



SEASON 2, EPISODE 17

ENTREPRENEURSHIP, WEALTH MANAGEMENT, AND GOVERNMENT INVOLVEMENT WITH DR. JOHN PRUNSKIS

David Mandell:

Hello, this is David Mandell, host of the podcast. Thank you for joining us today. I'm excited about today's episode. I've known our guest for 10 years. We've spoken together, very impressive. Very impressive family. So let me tell you about Dr. John Prunskis, and then we will bring him on. So John is board certified in anesthesiology and pain management. He's a fellow interventional pain management. He is medical director of DxTx Pain and Spine, which he's going to tell us all about, and is the co-founder of Illinois Pain Institute and the Regenerative Stem Cell Institute. He earned his medical degree at Rush Medical College of Chicago and completed his anesthesiology residency and fellowship training at the University of Chicago. He is an examiner for the Interventional Pain Certification Examination and a clinical professor at Chicago Medical School. He's a frequent lecturer. Like I mentioned, we've spoken together in the past. He is past secretary of the Illinois Society of Interventional Pain Physicians. He's an active member of the American Society of Interventional Pain Physicians, the American Pain Society, McHendry County Medical Society, where he's past president and the International Spine Injection Society. And the Illinois State Medical Society as past delegate. There's a lot more, we will link to his full bio in the show notes.

David Mandell:

With that, John, welcome to the program.

John Prunskis:

Great. Thanks very much, David. It's a privilege to be here.

David Mandell:

We really appreciate having you. So we're going to get into medicine. We're going to get into finance and your practice and everything, but let's start with something that's really interesting that's in the full bio that I think people will get a kick out of. So you have been elected to, I think, three terms, you can correct me if it's more than that, representing Lithuanian Americans in the Lithuanian Parliament. Fascinating. So what is that like? What was that like to do that, and how did that happen?

John Prunskis:



Well, it was an amazing experience and I sometimes answer that question with a joke and I say it was a series of bad decisions, but that's, of course, tongue-in-cheek. The first time I was at a meeting of Lithuanian American leaders that's held annually. And three of these leaders, I was at a desk, and they surrounded me. They're standing, I'm sitting. And they said, "We want to talk to you about something." And I said, "Okay, what's up?" And they said, "We want you to run and represent Lithuanian Americans at the Parliament of Lithuania." There's 900,000 Lithuanian Americans. David, you might be one. I have to look at your-

David Mandell:

You've got to look at the genetics.

John Prunskis:

We might claim you.

David Mandell:

Yeah. 23andMe. Got to find that out.

John Prunskis:

And so I asked them what it entailed, what do they want of me? What commitment they expected, what do I have to do? And so I agreed. I ran, I won. And then I won two more times. And in my second four-year term, I was elected chair of a very influential committee there. And that was a bigger time commitment, but we accomplished some really cool stuff.

David Mandell:

That's good.

John Prunskis:

So, that's it in a nutshell. And I'll just say briefly, my three biggest accomplishments there are one, revamping of the Soviet era labor code. And that took me about seven years and had assistance from Harvard University, various people throughout Europe, et cetera, to try to get rid of the Soviet era labor code, which you would think people would want to do. But when they lived under a system for 50 years, they have to switch their mentality, and we did it.

John Prunskis:

And interestingly enough, it was when the Social Democrats, which were very pro-union, not so much pro entrepreneurship and business. It passed under their



administration because when the prime minister visited the United States, we introduced him to a lot of CEOs that explained to him what it would take to invest in Lithuania. And then the second accomplishment was it took me five years to do this, to get Lithuania to honor its NATO commitment. In other words, 2% of every member of nation is supposed to commit 2% of their GDP to NATO. And unfortunately, as you know, the majority of countries in NATO do not honor that. The United States contributes a lot more than 2% of its GDP. And so this is a campaign issue for Trump, but I accomplished this before Trump made it an issue.

