

All About Medical School Loans with Ben White- Podcast #143

Podcast #143 Show Notes: All About Medical School Loans with Ben White



Managing your medical school loans is one of the most important first financial steps that a medical school student or resident needs to take care of. You need to have a student loan plan of action. Our guest today, [Ben White](#) wrote what I consider to be THE book on student loan management, called [Medical Student Loans: A Comprehensive Guide](#), (download it for free on [his website](#).) When he started thinking and writing all about medical school loans there just was not that much information out there. He understands some of the history behind medical school loans, how things have changed, and has suggestions for how to handle the changes that could come in the future. He considers student loans to be a “gateway drug for personal finance education.” For a lot of students, the moment that the monopoly money becomes real is the first time they have really been forced to confront these issues. We talk

all about medical school loans in this episode. If you still have loans or work with students or residents that do, this is an episode you don't want to miss. Ben is going to be one of the speakers at [WCIcon20](#) in Las Vegas in March. Those attending the conference will receive a copy of his book in their swag bag. I hope those of you that are attending will enjoy getting to know Ben in this episode before you meet him at the conference.

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multifamily fund available. So if you'd like to check them out, hop on over to [37th Parallel Properties](#).

Quote of the Day

Our quote of the day comes from cardiologist, Robert Doroghazi, who said,

"If you do wish to splurge a little, to loosen up, do it after there is one million in the bank and after the mortgage has been paid."

I think there is a lot of truth to that. I think you ought to get rich first. Before you start spending like a doctor, get rich first.

All About Medical School Loans with Ben White

Ben White wrote the book on student loan management. At the time, it didn't exist. He was writing about student loans on his blog but information about medical school loans was not gathered and organized all in one place. When he was thinking about that topic, and how important it is to most recent graduates, and you go online and the information was just not there. There were good personal finance books but there really were not books that could deal with the nitty gritty details of student loans out here. Now he gives it away for free. Why?

"For the same reason, really. Because there is no one else who has done this like myself, and I really want people to know this information. I think the hardest part of getting people to take their loan seriously and kind of take their early career finance seriously, it's the fact that they don't want to, people have that ostrich mentality of their heads in the sand. I want to remove any barrier they have to not do

their due diligence because I see this being an issue for colleagues. I see this being an issue for current students and I think it's really plaguing healthcare a lot right now. And so to me, the public service I could do by hopefully getting people to read this book and take care of their stuff is more important than the money I made. That is why I made it free. I just wanted to reduce any friction from that."

Reminds me of Bill Bernstein's [If You Can book](#). Some people argue that people value something more if they pay more for it. But clearly Ben doesn't subscribe to that thought.

"I think the issue that I decided to write about with student loans is that I think the hardest part is getting them to look at it in the first place. So I don't think most people who need this book are going to pay for it. I don't think most people who need this book are going to want to read a book at all. You know what I mean? And so I want them to read it, I want them to learn. I want them to even at least learn enough that they know what they don't know, so that if they want to have professional advice or something like that, they can at least evaluate the advice they're getting and put it into a larger framework. So if you don't know what's going on at all, then how do you know you're being given good advice. I think, you're not wrong about that statement, but I think with student loans, the biggest issue is getting people's attention, and so, hopefully, making it be as frictionless as possible will give people the opportunity to just please learn about your loans, learn about personal finance, make some good steps early in your life so that you reap the dividends later on."

Ben will be a speaker at our upcoming WCI CON 20, The Physician Wellness and Financial Literacy Conference in March in Las Vegas. His talk is going to take a look at how higher education funding became what it is now, and how we got here,

and some educated guesses as to where we're going in the future. But there will also be a special focus on our current system including income driven repayment, IDR, public service loan forgiveness and a deep dive into the advanced payment strategies like maximizing PSLF, the longterm IDR loan forgiveness program, as well as leveraging debt taxes. So if you have loans, definitely come to his talk. If you work with medical students or residents, you should also definitely come because you're going to be a great resource for them. If you want to understand how everything went wrong and how we got where we're going and what's really happening in the sphere that's affecting so many of your fellow doctors, you can also come.

Public Service Loan Forgiveness

In a recent blog post, Ben recommended that people who will be borrowing in medical school should take out their first student loan ASAP even if they don't need it. Why? He said it was "more of a thought experiment to illustrate the absurdity of our current situation." But the idea is that every proposal to kill PSLF or to make any big changes to the program has always been for a new borrower; old borrowers have been grandfathered into the current program. So if you're really wanting to maximize the chance that you could be eligible for PSLF in the future, even if you are not currently in need of a loan, probably the best way to guarantee that in the event of a program closure would be to take out a loan as soon as possible so you are considered an old borrower.

He calls it a thought experiment, but it isn't a bad strategy. Who says you have to borrow more than 500\$ as a college freshman? Not a lot of interest due on that. I asked Ben what his crystal ball says about the future of PSLF for new borrowers.

"I don't think I can predict the market any more than I can time it. I don't think that we're going to be the same 10

years from now, though. I think there are going to be a lot of changes, and I don't think they will be limited to PSLF. I don't think the unlimited tax free loan forgiveness thing is very sustainable and I think in a few years when people begin to get more loans forgiven, it's going to become more of a political hot point and we're going to have to address the entire system. I think right now if you look at the democratic candidate debates, you can see that this is now a big hot button issue. So I think we are going to see a kind of comprehensive overhaul at some point in the next 10 years. Now how that looks, when it happens, it is going to depend a lot like Obamacare on political will and buy in and gridlock and all that stuff like that. But right now, the current system is basically unlimited federal loans based on magical numbers generated by schools, which have resulted in super inflationary tuition growth across all of higher education and that's not really sustainable. So PSLF is a bandaid for that. It's a perfectly good bandaid, but I don't think that that works forever because the overall system doesn't work forever even with PSLF. So I think the whole thing is going to be changed."

Loan Forgiveness with IBR/IDR

A few weeks ago we did a [podcast episode](#) with Travis Hornsby with [Student Loan Planner](#). He is a big fan of IBR, PAYE, REPAYE, etc. These forgiveness programs where if you make payments for 20 or 25 years, you get the rest forgiven. It's a taxable forgiveness. How does Ben feel about those programs? Good policy, bad policy? Who are they a good idea for? I'm talking just about the forgiveness aspect, not the income driven repayment aspect of the programs.

"Depressing policy, right? I think most docs shouldn't do this. If you have a big debt to income mismatch and you have small income but big loans, then you should be going for a PSLF job and getting your loans forgiven the regular way,

faster and with no taxes. If you have relatively low debt, then you should be trying to aggressively pay it off. So the main group I see where IDR forgiveness makes good sense is people with sizable loans but a plan for longterm part time work. Because you're part time, you don't qualify for PSLF. So for whatever reason you have to or want to be part time and you're never going to be able to pay off your loans the right way, yeah, it makes sense to try to do IDR loan forgiveness.

That being said, it's a 20 to 25 year policy decision you're making, so you really sign yourself up for a long haul, and who knows what the future holds, including what it holds for your own job. I do think it is a possibility that the government could eventually make that forgiveness tax free. It's certainly been proposed before by a variety of politicians and so you could get lucky. You could just start doing this, making your small payments, and then, lo and behold, 20 years from now they decide to make that whole process tax free, in which case you really win out. But you never can tell with predictions like that."



It is also possible to go the other way. I remember a few years ago, the Obama administration had a proposal to limit PSLF to just \$57,000 a year, which obviously dramatically changes how the program would be used by a physician. That was

for new borrowers. It really should not affect any old borrowers. When you get loans you sign a master promissory note, a contract with the government, stating the terms of your loan. Ben feels like because of that PSLF won't go anywhere for those who have already borrowed money and signed that contract. Ben feels like the government can't invoke or enforce new bad policies on old borrowers because you're changing the rules of the game.

