

# Getting financially fit

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When you're in control of your finances, you reduce stress and worry.

*This is the fourth installment in a series of articles on wellness. You can read the first three articles at [americannursetoday.com/category/wellness101/](http://americannursetoday.com/category/wellness101/).*

**NURSING** may have ranked ninth in a study of the 50 highest-paying college majors, but many of us worry about money every day. If you're feeling stressed about your financial situation, you're not alone; 72% of Americans surveyed in a recent American Psychological Association (APA) study said they experience financial stress, including worrying about paying bills, emergencies, taking care of aging parents, children's college tuition, and their financial future in retirement.

Student loan debt plays a big part in many nurses' financial stress. According to a study by the National Student Nurses' Association, the average nursing student graduates with about \$30,000 in student loan debt.

Awareness of the national trend of financial stress has prompted many businesses and organizations to offer financial wellness training to their members and employees. The Ohio State University was one of the first universities to include financial wellness in its wellness initiatives for students, faculty, and staff, and many others have followed.

## Money and your health

Financial stress can affect your physical and emotional well-being. According to the APA, high levels of financial stress are associated with an increased risk for ulcers, migraines, heart attacks, depression, anxiety, and sleep disturbance, and may lead to unhealthy coping mechanisms, such as binge drinking, smoking, and overeating. As you already know, chronic stress can be detrimental to your cardiovascular system too, adding to the risk of high blood pressure, heart attack, and stroke. Financial stress also can affect your psychological and emotional well-being, distracting you at work and complicating your personal relationships. Your mind and body can't afford financial stress if you're aiming to achieve optimal well-being.



The good news is that you can take control of the situation. When you analyze, plan well, and manage your spending, you can take small steps that lead to significant changes. Here are some tips and resources for managing money, including special resources for nurses with school loans. (See *Student loan help for nurses*.)

**Set aside time to evaluate your finances:** Make a series of financial dates with yourself (and your spouse/partner) to plan how you'll handle your finances. Once you have a plan in place, schedule monthly checkups to stay on track. Make a commitment to place a small percentage of your monthly salary into a retirement account; have it automatically withdrawn so you don't have to think about it. You'll be amazed at how it accumulates over time.

**Analyze money in, money out:** Manage your cash flow by first identifying how much money you have coming in from all sources each month. Then, identify your fixed expenses that don't change from month to month (such as car payments, mortgage, student loans, and utility bills) and your variable expenses (such as money spent on food, clothing, vacations, emergencies,

## Student loan help for nurses

Student loan debt can be a huge financial burden that affects your physical and emotional wellness. One of the options below might help you reduce or eliminate that burden.

### The Federal Perkins Loan Cancellation and Discharge for Full-time Nurses

Nurses and medical technicians working full-time may be eligible for erasure of up to 100% of their Perkins student loan debt with this federal government initiative.

See [studentaid.ed.gov](http://studentaid.ed.gov) for details.

### Nurse Corps Loan Repayment Program

This Health Resources & Services Administration (HRSA) program is open to licensed RNs, advanced practice RNs, and some nurse faculty members. If you're selected, the program will pay for 60% of your unpaid nursing education debt over 2 years, with options for more funding after that. In exchange,

you agree to work 1 year in an eligible Critical Shortage Facility in a high-need area. Your current employer may already qualify.

See [studentaid.ed.gov](http://studentaid.ed.gov) for details.

### National Health Service Corps (NHSC)

This HRSA program offers loan repayment for nurse practitioners, certified nurse midwives, physician assistants, psychiatric nurse specialists, and other licensed healthcare clinicians. If you're selected, NHSC will pay up to \$50,000 of your health profession student loans in exchange for a 2-year commitment to work at an NHSC site in a high-need underserved area (or \$70,000 for 3 years of service in an area affected by the Zika virus). The payment isn't federally taxed and is made at the beginning of your service so you can more quickly pay down your loans. You may not even need to relocate—your current employer may already be on the list.

Visit [nhsc.hrsa.gov](http://nhsc.hrsa.gov) to learn more.

### Student loan refinancing

You may be eligible to refinance your loan. Look at your loan statement to find out your annual percentage rate. A lower rate could save you thousands of dollars in interest in the long run. Refinance only with reputable lenders; start by asking at your own bank.

### Roll your student loan into a house loan

In 2017, Fannie Mae (a government-controlled mortgage brokerage) created new options to combine mortgages with student loans to allow people with student debt to consider homeownership. Mortgages tend to have lower interest rates than student loans. A cash-out mortgage refinance lets borrowers trade high-rate student loan debt for lower-rate home loans. Many lenders now offer this option.

and health). Variable expenses may present opportunities to cut back or save, and fixed expenses can sometimes be renegotiated. Reviewing 3 months' worth of credit card and bank statements should give you a clear picture.

**Prioritize:** Decide where you really want your money to go each month and draw up a budget you can live by. Make the best possible use of what you have to get the most of what you want. Online resources such as [quicken.com](http://quicken.com), [youneedabudget.com](http://youneedabudget.com), and [moneydance.com](http://moneydance.com) can help. Read *The New York Times* "Your Money" columnist Ron Lieber's "31 steps to a financial tuneup" for a complete checklist of money-savvy actions, such as reviewing your student loans. Lieber estimates how long each action will take, from 5 minutes to 2 hours, so you can find time to fit it into your busy life.

**Know the importance of interest:** The math is simple: Money you invest earns you more money, and money you borrow costs you money, so make debt reduction a priority. Even small change, such as money spent on a cup of coffee a few times a week, adds up.

High financial-stress levels are associated with an increased risk for ulcers, migraines, heart attacks, depression, anxiety, and sleep disturbance.

As financial analyst Trent Hamm explains, three \$4 coffee lattes a week for 40 years cost a total of \$24,960. But invest that \$12 a week in a fund earning 5% interest and in 40 years you'll have \$79,772!

### Protect yourself from big loss:

Reduce worry about financial emergencies by saving a "cushion" of at least 6 months' pay.

**Use savings hacks:** Lieber suggests checking with your wireless and phone carriers for better deals, setting up automatic payments on your credit cards to avoid late fees, and spending gift cards as soon as you get them to avoid losing or

forgetting about them.

**Ask for help:** A certified financial planner (CFP) can help you evaluate your current situation and show you ways to pay off debt and invest in your future. Fee-based CFPs charge a one-time fee rather than taking a percentage of your investments' earnings, and you're likely to find the fee small compared to the benefits you'll reap from good financial planning. Find a CFP at [napfa.org](http://napfa.org).

**Find healthy outlets for your stress that don't**

**cost money:** Getting 30 minutes of physical activity 5 days a week, including walks outside, and taking care of yourself can reduce your overall stress, which will help you think more clearly so you can get a better handle on your finances.

**Stay in the present moment:** Worrying about the future and feeling guilty about what you've done or not done in the past are two of the most wasted emotions. Besides, most of everything we tend to worry about never comes to fruition. By staying in the present moment, you can focus on the little steps you can take today to get your finances under control.

**Focus on the positive things in your life:** Counting just a couple of things that you are thankful for every day gives you a sense of optimism and can help reduce your stress.

### Take charge

Even if you can't pay off that student loan or other bills overnight, you can relieve the stress by gaining control of the situation. Feeling in charge of your

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finances will boost your confidence, help you focus, give you peace of mind, and alleviate a lot of stress and anxiety. ★

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