

# Application for Financial Advisory Listing/Advertising on The White Coat Investor Website

## Personal and Firm Information

Your Name: Steven Podnos MD CFP®

Name of Firm: Wealth Care LLC

Insert link to your website: [www.wealthcarellc.com](http://www.wealthcarellc.com)

Insert link to your ADV2: <https://wealthcarellc.com/our-services>

Which services do you provide:

Financial Planning

Investment Management

**Both**

Other services (please list):

Years of financial experience: 40+

Years of experience with financial planning or investment management for individuals: 17+

Years your firm been in business: 17

Which of the following designations do you hold (Check all that apply):

CFA

CFP yes

ChFC

CLU

CPA

PFS

EA

MBA yes

BS or MS in finance related field

Other (please list): MD, Flight Surgeon in USAFR

Have you had any events in the past that are reportable to regulatory agencies? If so, please attach explanation. No

Have any of your former clients sued you? What was the outcome? Please attach explanation. Never sued

Are you currently involved in a lawsuit by a client or former client? Please attach explanation. No

## Fee Structure

How do you get paid (check all that apply): Strictly fee only-Fiduciary-Napfa member

Commissions on investment products

Commissions on insurance products

Hourly rate on rare occasion

Annual retainer yes

Flat fee for financial plan on rare occasion

AUM Fee most common

Other (Please list):

How much do you charge? Please list your fee structure. If there is a range of possible fees readers can expect to pay, what is the range and what determines where in the range they would fall. If you use AUM fees, be sure to list what a reader would pay with \$100K, \$500K, \$1M, and \$2M in assets.

Retainer (little to no AUM to manage) 5K per year

AUM: 0.75% on first million dollars

0.5% on 1-2 million dollars

0.25% on amounts over 2 million

No other charges-financial planning included in above

What is the minimum amount of assets required for you to take a client?

No minimum, but have 5K retainer annual fee

If you receive payment for insurance product commissions, what percentage of your business revenue do they make up?

No commissions

Do you consider yourself a fiduciary?

Absolutely

Do you routinely sign a fiduciary agreement with clients?

Always if asked

## Investment Philosophy

Do you use tactical asset allocation? If so, please explain your process.

We use (currently) primarily low cost index funds for most equity investments (Vanguard, Fidelity, Dimensional, etc). We are using more active funds for fixed income (Loomis Sayles, Pimco, Fidelity, Vanguard). We use a core/satellite approach-with larger accounts having "tilts" toward asset classes that we think may be undervalued (currently for example-emerging markets stocks and bonds).

Do you believe you can time the market sufficiently well to beat a comparable low-cost index fund after fees?

No-that's not our value. Also, I don't think anyone can-that's been proven over and over.

Do you pick individual stocks for clients?

No

Do you believe most physicians should own a cash value life insurance policy of any type? If so, what type and why?

Almost no one needs a cash value life insurance policy. The only need for permanent insurance tends to be 1) large illiquid estate assets 2) special needs heirs

We tell our clients that they should be saving enough during the accumulation years such that they don't need life insurance by their 6<sup>th</sup> or 7<sup>th</sup> decade at all-hence term insurance.

Do you believe you can select mutual fund managers who can beat an index fund in the same asset class over the long term going forward?

No

What percentage of a typical client portfolio would you place into actively managed mutual funds or ETFs?

For stocks-under 20% (use some active managers overseas in EM). For fixed income, currently 80% active and global.

What role do fees play in your selection of individual investments?

Being AUM based, we share in the cost of the investments we pick. We look for the lowest cost vehicles that do the job.

What fund companies do you routinely use? (Check all that apply)

Vanguard yes

DFA yes

Bridgeway no

iShares yes

Other (Please list): Fidelity, Price, Matthews, Seafarer, Goldman-Sachs

Other (Please list):

Do you routinely engage in tax-loss harvesting for clients in their taxable accounts?

No-only when we feel it is appropriate

## **Physician Specific Issues**

How many physicians and/or dentists are you currently advising? (i.e. managed assets of or met with in the last year):

We serve about 80 physician families (a few are dental), with about 200M aum

What do you feel is your biggest value-add for a doctor?

I have been a physician for almost forty years. I ran a private practice, a hospitalist program and continue to practice in the Air Force Reserve on a limited basis (Flight Surgeon and Critical Care Air Transport Team). I am married to a (retired) physician and raised three children. I work with about 80 physician families and have a pretty strong understanding of physician concerns and lifestyle.

Do you consider yourself qualified to give high-quality advice on all of the following student loan related issues: IBR, PAYE, REPAYE, PSLF, deferment, forbearance, and student loan refinancing? Why or why not? Is this advice included in your regular fees listed above?

All advice is included in our fees. We are reasonably well versed in these loan issues, but would not hesitate to use a consultant sometimes. As is well demonstrated in the WCI forum, the issues of managing these loans and their rules are incredibly complex at times. We have helped several physicians refinance with SOFI and other companies.

How many clients have you assisted with a Backdoor Roth IRA in the last year?  
All that are eligible-probably about 20-30 households.

Which of the following accounts do you consider yourself an expert on? (check all that apply)

401(k) yes

403(b) yes

457(b) sometimes

Individual 401(k) yes

SEP-IRA yes

SIMPLE IRA yes

Traditional IRA yes

Roth IRA yes

HAS yes

Profit-sharing Plan yes

Defined Benefit/Cash Balance Plan yes

Others (Please list):

I hold the chartered Retirement Plan Specialist designation with the College of Financial Planning. Using a skilled TPA, we have helped design and manage at least 20-30 defined contribution plans for physician practices as well as around 6-8 DB plans.

What steps do you proactively take in a market downturn to improve investor behavior?

Regular reassurance that markets are cyclical. In 2008-9, we had perhaps 60-80 client families and only two sold their assets (one was become medically disabled, and the other was my non-paying cousin!). We earned our pay those years in modifying emotional behavior.

We also saved many clients from buying real estate in 2004-7, when prices (especially in Florida) were appreciating at a non-sustainable rate.

Anything else that you would like me to take into consideration with regards to your application?  
(Attach additional documentation as desired)

I've added my two daughters to the firm. Rachel is a JD and CFP® with six years of planning (lives in DC). Lauren is a CFP® (and in the CIMA program) with about six years' experience, and lives in NYC. I'm 61, but plan to continue working for at least another 15-20 years.

Thanks for your consideration. Steve