And the third thing was Lithuania came out in the world rankings as the third-highest consumer of alcohol per capita in the world. And so I introduced certain legislations to ban advertising of any alcohol of any type anywhere in the country. The only thing that comes close to it is now, alcohol-free beer can be advertised, but nothing containing alcohol can be advertised on any media at all, and that made a positive impact. So those are my three biggest accomplishments and there were some other ones, but those are probably the three I'd like to highlight. And so I have been able to impact substance abuse in two countries. One in Lithuania with alcohol, and one in the United States with opioids.

David Mandell:

We're going to get to that. That's some really interesting, fascinating. Really, thank you for sharing all that. So now, let's go back a little bit as we do when I interview most of the docs on this program. I want to get the background. Where'd you grow up, what gravitated you to become a physician, and specifically, how'd you end up in pain management in that specialty?

John Prunskis:

So if you ask my wife, she'll tell you I have not yet grown up. However, other people might disagree, including myself. But I'm originally from Chicago. And most of my educational background is in Chicago. How I get into pain management was after I completed my anesthesiology residency, I stayed on for a fellowship in pain management and ambulatory anesthesia. And when I went into private practice, they had what was called a request system for anesthesia. So surgeons could request which anesthesiologist they wanted to work with. And it just so happened that at that hospital, the surgeons asked me. I was the busiest anesthesiologist there. And then, since I had this extra training, this goes back to 1988 in pain management, I started getting very busy in pain management. And then I married Terry, my lovely wife, who is the former chair of the pain management program at the University of Chicago. And we decided to start the first private pain practice in Chicago in 1992. So we went into it because there was an interest, but then it became so busy that I had to choose either OR anesthesia, traditional surgical anesthesia or pain management, because just physically, the days were getting so long I would be exhausted. And so it's a passion, an interest of mine to be in this specialty.



David Mandell:

Makes sense. So this podcast has obviously a finance slant to it. So while you were in training, and even in the first couple years practice, what was your interest in exposure to finance? Was it something that you were really more into the clinical and medicine and hey, let the finances sort of take care of themselves, or were you someone reading the Wall Street Journal every day or was it somewhere in-between? Where were you on that spectrum?

John Prunskis:

So actually I did read the Wall Street Journal every day, and I was one of the few people in medical school who did. Not so much because of finance, because I've just identified that for me as the paper that could give me the greatest information. I felt it was more accurate than other newspapers. But then along with that, it gives you some financial awareness. So still, that's my go-to paper today, even though I might read it electronically, but it's been an interest of mine, but not an overwhelming interest because if it was, I wouldn't have gone to medical school. I would've become a lawyer like you and-

David Mandell:

A banker or something like that. You would've been in finance, like your son.

John Prunskis:

Right, exactly. But it's been pointed out to me by multiple people in professional organizations, places I speak that they identify me as a rare physician who has a passion clinically and then also has a higher degree of business acumen than most.

David Mandell:

And that makes sense, and I think you kind of answered something else I was going to ask, which was how your career path. You were, I guess what you would call surgical anesthesia or in the OR, was interested in pain management, saw this opportunity along with your wife to you jump out and do something privately and create this unique practice. What did you learn in those early years? Because you became an entrepreneur, whether you kind of knew it or not. A lot of physicians don't think of themselves that way. There's the term doctrepneur. And I think that's taken home a lot in the recent years, but before, I think back in the day, it might have been, "Oh, I'm just going into private practice." But we'll talk about the growth of your practice significantly lately. But even before that, let's say through the 90s, you had a significant practice that was growing. So what did you learn in those days about growing a practice and being an entrepreneur in terms of growing an organization?

John Prunskis:



So when we launched our private practice, remember, it was the first private practice for pain in the Chicago area. Pain management in the late 80s and early 90s is extremely different than it is today.

People today don't really have an understanding of what we do, although the knowledge is vastly better. But back then, people really... they couldn't understand what we were doing. And we didn't really run a lot of financial forecasting. We just said this is something we want to do. And you got to understand that the timing was probably not the greatest because Terry is pregnant with our firstborn, and all these things that... We just did it. And we honestly did not know if we were going to fail or succeed, and it was scary. Very scary. But it turned out okay. And so it's not... along the way, I have to say that some of the more influential organizations' paths that helped me is Entrepreneurs Organization, YPO and an organization called Vistage, which these are all... they have similarities. And then their organizations of chief executive officers of businesses of a certain size that meet monthly, and they all are in non-competing businesses. And so without joining those organizations, I would've not succeeded because that was amazing to assist in our growth.

