

Generation



*The new breed
of rugged individualists*

They're tough, aggressive and starting to push aging Baby Boomers not so gently onto the sidelines of the fast track, both on the job and off.

Originally referred to as "Generation X" because they lived in the shadow of their elders and once appeared to have no identity of their own, Gen Xers today know who they are and what they want as they make their move onto our society's center stage.

Just as the Baby Boomers dominated and shaped the final quarter of the Twentieth Century, these men and women are the first generation of the Twenty-First Century. They are the future, and the time is coming for them to begin planning for their own futures.

By the way, forget the term Generation X. This is the New Power Generation, who face wonderful opportunities and unique challenges.

Who are the members of the New Power Generation: They are loosely defined as anyone born between 1961 and 1981.¹ They are the men and women from their early 20s through their early 40s. In the medical profession, this is the new generation of doctors.

They were once thought to be value-less; hence the anonymous name. Well, that may

have been true when they were rebellious youth, something that can be said of any generation. However, now in their 20s, 30s and 40s, this new generation has clearly defined opinions, values and beliefs, according to a Lewis Harris & Associates survey, "Generation 2001." Reports one researcher, they "appear to be alive with idealism, optimism and a vision of a better world."² For example:

- Eighty-six percent believe in God; 70% attend religious services.
- They believe in traditional values, especially family. However, having lived through and learned from the relationship problems and high divorce rate of their parents' generation, they are marrying later, at an average age of 26.
- They are big on community service, with 90% saying it is important to help others, and 73% indicating that they actively volunteer their time to schools, charities and religious organizations.

They are considered to be practical, with respect for money and education. More than half are either enrolled in or have completed college. Of those in the workforce, more than 40% are already investing in mutual funds, while many are actively contributing to their retirement plans at a pace well ahead of Baby Boomers at that age.³

If you are a member of this New Power Generation, you face a world of

opportunities: Educated and ambitious, you are in line to step into the shoes of the aging Baby Boomers. Best of all, you're in high demand. Between now and 2010, the number of jobs in the US is expected to rise by 15%, or by about 22 million, according to the Bureau of Labor Statistics. This, coupled with retirements from the larger Baby Boomer generation, means there could be a serious labor shortage. As a result, you and other members of this New Power Generation of educated, motivated workers will pretty much have your pick of positions.⁴ Plus, more so than past generations, you will be prone to "serial employment," as you change positions every few years to take advantage of new opportunities.

However, life is not without problems.

As a group, many members of your generation are concerned about their financial futures...and with good reason. For one thing, they have education bills coming due – something Baby Boomers did not have to deal with. The average debt for those who have completed four-year degrees at public institutions is just over \$5,000.⁵

That's chicken feed compared to the debt load newly graduated doctors must bear, with the median amount topping \$100,000, according to AAFP research.⁶

Most of all, many of your peers see the Baby Boom generation as that proverbial

continued inside...

Turn travels into adventures

“Twenty years from now you will be more disappointed by the things you didn’t do than by the ones you did. So, throw off the bowlines, sail away from the safe harbor, catch the trade winds in your sails.”

Mark Twain

Have you done the Caribbean cruise circuit to death, or want more than the ten-day, on-the-bus-off-the-bus whirlwind tour of Europe? Instead, why not squander a winter in Belize? Enjoy two months in a romantic Soho flat in Manhattan? Explore Italy from a villa outside of Florence?

Or, if you want to combine true adventure with a chance to make a difference in the world, consider joining a medical mission to the jungles of Bolivia or the deserts of Mongolia? Whatever your desire, with a lot of planning and a touch of courage, you could spend some serious time working and/or playing in your dream destination.

Taking a long-term “sabbatical” has never been easier. With computers and jet service to every corner of the globe, you are only seconds away from a message to friends and just hours away by air.

Here’s how to get outside the box and turn your travels into adventures:

Dare to dream. The first step is desire and a willingness to think outside the box. If your dream is to experience other cultures or to bring your medical skills to a region that desperately needs them, ask yourself, “Why not?” and “If not now, when?”

Pick an adventure that suits your personality and interests. Perhaps your idea of a good time is to backpack through the mountains of Ecuador or do clinic work in Central Asia. Or perhaps you are looking to *get away* from the stress and pressures of medicine for a month or a season or a year. That may mean a low-impact adventure, such as spending a few months living “on

the economy” (rather than in a pampered, exclusive resort) in a residential district of Rome or on an island in the Netherlands Antilles.

