

An Investment in Knowledge: Personal Finance Education for Medical Students

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ABSTRACT: The financial burden of pursuing a medical education continues to grow, with the average medical student now owing over \$240,000 in total student loan debt by the time they graduate. This burden peaks at a time when trainees are making some of the most consequential decisions of their careers. Additionally, many students are simultaneously making important financial decisions related to personal aspirations, all before a drastic change in earning potential once they begin practicing as attending physicians. Medical trainees' financial stress is linked to specialty choice, mental quality of life, and physician burnout, with additional implications of such stress for patient health and safety.^{1–3} Despite these issues, there are few examples of medical schools providing direct personal finance education to their students. Given the lack of personal finance education opportunities for medical students, the authors designed and implemented a medical student-specific personal finance curriculum at their home institution in conjunction with the Association of American Medical Colleges' (AAMC) Financial Information, Resources, Services, and Tools program. The curriculum, which is primarily delivered through interactive lectures, covers topics ranging from the basics of saving and investment to clinicians' potential future roles as administrators and innovators. The authors (1) present details regarding the creation of their personal finance education program; (2) invite fellow medical trainees and their respective institutions to start their own personal finance education programs or add similar curriculum to their health sciences coursework; and (3) call for recommendations by the *American Medical Association* (AMA) and AAMC in support of formal personal finance instruction for medical students on a national level.

KEYWORDS: personal finance, medical school, loans, student debt, curricular development, American Association of Medical Colleges (AAMC)

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Part 1 of 5: The Unmet Need

In recent times of rising healthcare spending and legislative volatility, a growing emphasis has been placed on physicians' ability to help patients navigate complex healthcare interactions.^{4,5} After a 2019 call from the *American Medical Association* (AMA) for improved healthcare economics and health system sciences training,⁶ more emphases have been placed on improving medical students' abilities to not only treat patients' medical conditions but also to address patient's financial concerns related to payment and insurance. However, amid this endeavor, the financial well-being of medical students themselves has suffered.

Although investing in medical knowledge is commonplace in medical schools, investments in students' financial literacy and well-being have been scarce. According to the Education Data Initiative, the average medical student owes over \$240,000 in total student loan debt by the time they graduate.⁷ This debt, which begins accumulating for many in college, peaks around the time when trainees are making some of the most consequential decisions of their careers: deciding which specialty to pursue and which residency program to attend. Furthermore, students have personal aspirations in addition to their career goals. Although managing medical school and future residency expenses, many students are getting married, buying cars, and thinking about starting families. This series

of financial ordeals encountered during medical training quickly leads into a period that includes drastic changes in earning potential once trainees have begun practicing as attending physicians.² Even as students transition to their careers as attending physicians, ready to prioritize their careers without fear of further debt accumulation, they still find themselves behind many of their nonphysician peers financially, as many of these peers are 10 years ahead in their earnings, savings for retirement, and credit building.

Personal finance literacy is an issue of wellness that extends beyond immediate concerns related to debt and loan repayment.^{1–3} According to a landmark 2019 systematic review probing the effects of rising medical school tuition and student debt on mental health, academic performance, and specialty choice, debt levels are negatively associated with both mental well-being and academic success.¹ The study also reported that increased debt leads students toward higher-paying specialties, overshadowing passion, and the growing need for often lower-paid primary care and rural physicians.¹ Multiple studies have linked physician burnout severity to increasing levels of a provider's financial debt.^{3,8–10} Furthermore, physician burnout is strongly correlated with major medical errors¹¹ and an increased likelihood of engaging in unprofessional conduct.¹² As such, it is reasonable to surmise that the financial obstacles faced by medical trainees and practitioners



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among other stressors may ultimately impact patient safety, a dangerous and concerning consequence of inadequate personal finance training.

Part 2 of 5: Current Offerings

Despite medical students' personal finance problems, there are few examples of medical schools providing direct personal finance education to their students.¹³ Case studies of personal finance courses being offered at the University of Arkansas for Medical Sciences¹⁴ and Florida State University College of Medicine¹⁵ have been published over the past couple of years. Although the courses show promise in benefiting students' financial literacy and confidence in dealing with debt burden, they are only offered as elective options to fourth-year students prior to residency.