David Mandell:

And I'm very familiar with those. I was on the speaking circle with EO for a while and still am with Vistage. So I am-

John Prunskis:

Great. And if they're listening, they should be thrilled to have you.

David Mandell:

I appreciate that. And it's funny because I learned about Vistage. EO, I'd have known about already, but I learned about Vistage through another physician. It was a surgeon out on the West Coast, said, "I'm part of a Vistage Group. Hey, can we get a bunch of your books? Hey, maybe do you want to speak to our group?" And then, you know how it goes. You do a couple, you get rated, and then you're kind of on the circuit. And so I've been doing that for a while. So for the docs who are listening to this who have their own practice, who are entrepreneurial, that kind of organization could be really beneficial. You're not the only one who said that. I mean, I think it can be, and it's not many physicians who join those kind of groups. So it takes a certain mindset and it's really for entrepreneurs.

But as a physician, you may be playing that role anyway. So why not get some good feedback from peers and accountability and all the things that go along with that organization? I'm glad you brought that up. Didn't even know that. In terms of personal finances, along the way, obviously you started to mass wealth. How did you go end up managing parts of your financial life? Was it something that you handled, that Terry handled, that you tried to find some good advisors? What was your



method of dealing with making personal financial decisions, what to invest in and insurance, taxes, all these kinds of things?

John Prunskis:

So when I lecture to medical students and early practitioners, I say the day that you get at your MD is a joyous occasion for many people. It's a joyous occasion for you, your loved ones, your family, the people that were along the road. It's a joyous occasion for scammers. People want to take advantage of you because you are going to be making a certain income, not a huge income. Low six figures, maybe, but enough that they can scam you. So I have made bad investments, but thank God I've made more good ones than bad ones. And so I just want to let my colleagues, when they're graduating to know, and it's not like... the numbers are very different between say a professional athlete, because they're making seven figures, but it's the same thing where they come out and all of a sudden there's all this money slashing around and they're happy, their family's happy, but who's really happy are the shysters.

But perhaps, one of the most important books for me, and there have been many, but let's just focus on investing. And first of all, you and I have talked about it. I think the stuff that you have produced is outstanding.

David Mandell:

I appreciate it.

John Prunskis:

But perhaps the most influential books are the ones that were written by Charles Schwab. He's written several books and had the privilege of talking to him face-to-face about month or two ago. And I told him that his books and his philosophy changed my life because frequently, I've presented how I'm investing my money to managers and all kinds of people that I've met and options, traders and wealth planners. And when I tell them what I'm doing, and this is a key concept that I'm doing it in a disciplined way, they say, "Really, I don't think we can improve on that." And so the formula basically, and I encourage those of you to read not only your books, but also Schwab's books is if you are disciplined, you can do very well and save a manager's fee. If you are not disciplined, hire a wealth manager and let them do it. So what's the discipline involved? The majority of funds are usually in equities, stocks, index funds, which are now zero cost, then fixed income. CDs, bonds, and a little bit of international. Those percentages you can choose on your own.

But the concept is every six months, rebalance and just adhere. We mentioned before about reading the Wall Street Journal or any financials, don't get caught up in the day-to-day use.

And as Schwab points out, markets will drop quickly, but that they rise slowly, but they always rise. And so then if you look at the analysis between whether you put 60% in equities or 55, or 65, and the rest in fixed income, if you look at the data,



there's really not that big of a difference. But if you don't have that discipline, then that falls apart. And so I've asked them, how many people have that discipline? And I've heard that figure when I present that to people ranges from 1% to about 30%.

David Mandell:

That's a big range.

John Prunskis:

Yeah. Well, it was always 1 to 2% until I ran into Mr. Charles Schwab. And he said, "I think it's about 30%." So we had one vote for 30%, and I've got half a dozen that say 11 to 2%.

