

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53

Title: Financial Literacy for Medical Students and Residents

Introduced by: Rohit Nallani for the Medical Student Section

Original Authors: Miriam Bareman, Anne Drolet, Rohit Nallani, Reena Pullukat, and Lauren Smith

Referred to: Reference Committee E

House Action: **APPROVED AS AMENDED**

Whereas, approximately 75 percent of all medical students have some form of educational debt, and the current median debt load for a US medical graduate is \$192,000; however, this rises each year^{1,2}, and

Whereas, the physician shortage in particular specialties can be attributed to the large amount of student debt, as it has been found to discourage students from going into primary care specialties and/or working in underserved areas^{3,4}, and

Whereas, on an individual level, financial instability and high student debt can create stressful situations for medical students, may delay other life milestones (such as homeownership, having children, or saving for retirement), and can take away from patient-centered care and relationships with colleagues^{4,5,6,7}, and

Whereas, only less than five percent of students feel very knowledgeable about loan repayment and/or personal finance, but having financial and debt literacy can allow people to make better informed decisions with banking, credit cards, saving/investing, and budgeting^{8,9}, and

Whereas, while some programs offer MD/MBA programs and finance-related electives, many medical schools offer minimal exposure to education on business, management, financial literacy, and entrepreneurship in medicine^{10,11,12}, and

Whereas, medical residents face large amounts of financial stress, which can contribute to resident burnout and result in difficulty obtaining new loans or receiving financial guidance^{13,14}, and

Whereas, 34 percent of residents are concerned with paying off their medical school debt, and 62 percent of residents feel behind in their retirement savings¹⁵, and

Whereas, MSMS has previously resolved to encourage Michigan medical schools to include training on the business aspects of medicine within their curriculums¹⁶, and

Whereas, the American Medical Association has previously resolved to support the education of students in administrative and leadership aspects of medical management¹⁷; therefore be it

RESOLVED: That MSMS amend existing MSMS policy, "Implementation of Business and Management Education in Michigan Medical Schools," by addition as follows:

That MSMS supports the inclusion of a practical medicine course into the curricula of accredited schools of medicine **and residency programs** in the state of Michigan that are designed to educate future generations of physicians about **financial literacy and** the business aspects associated with operating a medical practice such as practice management, billing, the impact of federal/state

54 laws and regulations, and how to structure a practice to be solvent over the long term; and be it
55 further

56
57 RESOLVED: That MSMS actively encourage medical schools and residency programs in the
58 state of Michigan to include financial literacy and medical business education in their training
59 curriculums; and be it further

60
61 RESOLVED: That the Michigan Delegation to the American Medical Association (AMA) ask our
62 AMA to amend AMA policy D-295.316, "Management and Leadership for Physicians," to include
63 financial literacy in addition to business management in medical school and residency program
64 offerings.

65

66
67 WAYS AND MEANS COMMITTEE FISCAL NOTE: NONE

Relevant MSMS Policy:

Implementation of Business and Management Education in Michigan Medical Schools

That MSMS supports the inclusion of a practical medicine course into the curricula of accredited schools of medicine in the state of Michigan that are designed to educate future generations of physicians about the business aspects associated with operating a medical practice such as practice management, billing, the impact of federal/state laws and regulations, and how to structure a practice to be solvent over the long term. (Res41-05A)

Relevant AMA Policy:

Management and Leadership for Physicians D-295.316

1. Our AMA will study advantages and disadvantages of various educational options on management and leadership for physicians with a report back to the House of Delegates; and develop an online report and guide aimed at physicians interested in management and leadership that would include the advantages and disadvantages of various educational options.
2. Our AMA will work with key stakeholders to advocate for collaborative programs between medical schools and related schools of business and management to better prepare physicians for administrative and leadership responsibilities in medical management.
3. Our AMA: (a) will advocate for and support the creation of leadership programs and curricula that emphasize experiential and active learning models to include knowledge, skills and management techniques integral to leading interprofessional team care, in the spirit of the AMA's Accelerating Change in Medical Education initiative; and (b) will advocate with the Liaison Committee for Medical Education, Association of American Medical Colleges and other governing bodies responsible for the education of future physicians to implement programs early in medical training to promote the development of leadership capabilities.