The Association of American Medical Colleges (AAMC) recently created the Financial Wellness Program's Financial Information, Resources, Services, and Tools (FIRST) program.¹⁶ This program provides online tutorials and stepwise guides to common medical student financial dilemmas. The program also ensures the most up-to-date information regarding matters such as student loans is available to students—particularly important in the era of COVID-19 and loan payment pauses. Even still, medical students seem to lag behind their peers in financial prowess.¹⁷ Most medical schools with websites that do acknowledge students' needs for personal finance wellness simply redirect webpage viewers to the AAMC FIRST website or a brief financial wellness brochure. Among the multitude of materials presented to medical students for their education, personal finance literacy does not seem to be a priority.

Part 3 of 5: A Solution

As first-year medical students, 2 of the authors (SAW and AJN) knew that personal finance education was not only important but also in high demand among classmates. In 2020, during the start of the COVID-19 pandemic, the authors began developing a curriculum for personal finance, knowing that such an undertaking required considerable research upfront. The authors enlisted the help of 2 faculty advisors who had recently completed formal business and finance training, an interested resident trainee advisor, and a small group of classmates with finance backgrounds. These classmates eventually served on the inaugural student organization's executive board. The organization's curricular foundation was built on both AAMC FIRST coursework and publicly available United States Financial Literacy and Education Commission (FLEC) material.¹⁸ In March of 2021, shortly after the curriculum had launched, Ramme et al¹¹ published a personal finance primer for medical trainees. This work was quickly incorporated by the organization and soon became an essential pillar of the curriculum, guiding the conceptualization and teaching of many personal finance intricacies.

The lecture series started with an overview of the core principles of personal finance. The first lecture focused on savings and investment, one of FLEC's 5 basic principles of personal finance, and the topic the board and advisors felt had the most longitudinal importance for medical students. The board recruited a financial advisor affiliated with their home institution's business school to give the lecture and collaborated to create and deliver content based on the curriculum. This lecture and all of those that followed were delivered live and recorded for asynchronous learning purposes. For information and lectures, the organization also relied heavily on resources from their medical school, including its Director of Financial Aid. The Director was featured in the second lecture on loans—student, auto, home, personal, and business loans. The board and its advisors noted a striking discrepancy when it came to knowledge about loans. Few questions surfaced regarding student loans, as many student audience members had previously dealt with this matter in undergraduate and earlier medical school settings. Moreover, like many other medical schools, the organization's home institution and its financial aid department focuses on student loan guidance and routinely provides information and resources. This emphasis as well as the light shined on student loan processes during the COVID-19 pandemic left little ambiguity regarding the topic. There were, however, many questions about other loan types. Specifically, many students asked questions about means of purchasing or leasing cars, best practices of home loans and mortgage refinancing, and ways to prepare financially and manage loans for residency.

Part 4 of 5: Expanding Offerings

The curriculum and lectures put forth by the organization were framed with students' personal and familial aspirations in mind, with an aim of featuring immediately actionable advice and providing opportunities for students to ask individualized questions to board members and guest lecturers. This specific focus arose from the knowledge that contemporary financial policies can have considerable implications for medical students, and that there are several steps trainees could take in the present day to ameliorate financial burden and secure healthier financial futures.¹³ For instance, adjustments to graduate student loan interest rates and policy changes for programs such as the federal Supplemental Nutrition Assistance Program (SNAP) during the COVID-19 pandemic highlighted the importance of present-day financial decisions. SNAP, sometimes referred to as food stamps, provides monthly financial assistance for beneficiaries to buy groceries. Previously not eligible for SNAP benefits, medical students and other graduate-level students in the United States were made eligible during the early months of the pandemic if they either reported no expected family financial contribution for the academic year or if they were eligible for work study. As such, the board outlined the application process for SNAP.

As a result of the board's outreach, several students privately struggling with daily living and food expenses during the pandemic were granted SNAP benefits and could thereafter navigate their medical training with less financial anxiety.