Federal Service Loan Servicers

Ben and I discussed the problem with federal student loan servicers. He feels like it is a classic government contractor problem.

“There are a small field of candidates, they get overpaid and they under deliver, and there aren't really any alternatives and really no mechanism for enforcement. Right now they're basically able to do whatever they want and no one cares, essentially, within the government. They get paid based on the payments they receive. So they have an incentive to mislead borrowers and to do a bad job if it results in more payments being made over the longterm. On that side, it's nefarious. But on the more conventional side, they make more money by spending less money. So they have an incentive to provide poor service because it costs money to provide high quality, well-paid, well-trained customer service. Basically, people would call in and get advice from people who don't know what they're talking about. So they get misled either by malice or naïveté. Either way, they're getting bad advice.”

Paying for Student Loan Advice

We have a [recommendation page of several great companies](#) that offer student loan advice. I asked Ben who he thinks should pay for formal advice about their student loans. He thought three groups of people. One, those unwilling to take a few

hours to really learn about their situation and options. Two, those who take a few hours to learn about their situation and options and are still not sure what to do. Three, if you're considering doing the longterm IDR loan forgiveness, over 25 years, then maybe it's worth spending a few hundred bucks to make sure that that is a good idea for you before you embark on something that is going to take your entire career to pay off.

The Purpose of Money

Ben has a chapter in his book called, The Purpose of Money. I asked him why that chapter needed to be included in a primer on student loans.

"I consider student loans to be a gateway drug for personal finance education. And so, for a lot of students, the moment that the monopoly money becomes real is the first time they've really been forced to confront those issues."

He calls it a student loan book but says he could have called it a student or recent graduate personal finance book. It just so happens that the student loan aspect is the "most bizarre component of a young professional's personal finance odyssey. And it is less well covered in most traditional resources. So I think the purpose of money is a big deal because we talked about how you borrow money and how you spend money and how you pay back your debt. It all has to do with money. Every dollar has a purpose. If you don't understand the purpose well, then how do you know how to make your decisions?"

Forbearance

Ben refers to it as "the pain of forbearance" and says it is probably the worst financial decision you can make during residency.

"There're a few reasons for that to be bad. And the more

obvious one is that you lose out on any low qualifying payments you make for PSLF. I think a lot of people think they know what they're going to be. But just like most medical students don't really know what they're going to do for residency, I think most residents don't know they're going to do for their job yet. And so forbearing during residency, you're missing out on the years that payments would give you the most bang for your buck when it comes to PSLF. Because every year you don't make payments as a poor resident is a year that you are going to have to be making payments as a rich attending. That is a big difference. Potentially \$25-30,000 a year difference or more, even, on the back end. So that's the big reason financially.

And also when you're an intern, if you do things correctly, you shouldn't even be making payments, anyway. It should be \$0 payments. There is really no reason to forbear, at least for the first year or two, even if you are kind of broke. Additionally, when you forebear, at the end of the forbearance period, you have an additional capitalization step, which means that your loans grow faster than they were going to grow before. So that's not good. And I think maybe the most important reason is just the behavioral component. Just like when you're making retirement contributions as a resident, the actual dollar amount is not very big. If you can't live within your means now, then can you do it later? Can you make those good choices? Habits are a reflection of the person we want to be, and so it's never too early to start casting those votes for being the kind of person you want to be. I think that's probably the most important reason against forbearance, is that it's a short term outlook decision. That means that you're not making healthy choices for yourself and, again, it's going to be hard to do it later."

I'm totally in agreement with him. Deferment, forbearance, these are the worst things to do with your student loans.

You're far better off in an income driven repayment program during residency. So if you're looking at forbearance or deferment or you've already gone into it, this is not the right pathway. I can think of very, very few people this is good for. It'd be a very unusual situation where this would be the right pathway for you for managing your student loans during your residency.

Ending

Check out [Ben's blog](#) where he blogs about "a humanistic and literary approach to medical education, medical training, being a doctor and better human." Interestingly in his description, he didn't mention anything financial yet a significant percentage of his posts are about financial topics. He views "personal finance as part of personal wellness, in the sense that money is a route to happiness when done correctly. It's not really a great route to anything in and of itself." Check out his [nanoism](#) site, a place for twitter fiction that we discuss in the podcast, if that is interesting to you.

The final words of wisdom from this long time physician blogger were to keep in mind, as you listen to this podcast, that "the return on investment on student loan education for people is astronomical. So the effort you got to put in for the benefits you get out are some of the best in the business. People who either have student loans or work with people who have student loans can take the time to get more educated about the process because you know it's a \$1.4 trillion problem for our country. And so I think the more people who understand what's going on and what to do about it, the better off we'll all be."

Full Transcription

Intro: This is the White Coat Investor podcast where we help those who wear the white coat get a fair shake on wall street. We've been helping doctors and other high income professionals stop doing dumb things with their money since 2011. Here's your host, Dr. Jim Dahle.



Dr. Jim Dahle: This is the White Coat Investor podcast number 143. Who is Ben white? Thanks for what you do. I know you're on your way into work, maybe your way home, maybe you're at the gym, maybe you're working out, maybe you're out running, walking. Who knows? I don't know when people listen to podcasts, I listen to them in the car, but you're probably on your way in to do something difficult, otherwise, you wouldn't be paid as much as you are. And if you weren't paid as much as you are, you probably wouldn't be listening to this podcast. I'm still practicing medicine about half time now. For an emergency doc, that's about eight shifts a month. I went into a shift yesterday, took four or five signed out patients. By the time my relief got there, there were 16 patients in the emergency department that I was seeing.

Dr. Jim Dahle: It's difficult to see 16 patients at once, especially trying to figure out what they have, not knowing which ones are sick and which ones aren't yet and trying to balance that. It's not an easy job and that's partly why being

a doc pays so well. But sometimes it's nice to hear a thank you every now and then as well. I can recall from those 16 patients only one I think said thank you or anything likened to it, and so I'm sure your experience is similar, so thanks for what you do. This episode is brought to you by 37th Parallel Properties. There's a substantial body of evidence supporting commercial real estate investing. Through the years I gained a deeper understanding of the asset class. I added more and more to my portfolio. Unless you want to manage it yourself, the real trick is to find a trusted investment sponsor.

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Dr. Jim Dahle: Today we're going to be talking with Ben White and before we get into that, I want to make sure you know about a couple of services we offer here at the White Coat Investor. If you go to whitecoatinvestor.com you'll see a recommended tab and there are two things under that tab I think you ought to be aware of. The first one is our student loan refinancing partner list. These are the best deals on the internet when it comes to refinancing your student loans. If you go directly to these companies, you will not get as good of a deal as if you go through my links. If you go through

these links that I have negotiated for you, you will get cash back in addition to low rates and better service than you're getting from the student loan servicing company that you have right now. So if I make sense to you to refinance your student loans, be sure to use those links when you do it.

Dr. Jim Dahle: If you're not sure what you should do with your student loans, go on down that recommended list a little further to where it says student loan advice, and I have a list of student loan specialists there who can help you sort your way through the government repayment programs, the government forgiveness programs and refinancing and help you figure out how you should be managing your student loans. Whether you should refinance or not, whether you should file your taxes married filing separately or married filing jointly, which IDR program you should use, and even how you should contribute to retirement accounts, which can affect that, particularly during residency.