David Mandell:

Right. Well, it's like anything people self-select, right? So he obviously is an icon in the investment world. And he may be with a lot of savvy people, not with the average physician. So I think your point is well taken and certainly, we do manage assets for a lot of clients, but for some of them, we're doing a lot of stuff, and they're doing it themselves, or they're doing some piece of the portfolio themselves, and we're handling other things that they don't have access to, that they don't see alternatives, et cetera. So I think that's really interesting. Now, let's get back to the practice part.

John Prunskis:

Sorry, I just want to wrap up. So the majority of physicians should have a wealth manager who is a fiduciary. Make sure that they are legally bound to have the physicians' investment interest. The majority should, because unfortunately, I know some brilliant physicians who are in their 60s who are poor. You wouldn't know it because they speak at national meetings, they wear a nice suit and tie or a nice dress, but they have just made bad decisions. And it breaks my heart for as hard as they've worked to be in that position in years when they should be really not have to be worrying about their future. So the majority of physicians should have some type of wealth manager who has fiduciary interest at heart. And only if you're very disciplined, according to the techniques of Schwab and others, there are other people right about this, can you then let go of that. It doesn't mean, however, even if you're very disciplined, you can do that without legal counsel, without accountants,-

David Mandell:

You talked about asset protection before. I know that's something that we've talked about.

John Prunskis:



Absolutely. Asset protection. Should you form limited liability corporations, limited family partnerships, I mean, these are things that you have to incorporate. And if you have any doubt that you're not getting it, again, go... I'm not plugging you, David, but-

David Mandell:

No, no. I don't want you to...

John Prunskis:

I'm not going to. I would never, as you know that, but go to somebody like David, who can help you out to at least let you understand, and then you pick whether you have that bandwidth or skill set to pursue that particular protection, or you need to call somebody.

David Mandell:

Yeah. Well, I mean, a lot of points you made there right on. I mean, we preached fiduciary. I told people all the time we certainly may manage assets for my parents, for myself, et cetera, but not my brother who's a cardiologist. And I said the same thing to him. I said, listen, we're not going to do it. That's fine. You got to find a fiduciary. You got to find somebody who has... actually the business model is to put your best interest first. And people make fun of lawyers all the time. But as a lawyer, that is your professional responsibility. Physicians, it's your professional responsibility. People trust their doctor to do the right thing. But in the financial world, that's not the way it's been built. Now, there's firms that do that, but not every firm is like that.

And there's a whole business model and we write about it that isn't that way. That they're making money on every transaction that you're doing. And they have proprietary products. So, that's all great. I want to keep us on schedule because you and I both see the importance of getting this done on time. So I want to get back to the practice because you're doing some really interesting things there. So your practice was growing already because I've known you for a long time, and it's been a significant practice, but you had really tremendous growth in the last number of years. And I mentioned in the bio this DxTx Pain and Spine. So tell us about the recent growth in the practice. Tell us about DxTx and what you've been doing lately.

John Prunskis:

So throughout my professional career, I focused on the diagnosis and treatment or fixing of an underlying medical condition. So that meant that I would be very judicious about opioid narcotic prescribing up until about five years ago, Davis, as you know, the common mantra among healthcare professionals and others was don't worry, somebody in pain is not going to get addicted. Remember how everybody said that? Well, we know that that's false, and that never made sense to me.



However, I was probably in the minority of 5% of doctors nationwide, who felt that way. And 95% started writing opioids like crazy. And we all know where that goes. So I got invited to the White House in President Obama's last year. And there were questions of people in the west wing. It was just me and them, there were no other doctors.

They said, "We've heard about Illinois Pain and Spine Institute. We want to know how you're achieving your results, because it's documented with the insurance companies and you're prescribing opioids judiciously." And so I explained that to them and they said, "Well, this is our last year of office," and this was after the election where Trump was elected, but he had not yet been inaugurated, "So there's going to be a blue ribbon commission in health and human services on writing the national guidelines for pain management. And what you're doing is exactly what we think. You're the type of doctor we want on this panel." And so they suggested get involved with the Trump administration and see if you can get that. Well then I got invited actually not through their efforts to Trump Tower in New York, after the election, before the inauguration. Same topic.