In addition to focusing on the basics, relying on both internal and external personnel, and always ensuring adequate time for individualized questions, another core practice of the organization is to consistently solicit content ideas from fellow students, frequently asking, "*What do you want to learn about personal finance?*". Soon after the inception of the organization, a cluster of requests on student surveys came through asking for lectures about the business and finance of care innovation. Students expressed an interest in learning more about how they could successfully pair their interests in practicing medicine with a dual career in fields like healthcare administration. Adapting to demand, the board supplemented personal finance lectures with talks about the processes of healthcare management and innovation. The board also invited more senior students with work experience in these areas to share their expertise, a refreshing source of peer-to-peer interaction between all years of medical students that would not have otherwise occurred. Most importantly, integrating sessions like these into regular lecture programming appealed to many students' personal and career interests and did not overshadow the core personal finance curriculum.

Student turnout to lectures continued to grow, as did support for the organization. Dozens of students were logging in for live lectures, with additional students watching the recordings online and downloading presentation slides. In order to ensure the longevity of the lecture series, the organization founders transitioned the executive board to 4 new students who shared similar passions and goals related to personal finance education. The organization continues to focus on the medical student as a person, acknowledging that everyone has personal aspirations within and beyond healthcare that demand financial security. The organization also believes that alongside discussions of personal finance, it should cater to individual student's interests and variety of future responsibilities such as: helping patients navigate complex healthcare payment structures, taking on administrative responsibilities, joining a private practice, and facilitating care innovation.

Part 5 of 5: Call to Action

In addition to introducing and outlining the creation of the organization as a model for other students to replicate and build upon, the authors write with broader recommendations regarding formal personal finance training at medical schools. There is no doubt that financial wellness plays a central role in a physician's performance and mental health, as well as the health of patients and the broader healthcare system. The authors encourage the AMA and AAMC to promote personal finance instruction for medical students on a national level, just as the AMA called for greater healthcare system and health

sciences education in 2019. It is worth noting that the AMA's previous call for greater healthcare systems education was well-received; anecdotally, medical students at the authors' home institution enjoy regular, thorough patient insurance and healthcare economics training with a focus on enhancing patients' interactions with the healthcare system. Similar pushes for medical students' personal finance education could be founded and modeled on the AAMC's FIRST Financial Wellness Program, with accompanying resources and personnel dedicated to real-time lessons and responses to questions. This combination of online modules and person-to-person teaching would provide the perfect foundation to build personal finance competency while also addressing more pressing topics related to individual student needs and real-world policy changes.

The authors invite medical trainees and their respective schools to start personal finance education programs or add similar content to their health sciences curriculum. Medical students around the country are encouraged to speak with their deans, financial aid officers, and other administrators about this matter. The issue of financial wellness does not exist in isolation and may have considerable implications for both students' and patients' future well-being. Moreover, careers, passions, and the specialties that students choose to practice should not depend on financial situations or limitations. It is the hope of the authors that with the proper skillsets and personal finance knowledge, external pressures related to debt and repayment will not guide these choices in the future. Ultimately, the primary goal of the authors in presenting details and recommendations related to personal finance education is to ensure that medical trainees are prepared to navigate their financial futures as they complete training and begin practice. It is this investment in knowledge that the authors pride themselves on and encourage others to make.

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Authors' Note

Takeaways: The following bullet points are the authors' top 5 most important recommendations for starting a personal finance education organization: (1) *Do not reinvent the wheel.* Rely on previously published articles and resources including

those offered by the AAMC and FLEC, as well as in-house financial aid information at your institution. (2) *Start with surveys*. Ask fellow students what they already know and what they want to learn about personal finance. (3) *Loop in faculty members*. Solicit curriculum input, resource recommendations, and connections to potential lecturers. (4) *Document your experience*. Reflect on what content and presentation style does and does not engage your classmates, as well as how the organization can best cater to the needs of the medical student demographic. (5) *Ensure sustainability*. As leadership roles are passed down, ensure future board members or other leaders have a roadmap for continued success and student engagement.

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