Dr. Jim Dahle: So be aware of those two resources as we have our discussion today. We'll be talking a lot about student loans today as we discuss with Ben White who actually wrote the book about the subject. Speaking of Ben, let's get him on the phone and get into today's interview. Our special guest today is Ben White, who you may or may not know of, but he's been around on the internet for a long time. He is a neuroradiologist down at Baylor, a blogger and author, and he's going to be a speaker at WCI Con 20 coming up in March. Ben, welcome to the White Coat Investor podcast.

Ben White: Thank you for having me.

Dr. Jim Dahle: Ben, I'm going to let you introduce a little bit yourself today. I want you to tell us a little bit about your upbringing and how that affected your views on medicine and money as you move through your career and now into attendinghood.

Ben White: Sure. I'm a year and a half out of fellowship, so I'm still pretty fresh on the job scene, but I was born in New

York and then I moved to Dallas when I was eight years old with my family. My dad is an academic pediatric endocrinologist. My mom is a part-time pediatrician as well who's now retired.

Dr. Jim Dahle: So you were poor growing up, is that what you're saying?

Ben White: It's actually kind of funny. So my dad, and you're right, Pedi-Endo is like the least well-paid specialty in all of medicine, so we were not as well off as some. My mom was partially disabled, so I learned pretty early on the benefit of a disability insurance policy, and she kind of had a barter based practice. People were always giving her edible arrangements and you know, handmade jewelry, things to bring home in lieu of money. So her practice was a little bit atypical, but we were super comfortable growing up obviously, even with kind of wonderfully working academic pediatrics specialists.

Dr. Jim Dahle: It's interesting, I'm terrified of ruining my kids. Because we're middle class, but certainly not affluent at all. And I almost don't want to give them too much because I'm afraid I'll ruin them. Yet you don't seem ruined despite being raised by two doctors. How'd they do that, do you think?

Ben White: I think my parents just didn't care about the things that money buys and most people care about. So they spent lavishly on my education and my brother's education. We went to private school growing up. And so I definitely had less money than some of my peers who came from more business backgrounds. But they paid for my private school, they paid for college, but otherwise, they were kind of completely unostentatious about things like cars and furnishings. Yeah, we had a nice big house, but it was kind of just not always in the best of shape. Any cool vacation we took growing up was always centered on an invited speech at a conference that he was giving. So he and my mom would fly for free and have the hotel. We were just use miles my brother and I.

Ben White: It was extremely comfortable, but it was never about the things, it was much more about pricing education and pricing our family. And I think it's more about what you put in the raising than what you try to withhold. And so I worry about this too. I have a four-year-old son and a new baby girl at the summer, and I am petrified that I'm going to raise them wrong, and give them too much or give them an incomplete view of the world that makes them think that being the kids of two doctors is normal and that they have a normal upbringing, because we're not, right?

Dr. Jim Dahle: Let's go on with your education and career. Tell us about how you got to where you're at now.

Ben White: Like I said, my parents paid for college. I went to Harvard for college and then when my wife and I were applying to med school, we decided to apply only to the state schools in Texas because that's where the value is. And so we came back to San Antonio for med school. She's a psychiatrist and I'm a radiologist, moved back to Dallas to be with her family for residency and fellowship. So I was at Southwestern for that and now I am working at a group called American Radiology Associates. It's a private practice, kind of private DEMEC situation where we have an academic hospital affiliation, we have a residency program, but I actually worked for a private practice group. Nice combination.

Dr. Jim Dahle: So this is fascinating. You went to Harvard and then you went to a Texas state school because that's where the value was?

Ben White: Totally.

Dr. Jim Dahle: That's interesting.

Ben White: Well, my parents paid for college and my dad actually was a Harvard alumnus as well and so he basically felt that for a place like that he was willing to pay for it. Other than that, he was thinking state school basically. It had to be something really top tier and so that worked out fine. But I was going to fit the bill for med school and so I

just look at the numbers and say, "I want to be a clinician. I want to be a practicing doctor. I don't really want to be a research person. The pedigree isn't that important to me, I just want to be a doctor." And so there's really no reason at that point to chase the big ticket so we went to a state school.

Dr. Jim Dahle: Is there anybody in your family that isn't a doctor?

Ben White: My brother is a PhD doctor. He's a historian.

Dr. Jim Dahle: Awesome. Now you've been blogging for a long time. Tell us the origin and story of benwhite.com.

Ben White: The origin dates back to 2009 which is I think forever in internet years. But what basically happened was I was a writer in college, I had a temporary kind of blog back then as well. And then I was at med school starting in 2008 and was feeling kind of unfulfilled during first year. You go from this kind of stimulating college environment to just multiple choice test after test and you're like, "Is this really my life now? Is this what being a doctor is, it's just this?"

Dr. Jim Dahle: I wonder if that had anything to do with going from Harvard to a Texas state school

Ben White: Feasible, feasible. I don't know. So I was feeling kind of unfulfilled. And so the actual original story is that it is, I think, the first and only new year's resolution I ever kept. And so new year's hit, it's 2009 January 1st and I said, "I need to start doing something more creative and I want to write every day." And so part of that ended up being the website. Actually in the beginning it was mostly fiction writing and discussion of independent publishing and indie literature. That's what I was doing a lot of at that point in my life, and then over time it just morphed into medical education and stuff like that because I was trying to answer my own questions for other people. And so that's kind of how it grew organically.

Dr. Jim Dahle: Awesome. Now lots of bloggers are afraid to use their real name, especially during their training or before they get into their final job or whatever. But you weren't. You started at the beginning with benwhite.com. Why weren't you afraid of that?

Ben White: I was kind of afraid of that. Part of it is that it really wasn't organic in that I bought the domain name from a different Ben White back in 2006 and at first, again it was kind of more of a portfolio website. And so if you're a writer and you're trying to write short stories, you got to use your real name. And so it started that way, and it didn't really occur to me that I was going to be writing things that would be controversial later on. And then yeah, it became a little bit more difficult because it's your real name, so you have to be careful about what you say. You can't hide behind a pen name or a pseudonym. And so it occasionally colors what I'm willing to say, and I definitely sometimes had posts that I've sat on for a while trying to debate the right tone to take or come to terms with the idea of publishing it because it might be controversial.

Dr. Jim Dahle: I've known of you for a long time, but I don't think I met you until a year or two when I was down at Baylor speaking. So that was a pleasure to meet you and share a meal with you. One of the things I've been impressed with is, I put you in a category with a lot of bloggers I really love like Mike Piper and Harry Sit, who in a lot of ways are very pure bloggers. Now all of you have monetized your site and in some form or other at a certain time, but you've certainly passed up a lot of opportunities to further monetize your blog. Why is that?

Ben White: I think when you write under your own name, everything you do is a reflection of you as a person. So that's limited what I've personally felt comfortable with. I don't know about having a personal brand per se, but if you take yourself too seriously like I do, then each opportunity

has to really be compatible with how you view yourself and how you want others to view you. Now, as a consequence, a lot of things just aren't worth it to me to say with your name and that opportunity, does it really make people see you the way you want to be seen?

Dr. Jim Dahle: And that's kind of it. You just decided you only wanted to be seen for certain things?

Ben White: It's kind of more like, so if I have a website and I put a bunch of ads on it, then it kind of cheapens the experience a little bit. And so I've always kind of tried to want it to be more about the writing, and less about more overtly business type things. And I think again, if your website is Dr. Mick moneybags, it's a different story. But benwhite.com you kind of have to...

Dr. Jim Dahle: Shoot. That one's already taken. I should have taken that one.

