WEALTHCARE FINANCIALS

Protecting the Asset Behind the Loan: A Lender's Guide to Physician Income Protection

The Risk Lenders Often Overlook

When a bank extends a physician practice loan, a real estate loan, or a signature loan to a newly attending physician, the underwriting centers on income — projected earnings, debt-service coverage, and career trajectory. What that analysis sometimes misses is a straightforward question: what secures the income itself?

According to the Social Security Administration, a working person faces roughly a 1-in-4 chance of experiencing a disability before retirement. For a physician carrying significant debt, a prolonged inability to practice is not just a personal hardship — it can quickly become a credit event.

Why Physicians Are a Distinct Case

Physicians often finish training with substantial student loan balances, and many take on additional debt early in their careers to acquire a practice, buy into a partnership, or purchase a home. Their earning power is both their greatest asset and the single point of failure in most loan repayment models. Unlike a business with diversified revenue, an individual physician's cash flow depends heavily on that physician's continued ability to work.

Individual disability insurance — specifically policies built around an own-occupation definition of disability — can play a meaningful role in a physician's overall financial picture. Under an own-occupation policy, a physician who becomes unable to perform the material duties of their medical specialty may qualify for benefits even if they are capable of working in another capacity. That distinction matters considerably for someone whose income is tied to a specific clinical skill set.

A Gap Worth Noting in Coverage Rates

Data from the 14th Annual Guardian Workplace Benefits Study (2025) found that only 43% of working Americans owned disability insurance. Physicians are not immune to this gap. Group coverage through an employer or hospital system may exist, but it often has benefit caps, portability limitations, or definitions of disability that are less favorable than individual policies. Lenders referring clients to an independent review of their coverage may be doing them a genuine service.

Residents and Fellows: An Early-Stage Consideration

For physician clients who are still in residency or fellowship, certain disability insurance programs are available that do not require medical underwriting — meaning coverage may be obtainable before a health history becomes a complicating factor. These programs can also include discounted premium

How Wealthcare Financials Works with Lending Partners

Wealthcare Financials, founded by Kris Schwartz in 2019 and an agency of The Guardian Life Insurance Company of America, works with lenders who want to offer their physician clients a referral to a qualified insurance resource — without stepping outside the bank's lane. Kris holds Series 6 and Series 63 registrations and maintains relationships with more than 40 carriers, which allows for a needs-based review rather than a single-carrier recommendation.

The role Wealthcare Financials plays in a banker referral relationship is straightforward: the lender identifies the gap, makes a warm introduction, and the insurance review happens separately. No pressure, no product push — just an educational conversation about whether a physician's income protection is aligned with the debt obligations they are carrying.

Starting the Conversation

If your institution works with physicians at any stage — from residency loans to practice acquisition financing — and you would like a simple framework for introducing income-protection resources to your clients, reach out to Wealthcare Financials to discuss how a referral arrangement might work.

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