

# The PHYSICIAN'S *Personal* ADVISORY®

EXCLUSIVE ADVICE ON FINANCIAL, INVESTMENT, AND OTHER ASPECTS OF THE SUCCESSFUL PHYSICIAN'S PERSONAL LIFE

## Blogging offers creative outlet for physicians

Physicians lead busy lives, and when not dedicating their time and energy to practicing medicine, they often rely on a hobby to unwind. For many physicians, this means something traditional (e.g., playing golf or a musical instrument), but a growing number of medical professionals are seeking a creative outlet as amateur publishers.

How? They blog. Also known as Weblogs, blogs are online publications that allow anyone with Internet access to become an instant publisher. Content can range from personal thoughts—similar to a diary—to news and analysis or political rants.

Blogging's popularity has grown exponentially since the first blogs launched roughly a decade ago. Popular blog search engine Technorati tracks more than 40 million blogs and estimates that a new one is created every second.<sup>1</sup>

Although physicians were initially slow to jump on the blogging bandwagon, medical blogging—often

called medblogging—is growing quickly. Kevin Pho, MD,<sup>2</sup> author of the popular medblog *Kevin, M.D.*, estimates that there are currently 500–1,000 blogs written by physicians and other healthcare workers.

Physician bloggers typically write about medical studies or hot topics in the news related to healthcare (e.g., tort reform, Medicare reimbursement, etc.), and their writing styles range from lengthy rants to short headlines with links to interesting news items.

### Be heard

A family physician who writes under the pseudonym Sydney Smith<sup>3</sup> launched one of the pioneer physician blogs, *Medpundit*, in 2002. Smith says she began blogging to express her opinions about healthcare topics in the news and to release frustrations over misinterpretations of medical studies.

“It’s nice to have an outlet to be able to put [your opinions] out there for the public to read,” Smith says. “I like to have something else to do that’s different from looking at patient charts and patient [lab results].”

Because it is relatively easy to set up a blog—by using free blogging software provided by Web sites such as *Blogger.com*, you can set up a blog in a few minutes for free—blogging has broken down barriers that previously prevented physicians from communicating with the public.

“[Before blogs], physicians could have written letters to their local

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#### Our purpose

To provide doctors with sound, independent, physician-specific advice to better oversee their personal finances and their lives outside of medicine.

<sup>1</sup> For more information, visit [www.technorati.com/weblog/2006/05/100.html](http://www.technorati.com/weblog/2006/05/100.html).

<sup>2</sup> Pho is an internal medicine physician at Nashua Medical Group in Nashua, NH, and author of *Kevin, M.D.* Contact him at [www.kevinmd.com/blog](http://www.kevinmd.com/blog).

<sup>3</sup> Smith is a family physician and author of the blog *Medpundit*. Contact her at [www.medpundit.blogspot.com](http://www.medpundit.blogspot.com).

## Blogging

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newspapers or the journal that published a paper, but neither of those were likely to be seen by their patients or the people looking for information about something," Smith says.

Now physicians can easily publish their writing for the world to see, and because most blogging software allows readers to comment on what the authors write, they can also discuss their favorite topics with readers from around the world. Medblog readers often include other physicians, lawyers, and anyone else interested in healthcare issues.

"[There are] a lot of discussions between the physicians, so there's some pretty good debate that goes on in the comments," says Pho, whose blog is currently one of the most popular physician blogs on the Internet.

Pho averages 5,000–7,000 visitors daily. And like any publication, a blog with enough readers can attract advertisers. Pho pays for his Web hosting rather than using a free blogging service, and generates enough ad revenue to pay for the cost of the blog (i.e., costs associated with hosting and maintaining his Web site).

Blogging even has professional rewards, says Smith, who often writes about recent medical studies on *Medpundit*. She says writing about research and discussing issues with readers has improved her ability to analyze research critically and has helped prepare her to answer patient questions.

### Think before you blog

If you're interested in setting up a blog, Pho and Smith suggest that you consider the following before beginning:

**1. Exposure.** Do you want to post under your own name or anonymously? Although Smith posts under a pseudonym, some of her patients discovered her blog after reading press coverage and have mentioned it during visits.

Although none of Smith's patients have reacted negatively, knowing that they might be reading her blog sometimes inhibits what Smith writes about. "When you're working with people every day, especially when you're there to handle their problems, it's best to be a cipher to them and to not let them know too much about your opinions."


However, writing under your real name isn't always a bad thing; it can help promote your practice and garner name recognition. Both Pho and Smith have been featured in major publications such as *The Wall Street Journal* because of their blogs.

Practices are increasingly creating blogs as a way to promote their businesses and communicate with patients. Pho's practice, Nashua (NH) Medical Group, recently launched a collaborative physician blog, to which Pho and the practice's other physicians regularly contribute.

**2. Time commitment.** Although blogging is a hobby for most, it requires a significant time commitment to keep readers coming back regularly. "Blogging is not for everybody," Pho says. "You have to be committed to it, because a good blog needs to be updated relatively frequently."

After four years of blogging, Smith recently decided to give up the hobby because she could no longer dedicate enough time to make her blog successful. "The phrase 'declining reimbursement and rising overhead' is repeated so often in medicine that it seems a cliché, but it's also a reality," Smith wrote in her farewell post. "I'm spending longer hours at work and seeing more patients to support my office and my family. The one to two hours a day it takes to keep up the blog are no longer there."

