Operating in the Red: Assessing Financial Literacy in Surgical Residents

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Background

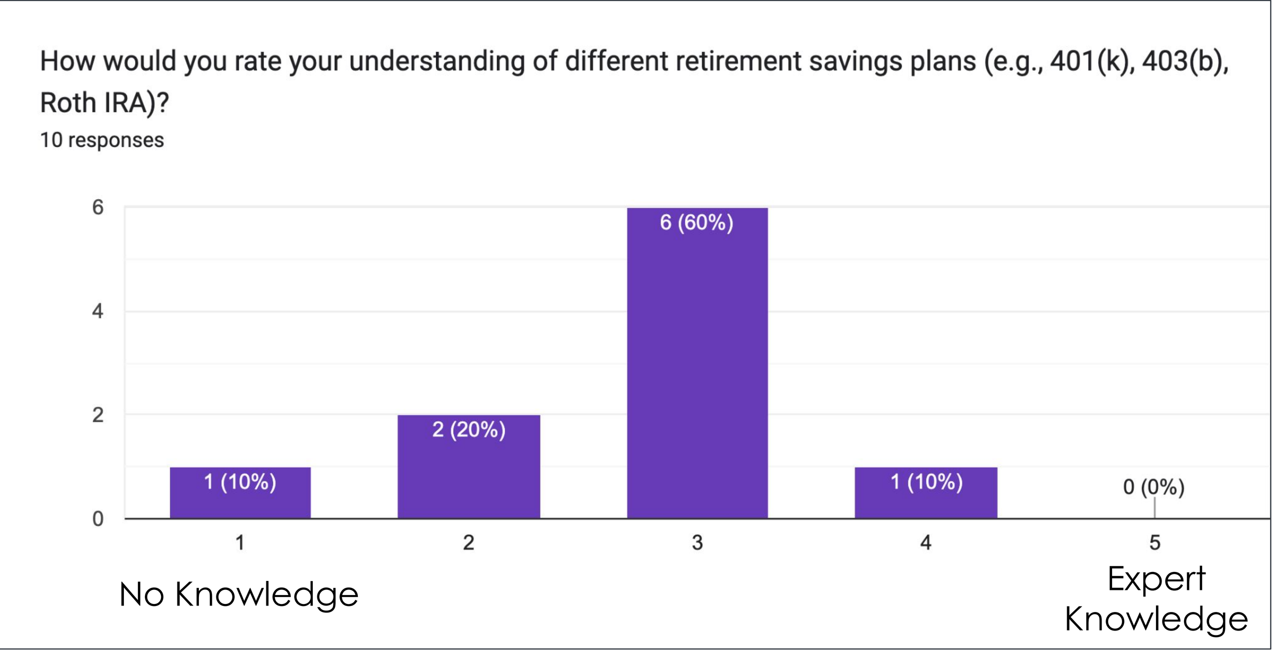
Medical school has become far more expensive over the last several decades, with prices increasing past inflation rates by over 750% since the 1960s[1]. Cost estimates are upwards of $300,000 at many institutions. Mirroring this has been the gradual rise in loan debt taken on by these students unable to afford the rapid rise in costs.

