandon them." And so I'll say something like, "Try this on, I pick up my kids because I want to pick them up and take them home because I'm their mom and I love them."

Some version of that. But do you see how different that is from I have to? And the same thing was like cooking dinner for your kids, right? It's like, "I have to cook dinner for them." No, actually, you don't. So I just laugh a little

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with my clients because, well, here's the thing, when you say "I have to," this is for anything, it's just so heavy. It feels so heavy. It feels like we're out of control, that we don't have a choice in the matter. So just changing a few words makes all the difference.

Okay, so that's one example. And so here's another example, so there's someone that I know who has a stalker. And as you can imagine, every time that word stalker comes up, it like creates this emotional charge. That's awful, as you can imagine. And so I suggested, why don't you not use that word? Why don't you just make up a word instead?

And so this person did. And it's not that this person is never going to have a negative feeling when thinking about this person. Let's just call this person Penny. But when that word is different and not stalker, it lowers emotions. And when your emotions are low, your intelligence is higher. I say this a lot. when emotions are high, intelligence is low. it neutralizes things. It kind of separates you from the trauma so you can think a bit more clearly, basically.

So what's something that you tell yourself a lot that makes you feel awful, that makes you feel like you're out of control? And what would it be like if you changed that word? If you are someone who says I am stressed or I am overwhelmed a lot, I want you to stop saying. Literally, stop saying it out loud or in your head, stop saying it to your friends. I know it's like something that friends commiserate on, especially if you're all working hard as physicians or whatever you do.

Replace that word with something else. It could be something stupid and funny. I promise it'll change the way you're experiencing things because that word overwhelmed, and Brene talks about this in her book, literally makes you feel worse about feeling overwhelmed. I know it's kind of meta, but that's true.

So I just want you to try that on. The next time you notice yourself saying something that doesn't feel good, that feels heavy, that feels maybe even

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overwhelming, but don't say that word. Use a different word or phrase. Okay, that's what I have for you guys, I will talk to you next week.

Hey, if you're ready to create wealth, I want to invite you to join my program, Money For Women Physicians. You'll join a community of like-minded women physicians, who are committed to creating wealth, just head over to wealthymommd.com/money to learn more.