

186: The Truth About Your Clinical Income



Full Episode Transcript

With Your Host

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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.

Hello, everyone, welcome back for another episode. So today I'm talking about something that I can't believe I haven't talked about. I'm sure there's been some of the ideas sprinkled into my prior episodes, but one of the most common things I hear not just from my clients, but other women physicians that I talk to between speaking and et cetera, is basically some form of I would love to X, but the money.

A lot of it is they want to work less. I mean, that's what it comes down to. We are so overworked as physicians, we would just love to work a little less, especially if we have young ones at home. But so many of us feel trapped because of the income that comes in with a full-time job and thinking that less money will basically suck for a number of reasons, right?

So a few things I want to talk about with this topic. Now, obviously, that is a thought that you can't work and that your money will be affected. I know it feels very true to most of you listening, but hear me out. The first thing I want to say about that is your lifestyle should not depend on your full income. This is especially true if you are a two income household.

I see this a lot when both people are not necessarily physicians, but both people work. And that both incomes are required to sustain your current lifestyle because that is just a recipe for, I don't want to say disaster. But the truth is we all know that active income, your job, isn't guaranteed and things can happen all the time. And so having a robust reserve, also known as an emergency fund is critical.

But also if your mortgage, and I think that's the biggest expense for most of us, if your mortgage, if you're private school tuition for your kids, et cetera, if that is dependent on both incomes, that is not setting you up for success. And so I want to take this concept in terms of your full-time income,

186: The Truth About Your Clinical Income

whether or not you're the primary breadwinner, or if you're single this applies to you as well. Because like I said, we don't want you to be in a position where you have to rely on your full-time income to support your life.

I also want to remind you all that we all used to be residents making a lot less money, and that most of the country lives on much less income than our physician income. This does not mean that you should not want a great lifestyle or be able to pay for the things that you want to pay for. But please don't do it at the expense of your current financial situation or even your future.

Now, now that I've sort of given you sort of my spiel about that, now I want to talk about sort of those of you who really do want to work less and you don't want to make less money overall, because you know that extra income will provide either the quality of life that you want or the money that you need to invest. And so the first thing I want to say is if there is a temp, well, of course, there will be a temporary loss of income.

Actually, notice the word temporary. I just went right into temporary. Less income, let's say you decide to work one day less a week, you know, go 0.8. That loss of income, that less income is temporary. Your current money situation is always temporary. And I really can't harp on this concept a lot because what I've seen a lot is when you're thinking about working a little less and that subsequent loss of income, our brains feel like that's going to be forever.

And so when we sort of project that loss of income into the future, into the permanent future, of course that's going to not feel good. And I also know it's not going to feel good even if you know that it's temporary. But what I do know as well, is that most of you are overworked. And when you're overworked, you just don't have any extra mental space, whether it's for you, whether it's for planning or whether it's for your family. And so that's why I know that many of you want to work less.

186: The Truth About Your Clinical Income

And who doesn't want to work less? Or maybe you would just want some additional flexibility so you're not tied to going to your office every day, right? You want some more time flexibility. And so I talked a little bit about this in the last two episodes and so I'm just going to reiterate it, so many ways to you is your physician brain to create income.

I think one of the best ways to do this if you want to stay at your current job is to simply work less and do something like expert witness work. I think this is something that's really under utilized, under thought of. It's such a great way to make additional income because your per hour rate is much higher than your current clinical job. And it gives you so much flexibility because you can do it from home.

Now, obviously, there is a ramp up period because you have to find a case to work on. But it's the type of thing that once you start expert witnessing, other lawyers will start calling you because they know you're available as an expert witness.

I do have an episode with Dr. Gretchen Green, who does teach positions, how to do this. How to start from really A to Z. In addition, she has such a robust network of lawyers that she will also help you get started by those introductions. I think that's an important thing in general, learning the thing and having access to connections.

We do that inside my paid program, Live Wealthy, in that whatever I recommend, I usually have a vetted resource or person to talk to versus just saying invest in real estate. And I will give you specific names to look into to work. It doesn't mean you have to work with them, but at least it gives you some concrete steps that you can start immediately.

Now, back to the less money is temporary and the mental space that most of us are just wanting to have, right? When you work less, you have more time to figure things out. But when we're focusing solely on the loss of income, it can just really stop us from seeing the big picture, right? You are not going to be making less money forever, unless that's something that's okay with you. Great.

186: The Truth About Your Clinical Income

But if you don't want to make less money than you currently are and you want to work less, you need to listen. What I have found, and this is not just me, but when you are completely at capacity, mental capacity and having decision fatigue and just having burnout and all the things that come with overworking, if you're parenting et cetera, you cannot be creative. You cannot think outside of the box. You literally just don't have any more mental space to think.