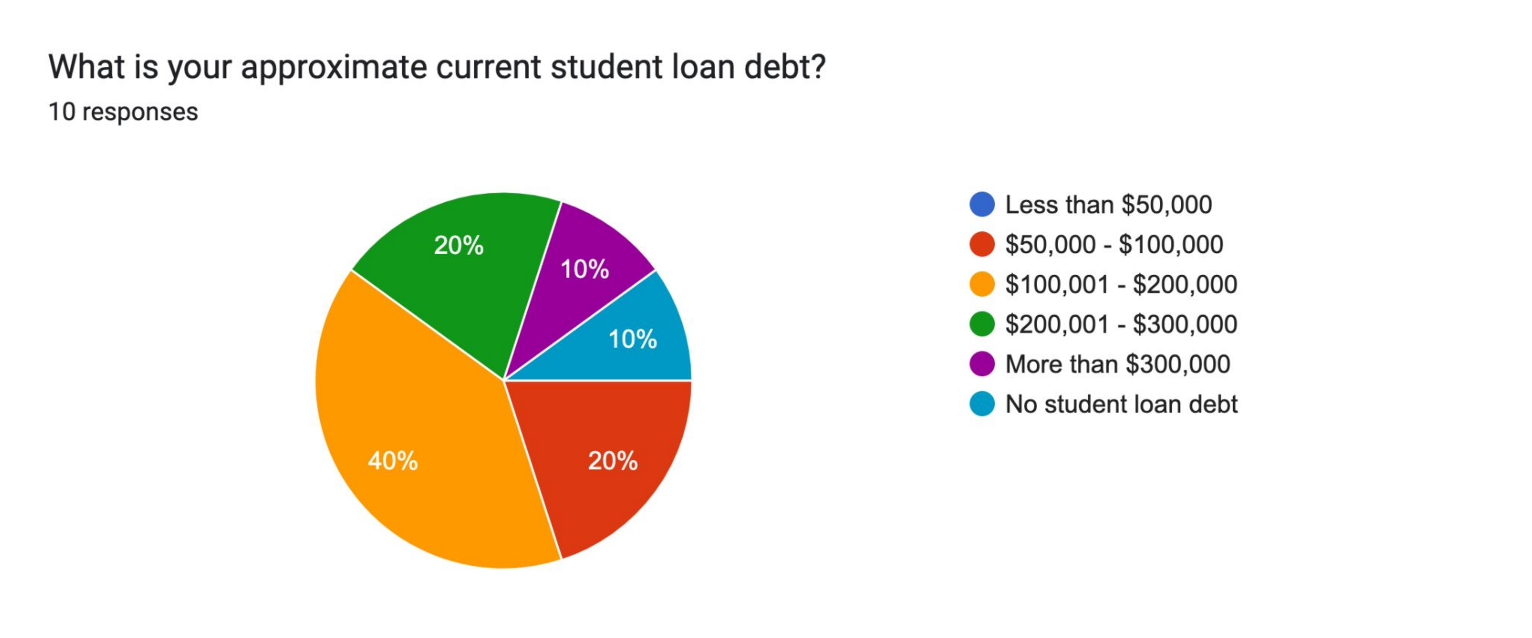
In 2004 the mean debt after medical school was $144,100 adjusted for inflation, and in 2016 the mean debt jumped to $251,600, a 75% increase in 12 years[2]. Observational studies suggest only about 15% of internal medicine residents receive formal education regarding financial literacy[3]. Other studies suggest that less than 5% of residents in surgical subspecialties receive financial education, though a majority of polled residents (79%) strongly felt that formal education regarding finances was critically important[4,5].