Ben White: I know, right? You're going to have to stand for something. And so it does make it a little bit more awkward I think to bring on and stuff. So I've always kind of tried to frame most of my monetization based on things that I'd be doing anyway. So Amazon associates or test prep, discount codes. If I can pass on a discount to somebody and earn a small commission, it's a win-win. There's no issue there. I'm talking about it anyway, so it's fine as opposed to a lot of the stuff I turned down with real estate or something like that where it just doesn't really fit with what I do, and I'm not going to go out of my way to write about something I don't really feel is the right thing to write about at this point in my career.

Ben White: The perk of being on your own website name is that you can kind of talk out whatever you want to talk about. Over time the editorial bent to the site has changed because I've changed and I've grown up and I've gone through different things. And that's one of the perks of not having it be pigeonholed into a very tight niche, is that I can write what

I want to write.

Dr. Jim Dahle: Let's get into that. What's your writing? Many bloggers write for an avatar, which is a stereotyped vision of who they think their typical reader is. Who are you writing for? What is your avatar for your blog?

Ben White: I think in the beginning it was basically writing for myself. I was going through medical school and I'd say, "I have a question about how to prepare for a test or do a course or something like that." And you would Google the answer because this is back in 2009 and you get forum posts. That's all you'd ever get, is anonymous forum posts. And people who answer these questions are kind of the gunner mentality and you'd be like, "This is not reasonable advice. I don't feel this resonates with me."

Ben White: And so I would just go through that experience myself and try to write down what I believed was a more reasonable or practical approach to the issues that I was facing. And so that's what I did forever. And I did that through med school, I did that for residency, that's how I got started on student loans as well, is I was just trying to deal with those topics. Now that I've been doing it for a little bit longer, and I think also sometimes writing for an audience or to try to provide some value or editorial commentary that is otherwise not really available online. But a lot of it's still to this day is just me trying to write for me.

Dr. Jim Dahle: And what's your blog about? If somebody walks up to you in the elevator and you said, "I'm a blogger." And you've got 20 seconds until you get off the elevator, what do you tell them your blog is about?

Ben White: I need to work on that. I don't have a good elevator pitch. I would say the writing is about probably a humanistic and literary approach to medical education, medical training and being a doctor and better human.

Dr. Jim Dahle: Interesting you didn't mention anything financial about that, and yet that seems that it's a

significant percentage of your posts.

Ben White: It's true. Ultimately I view personal finance as part of personal wellness, in the sense that money is a route to happiness when done correctly. It's not really a great route to anything in and of itself. And so when I tackle finance topics, I'm really doing it for two reasons. One is that I'm trying to provide value to people who don't have that information. So that's why a lot of it has been about student loans is because there are a lot of good people writing about 401ks. There's lots of people writing about backdoor Roth IRAs. There is not a lot of great writing about-

Dr. Jim Dahle: There weren't, when I started.

Ben White: True. You've been active for a long time too. When I started writing on student loans, it was basically like... Again, you'd Google this and you'd find crickets. There was just no answers. Now there's a lot of stuff, but now a lot of it even now is very monetized. The student loan hero kind of places where people are just funneling people to private refinance and private refinance is fine, but it's not that interesting. Most of my writings about the other aspects of it, that it was a bit more complicated and hard to get around.

Dr. Jim Dahle: Very interesting. Now I run into a lot of people who are interested in starting a blog as a side hustle. They kind of want to boost their physician income. What would you say to them as someone who's been blogging even longer than I have that's tried to make some money online but also has an income as a neuroradiologist married to another physician? What advice would you give them if they were considering blogging for money essentially, as a side hustle of some type?

Ben White: I think pursuing a blog for fame or money is a losing proposition. I think pursuing it because you want to write for people and build an audience and hopefully make money, that's a different story. I consider my website to be more of a well-paying hobby than a business, and I've always

treated it that way, and that's why I like it. I think if I had treated it like a business, I would never have kept doing it for as many years as I have because ultimately the money was life changing for me when I was a resident. Don't get me wrong, but now that I'm attending, I make money with writing, but I'd probably make more money just cranking out more work. I can moonlight whenever I want to moonlight. And so to me the writing keeps me grounded, it keeps me centered, gives me variety to my day. It's something that I'm proud of doing, but it's not about the money. And I think if it's about the money, most people are going to be disappointed and that's why most personal blogs and most websites fail very quickly.

Dr. Jim Dahle: Because they don't have the passion?

Ben White: They don't have the passion, and because when you first start running, it's crickets, right? You write, you write, you write, and generally speaking, no one's reading. And probably what you're doing isn't very interesting anyway, because it takes a while to find your voice. So most new bloggers are just repeating what people have done before them, and usually not even as well. And so if you're, again, a personal finance blogger for example, in the doctor niche, which is very crowded now-

Dr. Jim Dahle: Sorry about that.

Ben White: Thanks. It's fine by me, but most of those people, it's all the same. And so what's the point? I think it's really hard to say, "I'm going to keep doing this. I'm going to keep spinning my wheels and doing something that..." Really, it doesn't matter. I'm not adding a different voice, I'm not adding a different perspective, so what's the point? And so if you don't have that mission, if you don't have that passion, then how are you going to get through that hump when you've been doing it for a while and nothing sticks? That's hard.

Dr. Jim Dahle: Now in your blog, you're a bit of a rabble rouser. You rant about the establishment, whether it's the Department of Education or the American Board of Radiology, or

the system of medical education. Why is that?

Ben White: I never really thought of myself that way, but I guess I do a fair bit of ranting. That may just be because I have a platform, but I believe in democracy. I believe the Washington Post's slogan, I think democracy dies in darkness. And so my goal in a lot of that commentary is just to share facts and developments that may have escaped people's notice, and then try to provide editorial commentary that might help ground that information for readers to make their own opinions about things. And so I think a lot of people complain about the medical specialty boards. They might be complaining about the testing environment for medical school, but they don't have a platform. And so what I'm trying to do is provide a longterm narrative about these issues that help people come to terms with that and hopefully inspire them to take a more active role in their lives. Because I think our apathy is a big problem for why a lot of these things don't get better ultimately.

Dr. Jim Dahle: Has it ever gotten you in trouble?

Ben White: Yes and no. Not in trouble, trouble. I did get a nasty letter from the ABR once because I used their logo in a blog post, which I think... Because honestly fair use, but whatever.

Dr. Jim Dahle: I got something similar from Northwestern Mutual once.

Ben White: So I put a big black rectangle over the logo and kept it the same. So I have pictures from Google maps of like their headquarters and I put a little black rectangle over the word ABR in it and I felt pretty sly about it. But they don't love me. I have some people who have heard second hand are not fans of my sarcastic approach to how I criticized the ABR, because the ABR for example, is something I've hammered on recently. But I think the issue there is that so few people have a platform now to talk anymore. Everyone's on Facebook or Twitter, but they don't own their own words and what they say

is lost in the ether almost immediately.

Ben White: The half life of a Facebook post is seconds. And so I feel like I'm in a unique position where I have the ability to write more long lasting commentary. And so I feel like it's almost my job to continue to do that, because I think that me giving these people a hard time is probably an inspiration for some people, hopefully, but also at least keeps them a little bit accountable to somebody in the internet. Somebody with a real name, not just some anonymous person.

Dr. Jim Dahle: For those who are just tuning in, I'm talking with Ben white. He blogs at benwhite.com. Now, Ben you recently wrote a piece about private equity. What's your take on private equity buying up physician practices?

Ben White: That could be a whole podcast, a whole podcast series probably. But there are a couple of things I think we could get to quickly and so one is burnout. I think that anytime you bring a middleman, third party who gets to act as an overlord, it's probably a recipe for a toxic work environment. And so I think with the burnout epidemic that's happening and people try and leave medicine or go more part time, that loss of autonomy is not a good thing. And loss of autonomy to a party whose stated goal is return, investment return, is probably even worse than a regular loss of control to let's say a hospital.