As evidence of the influence of blogging, within a week after Smith wrote the farewell post for her blog, more than a dozen physician bloggers and 40 commenters left words of encouragement and praise for her influence as a blogger. ■



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**Banking****The Doctors Bank considers physicians' financial needs****Unique deposits, loans help physicians save for retirement and manage their finances**

Physicians have unique financial needs compared to the general population, but most banks treat them as they would any other customer. That's why Robert Franko,<sup>1</sup> president of Beach Business Bank in Manhattan Beach, CA, developed a bank to cater specifically to doctors and dentists.

"Physicians tend to have high incomes but frequently have difficulty saving money in retirement programs because they [spend] a lot of money, and they often minimally fund their retirement," Franko says.

Plus, rather than earning a fixed salary, physicians often own practices and have high costs that offset much of their revenue. They also commonly set up professional corporations to manage their income, with revenue going into the corporation and the physician collecting a salary from it.

Because of this, physicians need a bank that offers them flexibility to move money between accounts and helps them set aside money for retirement, adds Franko, who worked as a dentist before developing The Doctors Bank, a division of Beach Business Bank that works with physicians locally, as well as nationwide via online banking.

**Physician-tailored products**

"We've thought through the products [that physicians] are most likely to need and tried to make [banking] easy for them," Franko says. These products include the following:

**1. Deposits.** When physicians wait until the end of the year to fund their retirement program, they often discover that they spent more than they should have and cannot set aside as much as they want, Franko says. To help physicians with this problem, The Doctors Bank automatically transfers a specified amount of the physician's income into a high-yielding money market account every month.

For physicians who follow through and fund their retirement programs, this savings method reduces the physician's taxable income in most instances by the full amount of his or her annual retirement contribution. "It helps build the discipline of putting money away every month so that you actually have it at the

end of the year," Franko says. "It's basically a forced savings plan."


**2. Loans.** Although The Doctors Bank initially offered only deposit services to help physicians save for retirement, it now also offers loans to help physicians build or purchase their practice's building. "[Many] doctors, particularly dentists, put a lot of money into rent," he says. "We help them put money into an asset by buying their own building and leasing it back to the practice."

This can also help when it is time to retire. For example, a physician can buy a building and finance it for 25 years. If the physician decides to retire and sell the practice after 10 years, the physician can still collect rent, so the office becomes part of his or her retirement program, explains Franko.

**3. Credit.** "For credit-worthy doctors, we'll pretty easily give them a \$50,000 credit line that acts as an overdraft facility," Franko says. Then a physician who unexpectedly has an extra \$10,000 in expenses one month can write a check, and it automatically advances off the credit line. The bank has credit lines as high as \$250,000 for physicians.

For more information about The Doctors Bank, visit [www.doctorsbank.com](http://www.doctorsbank.com). ■

<sup>1</sup> Franko is president of Beach Business Bank and founder of The Doctors Bank. Contact him at 310/802-2910 or via e-mail at [rfranko@beachbusinessbank.com](mailto:rfranko@beachbusinessbank.com).



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*Estate planning***Protect the family fortune with a beneficiary-controlled trust***Estate-planning tool ensures that beneficiaries keep the inheritance that you leave them**by Dagmar M. Pollex, JD<sup>1</sup>*

Planning for the transfer of wealth from one generation to the next is a major focus of my estate-planning practice. Virtually all of my clients want to pass at least a portion of their estates to their children. The question that we discuss is how to do so wisely so their children will receive the maximum benefit from their inheritances.

Most parents, when thinking about transferring their estates to their children, expect that the “kids will know what to do with it.” This attitude often stems from not knowing the full range of estate-planning options and from feeling that any inheritance other than an outright distribution (i.e., passing it on as one lump sum with no strings attached) would be “control from the grave.”

Unfortunately, statistics show that our children have a one-in-two chance of experiencing either a divorce or a bankruptcy in their lifetime. This means that the inheritance that your son or daughter receives may be at risk or end up with the in-laws instead of with your children and grandchildren.

Luckily, modern estate-planning tools (e.g., a beneficiary-controlled trust) can help you avoid this problem. Although most states prohibit you from establishing a trust to protect your *own* assets from creditors, it is not

difficult to create a trust to provide asset protection for your beneficiaries.

A beneficiary-controlled trust protects your beneficiaries' wealth by protecting against the four primary sources of family wealth depletion:

- Taxes
- Lawsuits
- Divorce
- Mismanagement or bankruptcy

Here's an example of how it can work for a financially astute child: Instead of giving your son or daughter his or her inheritance outright, leave it to him or her in the form of a beneficiary-controlled trust. If the trust is well written, this could legally protect the inheritance from outside forces such as divorce and bankruptcy, while giving him or her access to and control over the money.

He or she would gain protection from creditors by naming a cotrustee to serve along with him or her. And because he or she has the ability to name—and even replace—the cotrustee, he or she retains ultimate control over the money.

From a beneficiary's point of view, receiving an inheritance this way is better than an outright distribution, because he or she maintains control, but the money is shielded from outside forces.

There's another good reason to consider leaving an inheritance in trust instead of outright: If you leave your son or daughter \$1 million, and it grows at 7.2%, he or she will have \$8 million after 30 years. If you left that money outright, at your son's or daughter's death, the Internal Revenue Service (IRS) would take \$4 million, and your grandchildren would get \$4 million. If your son or daughter gets divorced, your grandchildren may get even less.

However, if you left that \$1 million in trust, the IRS could not touch the money, and your grandchildren would receive the entire \$8 million. ■



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