
Research Article**Bridging the Wealth Gap****Roma Mehta, MD**

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Received: 15 June, 2024**Accepted: 20 July, 2024****Published: 26 July 2024****Abstract:**

In this opinion piece supported by published data, the author discusses the significance of financial literacy particularly for female physicians, highlighting its pivotal role for both physicians and the healthcare organizations (HCO) within which they operate. It is well-documented that financial strain correlates with burnout among physicians and trainees, resulting in millions of dollars lost to HCO from loss of productivity. It is postulated that fostering financial empowerment in women may serve as a strategic intervention to ameliorate overall well-being of both the female physician and the health care organization in which she works.

Manuscript:

In today's financial landscape, it is imperative for women in medicine to take charge of investing their own money. Physicians face a myriad of disadvantages when it comes to wealth building. The average medical student will be saddled with an average of \$200,000 in student loan debt. The nature of prolonged medical training puts physicians at another disadvantage with a high debt to income ratio until their mid to late 30s causing them to lose out on 10 years of compound interest during out training years. Einstein called compound interest the 8th wonder of the world, given the invested principle makes interest and that combined amount (principle + interest) continues to grow.

While these issues are not gender specific and affect all physicians, female physicians may also have career gaps during their child bearing years resulting in reduced wages. Many female physicians work in academia where the pay is substantially less than private practice, leading to a loss of hundreds of thousands of dollars throughout a female physician's career. Adding to challenges women face is the reality that women are living longer than men (on average by 6 years), and with their extended life expectancies, women must prepare for longer retirement years and construct retirement portfolios that can withstand stock market volatility to ensure financial stability in their later years.

There remains the persistent gender *pay* gap (with women still making 84 cents to a man's dollar), underscoring the critical need for financial empowerment through investment education as their money must work harder. There is also a lesser discussed issue, the gender *wealth* gap which is the disparity in accumulated wealth between men and women, and this is related to the gender investing gap. Women have historically accumulated lower levels of wealth compared to their male counterparts, as they have preferred saving the majority of their money in bank accounts earning small returns while men have invested the majority of their money (1). This has historically

precluded the ability of women to earn the standard returns of investing through the stock market, which has averaged around a 10% growth per year since 1928 (2). This results in tremendous amounts of lost wealth potential for women. Although the investment gap persists today, a 2023 Fidelity study reported that 71% of Gen Z women are investing in the stock market, outpacing older generations (63% of female millennials, 55% of female Gen X and 57% of female baby boomers were investing) (3). Understanding the power of investment will ultimately serve as one of the great wealth equalizing tools offering women a path towards wealth accumulation and financial security.

Physician specific extraordinarily high debt to income ratios, low financial literacy, and delayed retirement savings have all been identified as contributing to financial stress. This financial stress has been associated with burnout, higher rates of depressive symptoms and anxiety (4,5). Physician burnout is already at an all-time high, and there are gender differences in burnout with studies showing 30-60% higher odds of burnout in female physicians compared to male physicians (6). Burnout leads to significant economic loss for health care organizations, poorer patient outcomes, and higher rates of physician attrition. By empowering women to take control of their finances, we may be able to mitigate some of the female physician burnout secondary to financial stressors.

Given all women, not just physicians, are tasked with the invisible third shift where the majority of child rearing falls on them, they tend to defer to their male partners for making financial decisions. While day to day survival relies on outsourcing many tasks, women should at LEAST lean in and sit at the table; women need to be involved in decisions about investments when it comes to their money. Study after study has shown that when women ARE proactive in investing their money, their investment returns are HIGHER than those returns of their male counterparts, in a range of 0.4%-1.8% more a year (8,9). Over 40 years with compound interest, this translates to

more than a million-dollar difference. It is imperative that women educate themselves and should they outsource investing to partners or financial advisors, they must at least be cognizant of how their money is being invested.

Economic and financial stability are well-documented social determinants of health. The Finances First Study was a 1 year randomized control trial evaluating effects of financial education and coaching on women. The results showed an astoundingly significant reduction in financial strain in women who underwent financial education and coaching (10,11). Access to financial education, of which investment literacy serves as the cornerstone of wealth accumulation, will ultimately contribute to financial independence and empowerment of women. By cultivating a proficiency in investing, women can assert control over their financial destinies, enabling them to pursue whatever career aspirations they desire, enabling them to extricate themselves from adverse financial and personal circumstances while enabling them to make autonomous life decisions.

In light of this research, health care organizations must make concerted efforts to construct and disseminate education on investing and wealth management tailored to women's needs. It behooves institutions that employ these female physicians to prioritize financial curriculums. Financially empowered women are happier, more productive workers with reduced rates of burnout. More productive, less burned out employees lead to lesser attrition rates and higher profits for HCO. Accordingly, this becomes a win-win situation for both female physicians and the institutions that employ them. To date, there is only one peer reviewed financial curriculum tailored towards physicians and physicians in training (12). It focuses on student loan repayment, retirement investment vehicles, day to day finances, basics of financial markets, and the dangers of insidious advisor fees and predatory financial advisors. (10). Graduate medical education programs and academic institutions should adopt this financial course and incorporate it at all levels of medical training. I (author RM) am working on using this financial curriculum to educate the pulmonary/critical care fellows/trainees at my institution.

Empowering women to take control of their own money and ultimately own their financial futures will lead to equitable prosperity despite the many challenge's female physicians face. What female physicians do on the daily both professionally and in their third shift at home is harder than any investment jargon to understand. Healthcare organizations and GME programs should both teach and disseminate financial curriculums, specifically tailored towards female physicians to empower each subsequent generation to be more financially savvy. This will lead to improved mental health outcomes and less burnout for female physicians resulting in higher productivity for the health care organizations in which they work. This is crucial in eventually bridging the wealth gap.

I have no conflicts of interest.

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