



Paging Dr. Treadmill

By Anthony J. Ogorek, Ed.D., CFP

The Chinese curse “may you live in interesting times” seems an appropriate description for how many medical professionals feel about their lives. Over the past couple of decades, physicians have had to work harder, not to make more money, but just to stay in place economically. Many are older and working harder than ever, yet find the lifestyle that they have enjoyed in the past gradually eroding.

There are many reasons for the “treadmill syndrome.” However, what is most frightening is not the obvious economic fallout, but the lifestyle compromises that many physicians are not even aware of until, unfortunately, it may be too late. Let’s take a look at how the rising costs of educating children are materially contributing to more years worked with a potentially diminishing level of satisfaction.

Most physicians place a high value on education. Unfortunately, at exactly the time that their reimbursements are being reduced by the government, as well as third party payers, institutions of higher education have decided to engage in a facilities “arms race” that is driving the cost of a private college education through the ceiling, as well as the roof. This is just part of the story. With “education inflation” continuing to rage, it is often necessary for a family to support a child through a master’s program, or a professional school before they can be financially independent.

In our practice we have seen a number of physicians choose to continue working, long past the time that they thought they would be retired, due to the weak domestic job market for their children. Years ago the mantra was ‘I want to work until the last one is through college.’ Today it is all that plus ‘until they can get a decent job and no longer require my financial support.’ In a weak economy, the alternative to supplement a child’s income is piling debt on a child that may take decades to retire.

Physicians with younger children are faced with trying to strike a balance between limiting the amount of debt their children will graduate with, and funding their own retirement plan. In our experience, physicians who are caught in the emotional crossfire, often times set themselves up for additional years on the treadmill.

So what can a physician do? It is imperative to have a financial plan that models a variety of scenarios that attempt to balance your need for economic security, while not putting your children in an economic hole. The earlier you embark on this process the better.

Anthony J. Ogorek, Ed.D, CFP is a fee-only financial advisor and owner of Ogorek Wealth Management LLC. Mr. Ogorek has been a Certified Financial Planner licensee and Registered Investment Advisor in Buffalo, New York since 1983. He can be reached at prosper@ogorek.com or visit ogorek.com.