And actually was offered a full-time position with the Trump administration in healthcare, which I respectfully declined because then I'd have to stop seeing patients. And then, for a year, I worked with other national experts to write what now is titled the Department of Health and Human Services Best Practices Pain Task Force, final report. So this was approved and endorsed, David, by 100% of Medical Specialty Society of the United States. Not 99%, 100%, as the way pain should be diagnosed and treated in US. And you know, you have family members who are doctor, you get two doctors together, you'll get three different opinions, right?

David Mandell:

Right.

John Prunskis:

So to have every society say, "This is it." And it's about 110 pages, and about a fourth of it is bibliography. We spend a lot of time on it.

I mean, way more time than I thought. However, so now this document is produced, at the same time, I'm getting every private equity company in the pain space is coming to me because we're the largest group in Chicago and groups that want to use as a platform. So all this is coming together, and there's a couple things we want to change. And then as I say, it got to a point where I had the opportunity to work with two ethically, absolutely pristine individuals who are geniuses and then the three of us said let's launch DxTx Pain and Spine, which we'll call "the antidote to private equity". And we emphasize number one, patient care. Number two and three are respect for physicians and physician autonomy. And number four is bottom line. So it's a little bit different model. And there's other differences between traditional private equity, which I'm not demeaning. I think private equity can be a very positive



thing, but I'm just saying of the private equity companies that came to us, we just identified things that needed improving.

David Mandell:

And it sounds like you're having significant growth. So tell us just a little bit of the numbers, how many practices are you-

John Prunskis:

So you went from seven locations in the Chicago area two and a half years ago to over 50 locations in seven states and anticipate very, very shortly, we'll be in nine states.

David Mandell:

That's amazing. That's awesome. I love it. So we're getting towards the end here. So I want to get to one question. I mean, this question I ask all the docs would come on. And you've referenced some great pearls already, but if you could go back in time and speak to the young John, or we can do the time machine, or we can just say a young fellow today, what's just one thing in the finance or career sort of business of medicine or a piece of advice you'd give them?

John Prunskis:

So under medicine, I would look to join the best group I could and look at what the income is second. I did that. I didn't take the highest dollar offer, but I went with the most reputable group right out of fellowship before we started, pay is fine. And I thought that was a great foundation. So that's number one. Number two, if possible, avoid hospital employment. But I know that that is because you said something earlier that I want to hit. You said it's important for a physician who's investor to invest with a fiduciary. Somebody who has their interest at heart. Regrettably now with physicians employed by hospitals, they are obligated to send you to a doctor also employed by the hospital. So no longer may the physician have your interest at heart, which makes me very discouraged about what has happened. So that's number two. Number three, with regards to finance, I've given examples. Make sure that you understand that you now have a target on your back by unscrupulous people. They'll be bringing you various investment ideas. And if you don't have the discipline or the background, talk to someone like David or somebody who's a financial and wealth advisor to get you on the right track, make sure you find the right attorneys and accountants to advise you.

David Mandell:

Well, John, thank you so much. That was a great answer. I think you hit a number of topics on sort of your pearls for the young doctor or the young John going back in



time. Before we wrap, is there anything else you want to give as a message to the docs who are listening?

John Prunskis:

Sure. I'd really like to invite all interventional pain doctors who want to learn more about why DXxTx Pain and Spine is growing so quickly, focusing on patients, number one, but physician respect and autonomy, number two and three, please reach out to me. Also, pain groups, already existing pain management groups of at least two doctors or more, preferably if they have an ambulatory surgery center, please reach out to me so that I can explain what this passion is that I have and see if it's right for them.

David Mandell:

Excellent. So all you pain docs out there, I think you would do well to have a conversation with John and understand what he's doing. So with that, John, thank you so much for being on. It was terrific. And to all the listeners, thanks for being on. And every two weeks, we'll have another episode. So make sure you stay tuned and tell all your friends and colleagues. Thanks very much.

John Prunskis:

All right. Thanks for having me.