¹ AAMC. Medical Student Education: Debt, Costs, and Loan Repayment Fact Card. October 2017. [https://members.aamc.org/iweb/upload/2017 percent20Debt percent20Fact percent20Card.pdf](https://members.aamc.org/iweb/upload/2017%20percent20Debt%20percent20Fact%20percent20Card.pdf)

² Dinah Wisenberg Brin. "Taking the Sting Out of Medical School Debt" American Association of Medical College News. 2017. <https://news.aamc.org/medical-education/article/taking-sting-out-medical-school-debt/>

³ Runge, Marscall. "Public Service Loan Forgiveness Can Help Fix a Doctor Shortage." STAT, 10 Aug. 2017, www.statnews.com/2017/08/11/loan-forgiveness-primary-care-physician-shortage/.

⁴ Rohlifing J, Navarro R, Maniya OZ, Hughes BD, Rogalsky DK. Medical student debt and major life choices other than specialty. Medical Education Online. 2014;19:10.3402/meo.v19.25603. doi:10.3402/meo.v19.25603.

⁵ Brown NJ, Dueker JM. The Growing Importance of Business to Medical Students. Virtual Mentor, American Medical Association Journal of Ethics May 2009; 11(5): 351-354.

⁶ Yun, Lawrence, and Sherri Meadows. "71 Percent Believe Student Debt Delays Homeownership." Real Estate Services Update, 13 June 2016, www.nar.realtor/newsroom/71-percent-believe-student-debt-delays-homeownership.

-
- ⁷ Doran JM, Reid Marks L, Kraha A, Ameen EJ, El-Ghoroury N. Graduate debt in psychology: A qualitative analysis. *Training and Education in Professional Psychology*. 2016;10(4):179-187.
<http://ezproxy.msu.edu.proxy2.cl.msu.edu/login?url=https://search-proquest-com.proxy2.cl.msu.edu/docview/1833121405?accountid=12598>. doi:
<http://dx.doi.org.proxy2.cl.msu.edu/10.1037/tep0000132>.
- ⁸ AMA Insurance. "2017 Report on U.S. Physicians' Financial Preparedness – Medical Student Segment." American Medical Association.
- ⁹ Annamaria Lusardi. "The Importance of Financial Literacy" NBER Reporter: Research Summary 2009 Number 2
<http://www.nber.org/reporter/2009number2/lusardi.html>
- ¹⁰ <http://www.mdmbaprograms.org/md-mba-programs/>. Accessed February 28th, 2018.
- ¹¹ Meleca JB, et al. "A Medical Student Initiated Elective Course in Business and Finance: A Needs Analysis and Pilot." *Med Stud Res J* 4 (2014): 18-23.
- ¹² Kim J. Teaching Medical Students about Management, Business, and Leadership. *Physician Exec*. 2012 May-Jun;38(3): 80-2.
- ¹³ McNeeley MF., et al. The Emotional Wellness of Radiology Trainees. *Academic Radiology* Volume 20, Issue 5, 647 - 655
- ¹⁴ Chubb C. It's time to teach financial literacy to young doctors. CNBC.
<https://www.cnbc.com/2016/12/08/teaching-financial-literacy-to-young-doctors.html>. Accessed February 28th, 2018.
- ¹⁵ AMA Insurance. "2017 Report on U.S. Physicians' Financial Preparedness – Resident Physician Segment." American Medical Association.
- ¹⁶ Implementation of Business and Management Education in Michigan Medical Schools Resolution 41-05A. Michigan State Medical Society, 2005.
- ¹⁷ Management and Leadership for Physicians D-295.316. American Medical Association, 2017.