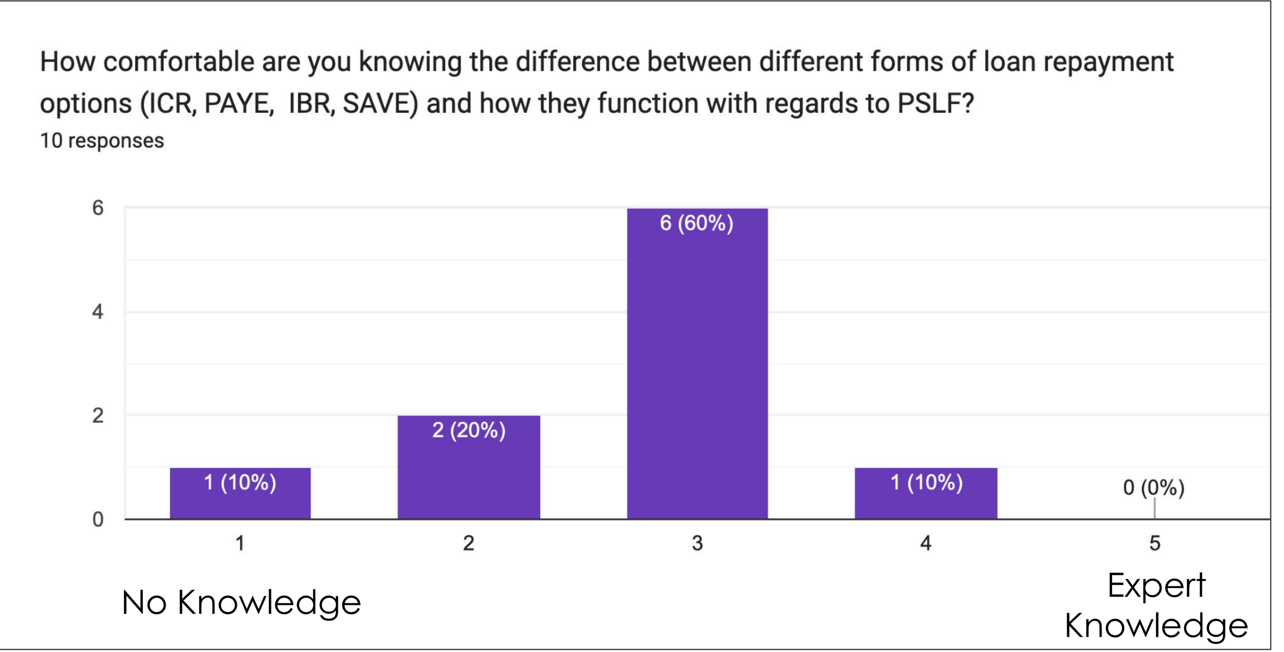
Methods

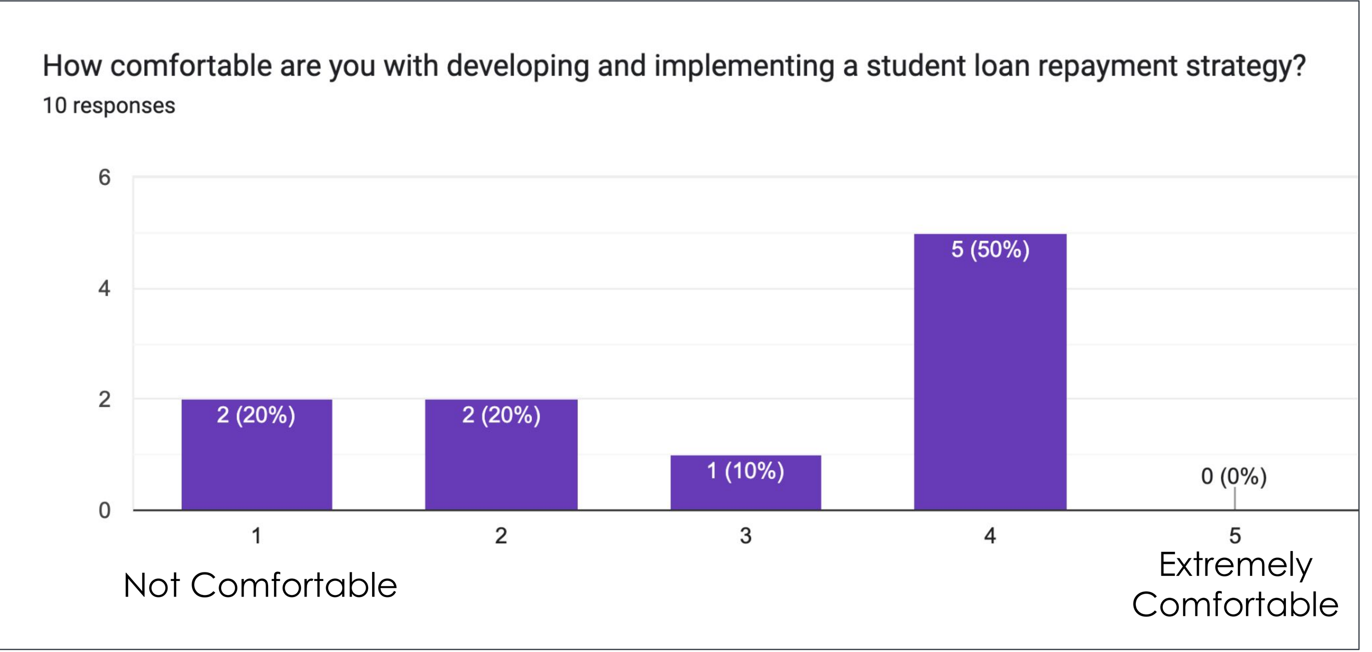
We conducted a poll of residents at our institution to assess overall financial literacy, comfort level with managing their own students loans, and determine if formal education on various financial topics would be beneficial.