Or your idea of adventure may be a month or two experiencing the culture of New York City, taking a leisurely, self-guided houseboat cruise through the canals of Southern France, or a summer exploring your heritage and meeting distant relatives in the country of your grandparents’ birth?

Plan and research: Remember, this isn’t the same as showing up dockside and handing the porter your bags, then following the itinerary someone else has planned for you. This is *your* trip, not a prepackaged tour.

The key is to do your homework. That means build knowledge, reduce risk, and increase enjoyment. Read books; get on the internet; talk to people who have been there. A good rule of thumb is to devote one month of planning for every month you will be gone. This can be as much fun as the adventure itself. The computer can be your greatest tool, as you search for housing and transportation, and research health and legal issues. Factors to consider include housing, mail forwarding, phone service, transporting animals, legal restrictions and requirements, maintaining your home while away, transportation, tax issues, and more.!

Then there’s the issue of money. First, arrange to have your bills paid while you are away. Today, with auto-pay plans and electronic banking, it is possible to manage your finances from anywhere in the world.

Second, decide how you will pay for your adventure. Forget that old myth about everything being cheaper overseas. Instead, assume that everything will cost twice as much as you had planned. Work up a budget. Then double it. If you end up allocating too much, that’s better than coming up short.

There are two ways to fund your adventure. One is to have the money set aside before

you leave. Some people pay their bills in advance or do all their banking online. Others work at least part time while they are away, paying for at least some of their adventure while living it.



Wish you were here!

The prospect of working opens new opportunities and challenges. Perhaps you want to loaf for several months. However, keep in mind that doing nothing but lounge, golf and sightsee for more than a week or two can become downright boring. This is why many travelers find that a balance of work and play is more rewarding.

As a doctor, you have a unique advantage in that yours is a universally needed skill. Though some countries have restrictions (such as those in the European Union, where non-EU citizens are often restricted from working), you may be able to do part-time clinic work while you are gone. Example: summer in Alaska, where there is a shortage of physicians, or a working safari in Africa, where the need for medical care is great.

There are a number of advantages to working while you are away. If you volunteer your services, you may be able to deduct all or a portion of your expenses. Check with your accountant. If you receive

pay for your work, you can dramatically reduce your capital drain. Either way, working provides an opportunity to associate with local citizens and see how medicine is practiced outside the US. This takes you out of the tourist mode and puts you right into the community.

If you choose to work, have your paperwork in order before you leave. You may need a work visa, immunizations, as well as other documentation, including medical licensure and specialty certification. Also, make sure your malpractice insurance applies outside the country.

A good place to start: Check out the Academy's publication, *International Health Care Opportunities: Planning & Preparation for International Travel*.² A good opportunity for volunteerism is through Physicians With Heart, a world-wide organization of family physicians providing international service work sponsored by the Academy, the AAFP Foundation and Heart to Heart International.³

Be prepared for medical emergencies. In many countries, the medical care is substandard. Plus, if you become seriously sick or injured, you'd probably want to be home. So, it is recommended that, when it comes to your health insurance...

1. If you're traveling with an organization, find out what kind of insurance they offer. Sometimes, volunteers are covered automatically, though supplements may be needed.
2. Find out what kind of overseas coverage is provided under your existing policies.
3. Consider a plan that includes reimbursement for medical evacuation, should the need arise for you to be flown back to the States in an emergency.
4. Consider temporary coverage designed specifically for overseas travelers.⁴

The bottom line: Enjoy your adventure, whatever you decide it should be. Go into your travels with an open mind and open eyes. Also, keep a daily journal to preserve the events of a lifetime for the rest of your life.

One couple reported that, during the five months they spent in St. Maarten, they made dozens of new friends, had adventures... some scary, most fun, all exciting... that they could never had imagined, and enjoyed, literally, the best time of their lives.

Generation X ...continued

2,000 pound gorilla that does whatever it wants. In other words, you are likely concerned about your own ability to retire someday, since the massive Baby Boomer generation will be demanding ever-increasing expenditures to ensure their own comfortable retirement needs. As one frustrated member of this New Power Generation aptly phrased the problem: "More of us believe we will see a UFO than a Social Security check with our name on it."⁷

For those of you who are part of this New Power Generation, the future is here. You have opportunities and challenges. Especially when it comes to your financial futures – protecting your families and saving for your own financial security – now is the time to begin laying the foundation.

What you need to do: The following recommendations are neither new nor revolutionary, but well proven over time as the best way to help assure financial security.

•Save for the future. It will be here sooner than you think. The money you put aside today will grow and be there to help you tomorrow. Save no less than five percent of everything you earn. Put it into IRAs, employer-sponsored retirement plans, individual annuities – financial vehicles of sturdy, reliable design. (For details, see the following, related article.)