Ben White: I think the second problem is these guys are taking a lot of debt to try to reach market dominance because whatever the claims about the productivity increases they can provide, these guys make money by being the only shop in town and then raising prices. And so healthcare reimbursement is complicated and these folks want a guaranteed return and that's just not going to happen all the time. And so when things go wrong and they probably will at some point, they're going to have to do whatever it takes to get returns for their investors, even if that means destabilizing the companies that they're supposed to be stewarding. So I think if you look at

what happens to companies like Sears or Toys "R" Us, the potential for lasting harm is real.

Dr. Jim Dahle: So is there a solution? It seems that physicians, particularly older physicians looking for an exit, are more than happy to make deals with private equity to buy their practices.

Ben White: Oh, it's a huge problem in radiology. I've had friends who have joined groups and yeah, they're getting older docs about to retire, get the golden parachute and then they get ground out. And I think one of the solutions is that when the market's good it leads those jobs. These companies, their biggest cost is physician salaries. And so when people threaten to leave and they have staffing problems, they are forced to give better salaries and give better benefits to compete. A lot of these companies when they buy company out, they have a guaranteed number of years. People are kind of contracted to work before they can leave. And so they have a few years where they're safe, and then after that they're not safe anymore. And so if we kind of vote with our feet, that will also help.

Ben White: I do think it was a good chance that was kind of steam out a little bit over time because I do think some of the returns are not going to be what people want them to be. I think the other thing is, unfortunately, one of the situations might be government intervention. So I think right now that industry is very unregulated. Not that regulation is always good. Maybe healthcare is not the best place for people to be able to do that. I think if something is really, really important to us, more important than say Toys "R" Us, more important than selling toys, then perhaps we should have some protection for the people who get involved in this process because people are getting burned.

Dr. Jim Dahle: There are some protections. In some states, it's illegal for a non physician to own a physician practice, but it seems like corporations have found unique and creative

ways to get around those laws. Do you think there's any significant protection there or do you think those laws could be strengthened so that this sort of thing wasn't possible?

Ben White: Yeah, I think they have to be strengthened. I don't think that they are very effective. And I also think that the laws that prevent doctors from even incorporating some times is also an impediment, right? So sometimes these companies which are bigger have more leeway to do things than even individual doctors do when trying to form their own companies. So it's kind of like a double edged sword or people are regulated on one half, but the companies get around those regulations and so there's not a whole lot of common sense to it. I wish more doctors would just say no as much as possible to this kind of stuff. I know the money's good in the short term, but the longterm health of our profession, it's definitely not a good trend and it's really quite troubling.

Dr. Jim Dahle: Yeah, it would help with the doctors were in a better financial position so they felt like the control was worth more than a few hundred thousand dollars or even \$1 million that they're often offered in their buyouts. Hopefully, my work will help with that a little bit.

Ben White: I think so.

Dr. Jim Dahle: Let's turn the page to another project you are doing have done that you call nanoism. Can you tell us, what is nanoism, and tell us about your work there.

Dr. Jim Dahle: So back in 2009 during that resolution period of my life, I wanted to write every day. This is back when Twitter was pretty fresh and not so popular. And so I stumbled upon the idea from a New York Times article about Twitter fiction, which is the idea that you would write a whole story, at least something that felt like a story, that would be contained in a single tweet, so 140 characters. And I thought to myself, "Whoa, no matter how busy I am in school, I could definitely write a tweet a day." And so I was in addition to writing longer short stories, I was writing these tweet

stories every day. I thought it was so fulfilling creatively in spite of being ridiculous that I would create a publication for it.

Dr. Jim Dahle: So I would publish other people's writing and their own Twitter fiction. I didn't create that idea, there was a couple of science fiction and fantasy-based Twitter venues, but there hadn't been any literary ones or any non specular fiction markets. And so I created the first and now by far longest running and paying venue for Twitter fiction in the world, which is not a big thing because it's obviously not a real thing really. But it's something I do, and I've been doing it for a long time. 10 and a half years now.

Dr. Jim Dahle: What do you mean paying? You're paying people for their submissions, these 140 character stories?

Ben White: Yeah, I pay professional rates. Classically professional rates in writing is five cents a word. So I paid a buck 50 for a tweet story and five bucks for a serial if you wanted to publish a series of stories that contained in a tweet series. And so I was doing that as a medical student. I funded that with my student loans even. Obviously that's not a huge expense because it's a buck 50 per story.

Dr. Jim Dahle: So what, you PayPal someone a buck 50 after they CC you on a tweet or what? I mean is this thing just your Twitter feed on a website or what is it?

Ben White: No, no. So it's nanoism.net or @nanoism. And so you send me an email with a Twitter story and a bio and then I select the ones I want, and actually it's quite competitive. So I probably will only accept between three to 4% of the submissions. So most people do not get in. And I've published lots of people who have been in obviously bigger magazines and published authors. I even have had stories I've published be part of best story anthologies and whatnot, which is pretty cool. So that's really fun. Some teachers also will use it as a kind of educational exercise with their students, which I think is really fun. I always love when I get like 20

submissions in a day from a high school somewhere in the middle of nowhere. I always think that's great, because it shows that people are trying to engage with their students where they are and help them learn that anyone can write, anyone can be a writer, anyone can write a story, there's no reason to not try to express yourself, which I think is kind of fun.

Dr. Jim Dahle: A lot of these people must have been English majors or something if they're willing to submit stuff for a buck 50.

Ben White: Most of the publishing is non-paid at all. So if you want to be an author and you're in the MSA circuit of things, not like the big list authors who are happy publishers. But literary magazines, most of them don't pay at all. And so actually being a paying venue is unusual. Most people are just paying for the exposure and the prestige. I don't know much prestige that I give people with nanoism, but I am a rare paying market in the independent publishing scene.

Dr. Jim Dahle: Interesting. How big is the site? How many people come by in a given month?

Ben White: I don't know, a few thousand. Like five to 10.

Dr. Jim Dahle: Interesting.

Ben White: Not a ton. I'm a bad steward of it. I do it. I pick the stories, I publish them, but I'm a terrible marketer so I don't go around, going to literary conventions and doing contest very often anymore. I used to do a few when I was in med school, but I'm too busy now. So I keep it going, but I don't have the energy or stamina to try to promote the genre very much. It hasn't grown too much, but it is kind of fun.

Dr. Jim Dahle: Now, do you monetize that? Are you actually making money with that site? You don't at all. It's like a charity you're running.

Ben White: it's a charity, right?

Dr. Jim Dahle: Or a hobby maybe is a better description.

Ben White: It's definitely a hobby. Part of the point of it in

the beginning was to prove that you can be creative anywhere and that even my Twitter, which back then it was kind of being the butter jokes about discussing what you ate while on the toilet. It's that you could fit something creative, cracks of your day, and that you could basically subvert any platform, whether it's Facebook or Twitter or anything else towards a creative impulse and that there's no reason not to do that. And so that's kind of the idea of it. But it's totally a hobby. It makes absolutely nothing. And now that I'm a doctor who makes a full salary, just keeping it running is a huge cost. Because I could be doing something. Anything else would be more lucrative.

Dr. Jim Dahle: Right. Now, when Twitter changed from 140 characters to 280 you didn't change. How come?

Ben White: To me, the constraint is the whole point. The idea is that the shackles of the limitations are what unbounds your creativity. And so if I've been publishing several hundred stories with the old constraints, why change? Honestly, 280 characters is twice as long. That gives you twice as much opportunity to talk. There are other places in the world that published stories that are 50 words long or 100 words long. There are very few that publish stories that are basically 25 words or less or 140 characters. And so I saw no reason to change.