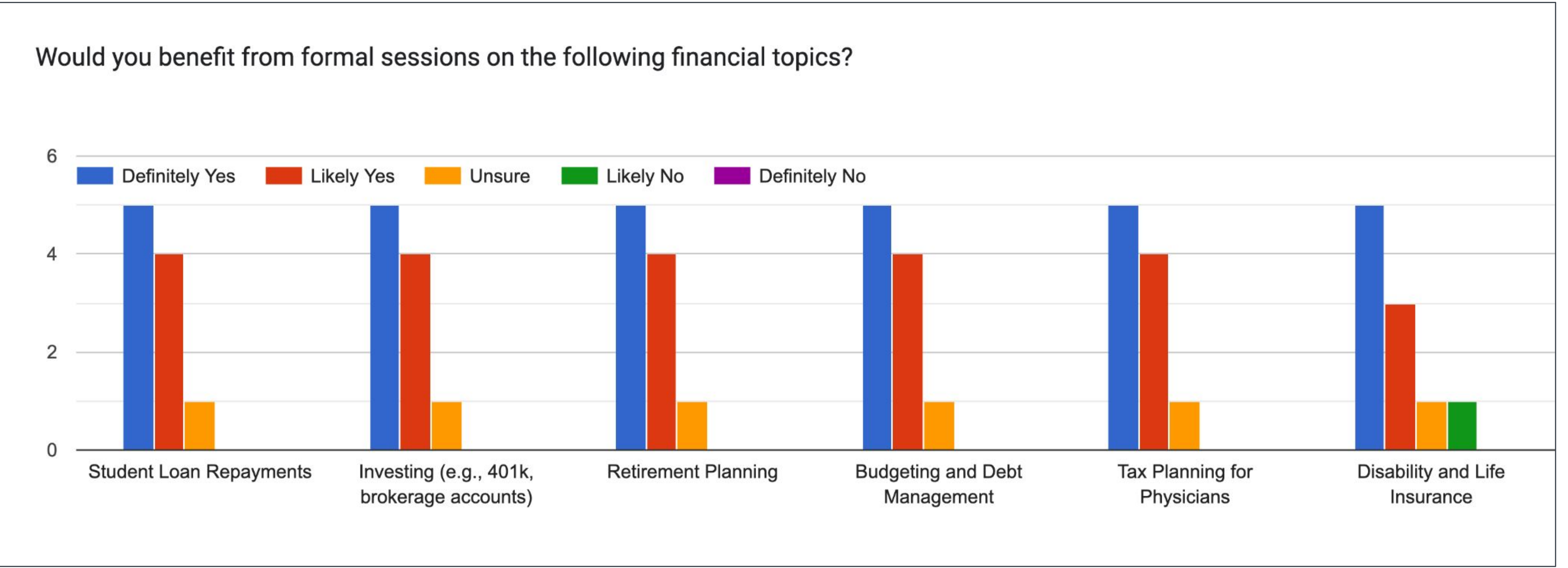
Results











- Ten general surgery residents completed the survey, 80% of which are single, 20% married
- Fifty percent of respondents described their understanding of the difference between stocks and bonds as “somewhat well”, and 30% had no knowledge of these terms
- Ninety percent of respondents agree that formal education on various financial topics would be beneficial

Discussion

Fifty to sixty percent of residents surveyed had some knowledge regarding retirement plans, stocks versus bonds, and loan repayment options, while thirty percent had little to no understanding of these topics. Further, 90% of residents believed formal sessions on various financial topics would be beneficial.

Conclusion

Financial literacy is critical while progressing through residency and early career as an attending physician. Unfortunately there is little to no formal resources or education provided through residency programs. With increasing debt burdens, it is increasingly critical to stay financially fluent. Our small survey among other limited studies confirm there is a need for structured financial education. We plan to expand this survey to other local institutions to gain additional understanding of the demand for financial education within surgical training programs.

References

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