And my clients who have decided to work less because literally they're on the verge of burnout, aside from taking care of themselves, they have found that ideas just start coming to them. They're able to talk to other people, network, attend some conferences and really spend the time to kind of figure out how to create more money, how to invest their money smarter and to literally think beyond your clinical income, which is what the last episode was all about.

But you can't do that when you're overextended and exhausted. So the thought I want to offer you is that what if working less is what's required for you to make even more money? I'm going to repeat that. What if working less is what's required to make even more money? Again, this is temporary and I want you to consider that your quality of life, your financial future may actually depend on you making less money temporarily.

Now, my version of this for myself is that becoming an entrepreneur was definitely making less money in the short term. Now I didn't quit my job and decide to be an entrepreneur. I actually was starting my side gig while I was still working full-time as a dermatologist.

Now, I have not replaced my clinical income, although every year I get closer and closer. And, of course, I could supplement that with working part time. I've just decided at this time it doesn't really work for my current lifestyle. And what I mean by that is my time freedom, my time flexibility. Once you've tasted that, it's really hard to go back. And you will figure out how to make things work in the meantime.

186: The Truth About Your Clinical Income

So I know in my bones and I have enough entrepreneur friends to see that this can be true for me that this period of making less money is what's required for me to make even more money. Of course, it's not always easy because my brain will offer, "Well, maybe you should work again or maybe you should just work full-time again." And that is not a wrong decision, it's just, at this time, not the right decision for me.

So I want you to brainstorm at least 10 ways you can create money. Again, this is hard to do when you're overworked. And what if you just told yourself I'm going to go part time because I want to. And if at some point you need to work more to bring in income because you either haven't quite figured it out or you would like more income while you're figuring it out, you can always go back full-time. It's always available to you, okay?

Other ways to sort of free up your clinical time, and many of you do this already, is to get admin time by taking on some leadership or different roles where you will get admin time in return. Now, of course, this means you're still working full-time. But a lot of my clients have found that just breaking things up, you know, working less so that there's less of that sort of seeing so many patients and all the work that goes on with that, that this really gives them some breathing room.

Again, so many options. I've given you a few. You can obviously switch to locums or per diem. I think of per diem as a local locums so you don't have to travel. I think of locums as mostly traveling to a different place. Although you can definitely find a local locums job.

Now zooming out again, I really want you to think of how do you want your life to look like? And I want you to think in terms of your time lifestyle, your flexibility lifestyle. Do you want more time flexibility? Pretty much the answer is yes to everyone I talk to, right? Like do you want the ability to go on a trip or go to a conference and not have to get your call covered or move mountains to figure out how to do that?

I know physicians where the call schedule is figured out a year in advance. That is really crappy flexibility, right? And so I know that if this is new to

186: The Truth About Your Clinical Income

you, the concept, or just really taking on thinking about how you can make this work, well, the first thing is to notice I said how. Even that question, if you ask yourself that question every day and brainstorm 10 ways you could do this, how can I make this work? That is such a powerful question for your brain.

Any how question is a powerful thing for your brain because when you keep telling it, "I can't do this because of money," that's what you are creating. That's what's going to continue. Remember, if nothing changes, nothing changes. And change is hard. It's so much easier to keep doing what you're doing, even if you don't like it, because you don't have to do anything, you don't need to expend more time and energy, mental et cetera in order to keep going.

So how can you make this work? How can you go part-time? What if going part time is how you're going to figure out how to make more money and also give you the rest that I know you so deserve and want? Versus just sort of accepting and thinking there isn't another way because of money.

And, like I said in the beginning, if your current lifestyle is dependent on you working full-time, whether it's you, whether it's you and your partner's income, I want you to take another look and figure out how you can make it so that that is not true.

I see so many people buying a home where they really need both people's income to make it work. And I just really advise not to do this. So if you're someone who doesn't own a home, but you are looking, please do not take on a house that you would not be able to afford if there was a sudden loss of income. And I don't mean like 100%, but let's say 30%, right?

I know there are sort of rules of thumb about what percentage of your mortgage or rent should be based relative to your income, and I really want you to take this advice. I just see this a lot where people are buying more house where they can, I don't want to say barely afford, but that loss of income will really jeopardize their ability to pay your mortgage. Of course,

186: The Truth About Your Clinical Income

there are other things like how you're spending your money in many different areas as well.

Okay, so that's really what I wanted to talk about today. I really want you to think about how you can work less. I want you to understand that this is temporary. I want you to understand that this might be what's required in order for you to make even more money or even just make the same amount of money you've made working full-time. How there are so many ways to do this, and how freeing up your mental space, your workload is going to help you figure this out.

So many of my clients have been able to do this. When I say able, they have decided to make that jump to work a little bit less. And the things that have unfolded since have been amazing. I was going to say miraculous, I guess it is miraculous because they had no idea that they could do this and that other types of opportunities were available to you.

All right. I hope this has inspired you to take action and to consider going part-time and to start asking yourself how can I make this work? I'll see you next week.

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