•Insure your future. The best way to protect your loved ones while you are accumulating assets is with life insurance. The premise is simple: If you die prematurely, life insurance can pay income-tax-free proceeds to your beneficiaries, providing them with cash to pay off the mortgage, assure college educations, retire other debts, and assure an ongoing income.

•Insure your ability to work. You've invested a fortune in your education. But if you become disabled and cannot work, it may all be for naught. That's why you should purchase adequate disability income insurance, coverage that is portable, so it can move with you when you change employment. That way, if you become disabled, you will continue to receive an income.

The bottom line: As a member of the New Power Generation, your future looks challenging, yet bright. Don't forget to protect what you have already acquired and what you will achieve through savings, investments and insurance.

¹ "What is Generation X?" www.cc.colorado.edu/Dept/EC/generationx96/genx9.html

² "Gen Xers Represent Best of American Values," AgeVenture News Service www.demko.com/genx.html

³ "Generation X: Facts and Figures." www.cc.colorado.edu/Dept/EC/generationx96/genx/genx3.html

⁴ "Where the Job Machine Will Be Cranking," by Billy Cheng. [BusinessWeek Online](http://www.businessweek.com), July 9, 2002 http://story.news.yahoo.com/news?tmpl=story&u=bw/20020709/bs_bw/where_the_job_machine_will_be_cranking

⁵ "Student Loans Under the Microscope," The Kiplinger Monitor, October 2001, reported in Kiplinger.com. www.findarticles.com/cf_o/m1318/10_55/78790281/p1/article.jhtml?term=college+lo...

⁶ "Facts About Family Practice, 2001," Table 126, The American Academy of Family Physicians, Annual Residency Completion Survey, 1997-2000. www.aafp.org/x940.xml

⁷ "Generation X: Facts and Figures."

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¹ *The Grown-Up's Guide to Running Away from Home*, by Rosanne Knorr (Ten Speed Press, 1998)

² This publication is available online from the Academy at www.aafp.org/ihcop/planning.html

³ Web site: www.aafp.org/x13903.xml

⁴ One commercial company that specializes in overseas coverage is Wallach & Company (800-237-6615 or www.wallach.com)

Your FINANCIAL HEALTH

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PHYSICIANS WITH
HEART

Next trip: Kyrgyzstan
Tentative date: Oct. 9-19, 2003
Information: www.aafp.org/airlift



Is there a “gimmick” to help me save money?

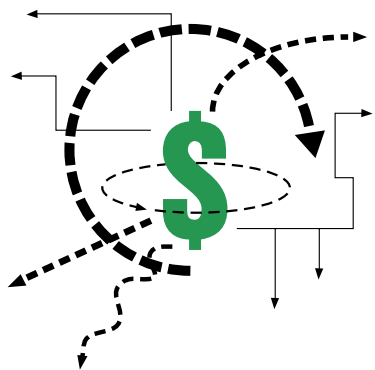
There are ways to help you develop a systematic, painless savings habit.

The problem: Most people mean to save.

They recognize the need to provide for a secure retirement, and they know that Social Security and a company pension may not do it all. The problem is that many people simply never get around to saving money. They are busy raising children, paying for a home, taking well-deserved vacations. They may promise themselves that, after the bills are paid this month, they will “send ahead” for the future whatever is left. And they have every intention of doing just that.

Unfortunately, this “good intentions” approach rarely works...

at least for more than a few months. That’s because there is almost never anything left at the end of the month. Something always seems to come up: The storm door broke, the carpets need cleaning, the transmission



fell out of the car, the dog used the laptop for a chew toy. As a result, many savings plans, started with the best of intentions, fizzle out within a few months.

The answer: Pay Yourself First!

Every month, before you write that check for the mortgage, the car loan, the utilities, put a designated amount of money into long-

term savings. Some people use a specific dollar amount, such as \$250 a month. Others use a percentage of their gross income, such as 5% to 10%.

The key is simplicity. If you have a payroll deduction program through work, have contributions taken from each paycheck.

Or write a check every month into your IRA account, individual annuity or other savings program. You decide where to put your money. Then, in the words of that well-known shoe company: **“Just do it!”**

Your FINANCIAL HEALTH

Your Financial Health is sent to Academy members courtesy of AAFP Insurance Services, Inc. Material for this publication is written by John R. Ingrisano—author, educator and journalist on money management and financial matters. Mr. Ingrisano has served as an advisor to AAFP Insurance Services since 1985.

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