Dr. Jim Dahle: Were you mad at Twitter?

Ben White: Yeah, I'm not mad. I get it. But to me, the platform exists for what it's good at. And when people do the tweets themes now and they do the nested threads, it's like that's not really Twitter anymore. It's just people writing an essay and publishing one line at a time. And so that's fine. If you want to communicate complex ideas, I guess that's okay. But that's not really what Twitter was for. It's not really whatever I use it for. I always used it for something really, really short and quick. And if you had to really edit it down to make it fit, that meant you had to really work hard to get your idea down to its most core nugget. And if you're not

doing that, then whatever's Facebook basically

Dr. Jim Dahle: Now you live in Texas. This is a place notorious among physician financial bloggers for plentiful jobs, high pay, a nice malpractice environment, no state income taxes and a low cost of living. What would you tell someone from the East or West Coast thinking about coming to Texas where you live in practice?

Ben White: The hype is real. Texas is great. I'm from New York originally, but I moved here as a kid. And I was not the biggest fan when I was young, but I totally am a convert now. You can make more raw money working in person Midwest maybe, but the combination of affordable cosmopolitan city living with no state taxes makes Texas a pretty ideal place to practice medicine. Tort reform is a thing here so people can't just sue you for unlimited mental anguish and things like that. It's a great place to raise a family and be a doctor. I have no interest in leaving.

Dr. Jim Dahle: Let's talk about your book. Medical Student Loans, A Comprehensive Guide, which is basically available on Amazon. It is an ebook only as I understand it, but you wrote what I consider to be the book on student loan management. Why?

Ben White: Part of it is that I thought would be easy. So I'd already written one book before this one. And I think it's kind of like what you thought with bootcamp maybe is that, "Oh, I've already written this series of blog posts. I've been writing about this topic for years. How hard would it be for me to kind of combine them together, flush them out, add some more examples and make it a book?" That's not how it works. It was really hard. It took me a long time. But the reason why I wrote it was that it didn't exist yet. And even with my writing that I've been doing on the website, it's scattered and disorganized because I was discussing individual topics as opposed to the whole kind of overarching issue.

Ben White: And so I was writing a personal finance book and

then I decided that I just really wanted to focus on the student loan part because that's the part where I could really add the value. And so that's kind of what I decided to do. It was quite a bit of work. Writing a book is not like writing a blog post, it does take a lot longer. When I was thinking about that topic, and how important it is to most recent graduates, and again you go online and just the information is not there. And so there are good personal finance books, yours among them, but there really were not books that could deal with the nitty gritty details here. And so that's why I wrote mine.

Dr. Jim Dahle: So why do you now give it away for free?

Ben White: For the same reason really. Because there is no one else who has done this like myself and I really want people to know this information. I think the hardest part of getting people to take their loan seriously and kind of take their early career finance seriously, it's the fact that they don't want to write, but people have that ostrich mentality of their heads in the sand. And so I want to remove any barrier they have to not do their due diligence because I see this be an issue for colleagues. I see this be an issue for current students and I think it's really plaguing especially healthcare a lot right now. And so to me, the public service I could do by hopefully getting people to read this book and take care of their stuff is more important than the money I made. And so that's why I made it free.

Ben White: I just wanted to reduce any friction from that. So right now, it's been an ebook only and I give it away for free, but the print version is coming out by the time this podcast airs. I'll have the print version because I want people to be able to read it if they want to read it paperback. And I'm also not currently planning on renewing my sponsorship for it and I'm just going to put the whole text online as well on more websites, that you only have to give me your email address or even download it. If you want to just

read it, you can just read it. You want to share a link with a friend, you can share a link with a friend. I just want people to be able to learn this information and do the right thing for themselves, even if it does not make me any money.

Dr. Jim Dahle: Reminds me of Bill Bernstein's If You Can book.

Ben White: Good book.

Dr. Jim Dahle: Which you can just Google and the PDFs online essentially. Some people argue that people value something more if they pay more for it.

Ben White: That's probably true.

Dr. Jim Dahle: You clearly don't subscribe to that though. You're giving something away. Maybe they'd read it more or value it more if they paid 25 bucks instead of nothing.

Ben White: I think it depends on what your audience is. So I think if you want people to take it more seriously, like an eCourse people do, then yeah, I think your graduation rate, people finishing the book cover to cover will go up if they pay more for it. But I think with the issue that I decided to write about with student loans is that I think the hardest part is getting them to look at it in the first place. So I don't think most people who need this book are going to pay for it. I don't think most people who need this book are going to want to read a book at all. You know what I mean? And so I want them to read it, I want them to learn. I want them to even at least learn enough that they know what they don't know, so that if they want to have professional advice or something like that, they can at least evaluate the advice they're getting and put it into a larger framework.

Ben White: So if you don't know what's going on at all, then how do you know you're being given good advice. And so I think, you're not wrong about that statement, but I think with student loans, the biggest issue is getting people's attention, and so hopefully, making it be as frictionless as possible. Give people the opportunity to just please learn about your loans, learn about personal finance, make some good steps early in your life so that you reap the dividends later

on.

Dr. Jim Dahle: Now, people get the book where they can go to benwhite.com and download it there or what's the easiest way for them to get this free eBook?

Ben White: benwhite.com/studentloans or the links on the main page. You can still buy it on Amazon and if you buy it, I get money, so that's fine by me. Don't get me wrong. You can buy it on Apple. The print version will be on Amazon as well, and I'll be putting up the full text of the whole book in addition to the download at the same link, so you'll be able to download the PDF or the Kindle file or EPUB file for eBooks and whatnot. So basically whatever way you want to consume it, you can consume it. Again, that's just because I really feel strongly that this issue is extremely important and I want everyone to just do their own due diligence.

Dr. Jim Dahle: Now you're one of the speakers at our upcoming WCI CON, The Physician Wellness and Financial Literacy Conference in March in Las Vegas. What will you be speaking about there and who should come to your presentation?

Ben White: Everyone should come, obviously. It's going to be great. It's kind of multi-pronged talk. So it's going to be a look at how higher education funding became what it is now, and how we got here, and some educated guesses as to where we're going in the future. But we're also going to have a special focus on our current system including income driven repayment, IDR, public service loan forgiveness and a deep dive into the advanced payment strategies like maximizing PSLF, the longterm IDR loan forgiveness program, as well as leveraging debt texts. I'll write your payments as well. So I think if you have loans, definitely come. If you work with medical students or residents, you should also definitely come because you're going to be a great resource for them. And if you want to understand how everything went wrong and how we got where we're going and what's really happening in the sphere that's affecting so many of your fellow doctors, you

can also come.

Dr. Jim Dahle: In a recent blog post, you have heartedly recommended that people who will be borrowing in medical school should take out their first student loan ASAP even if they don't need it. Why is that?

Ben White: So that's more of a thought experiment to illustrate the absurdity of our current situation. But the idea is that in every proposal to kill PSLF or to make any big changes to the program has always been for a new borrower. It's always grandfathered in an old borrower. So if you're really wanting to maximize the chance that you could be eligible for PSLF in the future, even if you are not currently in need of a loan, probably the best way to guarantee that in the event of a program closure would be to take out a loan as soon as possible. Because that way you'd be an old borrower.

Ben White: And I give like four caveats because it doesn't necessarily have to work out that way. There's more a matter of an illustration of the way we change things and do things with this old versus new borrower thing, makes it ridiculous. And so again, if you were a college student who didn't need a loan yet, maybe just take out a very small one because the downside would be low as long as you took out a token loan. But potentially it would lock you into eligibility.

Dr. Jim Dahle: That's a fascinating idea. You call it a thought experiment, but that's not a bad strategy. Who says you've got to borrow more than 500 bucks as a college freshman? And what's the interest on that going to be? Nothing, over a few years. So maybe not a bad way to go. So what does your crystal ball say about PSLF in a decade for new borrowers? Is it going to be there for my kids when they go to medical school?

Ben White: You know, I don't think I can predict the market any more than I can time it. I don't think that we're going to be the same 10 years from now. I think there are going to be a lot of changes, I don't think they're be limited to PSLF. I

don't think the unlimited tax free loan forgiveness thing is very sustainable and I think in a few years when people begin to get more loans forgiven, it's going to become more of a political hot point and we're going to have to address the entire system. I think right now if you look at the democratic candidate debates, you can see that this is now a big hot button issue. And so I think we are going to see a kind of comprehensive overhaul at some point next 10 years. Now how that looks, when it happens, it is going to depend a lot like Obamacare on political will and buy in and gridlock and all that stuff like that.

Ben White: But right now, the current system is basically unlimited federal loans based on magical numbers generated by schools, which have resulted in super inflationary tuition growth across all of higher education and that's not really sustainable. So PSLF is a bandaid for that. It's a perfectly good bandaid, but I don't think that that works forever because the overall system doesn't work forever even with PSLF. So I think the whole thing is going to be changed.

Dr. Jim Dahle: On a recent podcast, about six weeks before this one runs, we had Travis Hornsby on. He's a big fan of IBR pay, repay, forgiveness programs, these forgiveness programs where if you make payments for 20 or 25 years, you get the rest forgiven. It's a taxable forgiveness. How do you feel about those programs? Good policy, bad policy? Who are they a good idea for? And I'm talking just about the forgiveness aspect, not the income driven repayment aspect of the programs.

Ben White: Depressing policy, right? I think most docs shouldn't do this. If you have a big DTI mismatch and you have small income but big loans, then you should be going for a PSLF job and getting your loans forgiven the regular way, faster and with no taxes. If you have relatively low debt, then you should be trying to aggressively pay it off. So the main group I see where IDR forgiveness makes good sense is

people with sizable loans but plan for a longterm part time work. Because you're a part time, you don't qualify for PSLF. So for whatever reason you have to or want to be part time and you're never going to be able to pay off your loans the right way. But yeah, it makes sense to try to do IDR loan forgiveness.

Ben White: That being said, it's a 20 to 25 year policy decision you're making, so you really sign yourself up for a long haul, and who knows what the future holds, including what it holds for your own job. I do think it is a possibility that the government could eventually make that forgiveness tax free. It's certainly been proposed before by a variety of politicians and so you could get lucky. You could just start doing this, making your small payments, and then lo and behold, 20 years from now they decide to make that whole process tax free, in which case you really win out. But you never can tell with predictions like that.

Dr. Jim Dahle: It's also possible, I suppose to go the other way. I remember a few years ago, the Obama administration had a proposal to limit PSLF to just \$57,000 a year, which obviously dramatically changes how the program would be used by a physician.

Ben White: That was for new borrowers as well though. It really should not affect any old borrowers. In general when you fit these loans, there's a master promissory note that you sign. It's basically a contract with the government, which states the terms of your loans and the policies and what you can repay them. And so that's why PSLF won't go anywhere either for people who've already borrowed money because it's part of the contract. And so it's very hard to change. And so I think ultimately good things can be passed down to people who are old borrowers, but you can't invoke or enforce new bad policies on old borrowers because you're changing the rules of the game.

Dr. Jim Dahle: Now what is the problem with federal student loan servicers?

Ben White: It's a classic government contractor problem, where there are a small field of candidates, they get overpaid and they under deliver and there aren't really any alternatives and there's really no mechanism for enforcement. You know, under Obama there was a lot of push to have the CFPB take a harder stance with them and they sued Navy and stuff like that. But that was kind of reversed under the current administration. So right now they're basically able to do whatever they want and no one cares essentially within the government. So they get paid based on the payments they receive. So they have an incentive to mislead borrowers and do a bad job if it results in more payments being made over the longterm.

Ben White: On that side, it's nefarious. But on the more conventional side, they're just, you know, they make more money by spending less money. So they have an incentive to provide poor service because it costs money to provide high quality, well-paid, well-trained customer service. And basically people would call in and get advice from people who don't know what they're talking about. And so they get either misled by, by malice or naivete. Either way they're getting bad advice.

Dr. Jim Dahle: So who do you think should pay for formal advice about their student loans?

Ben White: I think if you're unwilling to take a few hours to really learn about your situation and your options, then that's one person who probably should. And I think if you do that and you're not sure what to do, that's another. And I think for situations really complicated, like if you're considering doing the longterm IDR loan forgiveness, over 25 years, then maybe it's worth spending a few hundred bucks to make sure that that's a good idea for you before you embark on something that's going to take your entire career to pay off.

Dr. Jim Dahle: In your introduction to the book you wrote that doctors are in a unique position. They incur a very large load of debt in exchange for a near guarantee of a solid, but

generally not ridiculous longterm income. What do you consider it a ridiculous income?

Ben White: There's probably no good answer to that. I think location matters. I think optics wise, making seven figures doesn't look very good. So I think even if doctors really do provide that kind of value, I think it's hard to say if you're making a million plus a year that it doesn't look bad to other people. Maybe more practically, getting into 700s is probably getting kind of ridiculous, but some folks really hustled to do that, so I don't want to say that out loud very much.

Dr. Jim Dahle: Too late. You already did and I'm going to run it.

Ben White: but yeah, I mean I think seven figure's pretty ridiculous.

Dr. Jim Dahle: You got a chapter in the book called The Purpose of Money, why did that chapter need to be included in a primer on student loans?

Ben White: I consider student loans to be a gateway drug for personal finance education. And so for a lot of students, the moment that the monopoly money becomes real is the first time they've really been forced to confront those issues. And so I call it a student loan book, but I could've called it current student personal finance, recent graduate, whatever, it's not that. It is what the book is about, it just so happens that the student loans aspect is the most bizarre component of a young professional's, personal finance odyssey, because that's the one that I focused on because it's the one that's less well covered in most traditional resources. So I think the purpose of money is a big deal because we talked about how you borrow money and how you spend money and how you pay back your debt. All has to do with money. Every dollar has a purpose. And so if you don't understand the purpose as well, then how do you know how to make your decisions?

Dr. Jim Dahle: Your title is another chapter in your book, The Pain of Forbearance. And you've written that forbearance is

probably the worst financial decision you can make during residency. Why is that?

Ben White: There's a few reasons for that to be bad. And the more obvious one is that you lose out on any qualifying you have for PSLF. I think a lot of people think they know what they're going to be. But just like most medical students don't really know what they're going to do for residency, I think most residents don't know they're going to do for their job yet. And so forbearing residency, you're missing out on the years that would give you the most bang for your buck when it comes to PSLF. Because every year you make payments as a poor resident is a year that you are going to have to be making payments as a rich attendant. And so that's a big difference. Potentially 25, \$30,000 a year different or more even on the back end.

Ben White: So that's the big reason financially. And also when you're an intern, if you do things correctly, you shouldn't even be making payments anyway, it should be zero outpayments. And so in general, there's really no reason to forbear, at least for the first year or two even if you are kind of broke. Additionally, when you forebear, at the end of the forbearance period, you have an additional capitalization step, which means that you grow faster than they were going to grow before. So that's not good. And I think maybe the most important reason is just the behavioral component. Just like when you're making retirement contributions as a resident, the actual dollars amount is not very big.

Ben White: If you can't live within your means now, then can you do it later? Can you make those good choices? Habits are a reflection of the person we want to be, and so it's never too early to start casting those votes for being the kind of person you want to be. And so I think that's probably the most important reason to forbear, is that it's a short term outlook decision. That means that you're not making kind of the healthy choices for yourself and again, it's going to be hard to do it later.

Dr. Jim Dahle: I hope the listeners caught that because I'm totally in agreement with you. Deferment, forbearance, these are the worst things to do with your student loans. You're far better off in an income driven repayment program during residency. So if you're looking at forbearance or deferment or you've already gone into it, this is not the right pathway. I can think of very, very few people. It'd be a very unusual situation where this would be the right pathway for you for managing your student loans during your residency. Now then you have another book that you're talking about publishing here soon. Can you tell us about that and why you're writing it?

Ben White: Sure, yeah. My next book is called, You May Hate Med School and That's Okay. And it's basically a kind of practical guide and philosophical tome about medical school and medical education. And the goal is that readers will have a practical approach to their medical school training and education, but also to help them take a more critical eye to the system that they're learning in. Because I think there are a lot of kind of obvious problems with how we teach medical students and train medical residents and then people finish their education and finish their training and kind of become part of the problem. They become part of the hidden curriculum that makes things not as good as they could be. And so the book is going to be a combination of the practical advice you can get to give you a reasonable approach to try and have a balanced life and balanced educational career, as well as give you a critical eye towards the whole system that we were working at right now.

Dr. Jim Dahle: Tell us what you mean by the hidden curriculum.

Ben White: The hidden curriculum is a term people sometimes use to discuss what is taught by example to trainees. For example, when you are a medical student and you're kind of idyllic right and you go on the wards and then you see your residents and attendings making comments that make you feel

sad because they're either jaded or burnt out or they're mocking patients and you're like, "They're not cool." And then two years later you're doing the same thing. That's hidden curriculum at work. So it's what people do, the kind of the hazing rituals and all that stuff like that people engrain and think become a critical part of how they became the doctor they are, but in general are part of what we should be trying to remove from our process. It's kind of what makes medicine worse.

Dr. Jim Dahle: I think the title of the book is intriguing. So if you had an MS2, and they're like, "I hate this. I don't like this, I'm not sure I want to be a doctor." Are you telling them to soldier on and stay in medicine, or bail out now while they still can?

Ben White: I think I'm telling them to soldier on and that ultimately perspective and outlook matter a lot. And so I think a lot of that disenchantment people have with medicine is a mismatch between expectations and reality. And so part of the way to prevent that is to change your expectations. And part of that means being educated. So I think a lot of people have no idea what it's really like to be a doctor, what it's really like to even be a medical student. So when they get there, they're like, "This sucks. This is not what I signed up for." "Actually, it is like you signed up for. And if you knew that, you probably wouldn't be so disappointed." And so I think that's part of the process too. But I do think it's possible to carve out a healthy life in medicine. It's just not going to happen on its own. You have to be intentional about it.

Dr. Jim Dahle: You know? I think there are people that are surprised. Maybe they weren't as educated about it as they should have been, didn't do as much shadowing, whatever. But I think a big factor is people change. And I think committing your life to something at 20 or 21 as a premed student taking the MCAT, and then finding out you're a different person at 35

when you come out of the medical school and residency, fellowship training pipeline and finding out you're a different person. What advice do you have to that person who comes out and realizes, "I dedicated my life to something and that I'm really not all that interested in."

Ben White: I do think that's part of it. I think a big part of that as well is watching other people become different people during that process. Because I think the timeline for a doctor and the timeline for everybody else is very different. So I think especially compounded by the Instagram and Facebooks of the world, people are constantly in a grass is super green mentality about everything else other than what they do. So I think the best advice I have for people who find themselves in a difficult place is to first take a step and control the information pipeline that's going to your eyeballs, into your brain, because people are constantly exposed to things that make them unhappy and don't know that's what's making them unhappy. And so I think the perspective is a big part of that. So yeah, I mean you can change and you could say, "Okay, well now I'm in this career, I can't change." And that's not entirely true, you can take a different career path.

Ben White: But I think the better solution, or at least the initial solution is to change the framework in which you live your life, and change the inputs that you're getting. Because if you don't like the output, you got to change the input. Garbage in, garbage out, right? So if you are constantly being bombarded by people who seem to be happier than you are, who have more money than you do and are taking more vacations than you are, and spending more time with their kids than you can, then you're going to be in a bad situation. I do think on a practical matter for your job, this goes back to private equity and correlation of medicine, but people need to be able to have the confidence to try to create and craft out more of a job that they are comfortable with.

Ben White: Ultimately doctors make good salaries. More people

probably could be working part time honestly, or at least if enough people start to try and work part time or demanding things of their employers, at least their employers might be able to get the staffing levels they need to make the jobs more tolerable. The thing right now, if people don't vote with their feet and don't have loud voices, and the people who are making the decisions will continue to just subvert their needs for the corporate dollar.

Dr. Jim Dahle: Ben, I think there are a lot of traditional doctors, people who went through the traditional path and came through the system without having done another career first, and had this idea that there are other easy ways to make similar money to what doctors make that think medicine is ridiculously more difficult than other similar pain professions. Do you think that's just a grass is greener phenomenon that these people really need to go out and meet some other professionals, or do you think there's something to that?

Ben White: Yes and no. I think that depending on your skillset and your needs and the college you went to and other factors, there are certainly good jobs out there. But most of them are not going to be as stable as the doctor's job. If you're working for Google or Facebook right now, you may be doing great right now, there may not be a job available to you 10 years from now. It's hard to say. I do think people get focused on the money aspect probably too much. Because ultimately if you're not happy on 200 a year you're probably doing it wrong. Honestly, if you're not happy on 100 a year, you're probably doing it wrong.

Ben White: And so I think there are probably ways to have good jobs that provide a stable lifestyle that have a better work-life balance than most of your jobs are. So I think that part of the grass is greener is probably true. I think chalking up to you know, dollars and cents only is probably not true. But I do think in terms of having a kind of money to time ratio

that is greener, I think it probably does exist.

Dr. Jim Dahle: All right Ben, our time is short. Is there anything else you'd like to say to the 30,000 plus people who will listen to this podcast?

Ben White: I think my main thing I think people should keep in mind as I listen to the podcast is just that the return on investment on student loan education for people is like astronomical. So the effort you got to put in for the benefits you get out are some of the best in the business. And so I think it seems superficially simple when you read blog posts about the topic because people are able to write what seems like a cogent summary in a few hundred words, but it is more complicated than that. And so I hope people who either have student loans or work people who have student loans can take the time to kind of get more educated about the process because you know it's a \$1.4 trillion problem for our country. And so I think the more people who understand what's going on and what to do about it, the better off we'll all be.

Dr. Jim Dahle: Ben, it's been great having you on the White Coat Investor podcast. I appreciate your time coming on and I appreciate your willingness to come to the White Coat Investor conference and talk to us a little bit more about these issues. I'm looking forward to seeing you in March.

Ben White: Me too.

Dr. Jim Dahle: That was great interview. I love that guy. He is doing some fantastic work, and I just love how he does what he's interested in and what he thinks hasn't been done and needs to be done. It's such a refreshing view on life, I think, compared to so much of what we see out there. If you need help with your student loans, if you need advice, I have that list of advisors as found in the whitecoatinvestor.com under the recommendations tab. That's also where you can find the best deals on student loan refinancing. If that's right for you, be sure to check that out.

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