THE LIFETIME EARNINGS AND DEBT OF AN AMERICAN PHYSICIAN ASSOCIATE

ABSTRACT

The career arc of a PA is better understood by modeling career earnings. We simulated a typical PA who graduated at age 29 years and followed her using median salary and debt along with national household and real estate data. The PA was married and raised two children until emancipation at age 18. All major expenditures, education debt repayment, a home mortgage, college for children, and retirement savings were included as critical variables in the simulation. The career earnings, debt, and living expenses of a PA employed in family medicine and her family for 35 years remained in the 75th percentiles of income of all Americans. Our simulation provides a model to understand the financial benefits of a PA career.

inancial analysis of PA lifetime arnings and debt



AUTHORS

Mirela Bruza-Augatis, MS, PA-C, PhD Candidate Seton Hall University – PA Department Nutley, NJ

Jennifer Myers Coombs, PhD, MPH, PA-C University of Utah School of Medicine Salt Lake, UT

Roderick S. Hooker, PhD, MBA, PA Northern Arizona University Biomedical Campus Phoenix, AZ

GRAPHICS Lindsay Hooker

INTRODUCTION

The high cost of graduate education and educational debt inhibit many Americans from pursuing ideal employment. We hypothesized that a PA could enter family medicine as a career and repay an education obligation of \$125,000 in ten years—all while raising a family, buying a house, savings, retiring with adequate income, and with customary discretionary spending consistent with an upper middle-class lifestyle.

Scenario	Median PA wage (Henrietta)	Spouse median wage (Timothy)	PA education loans	Total PA school loan repayment amount (10 years at 6.99%)	Dwelling*	Annual discretionary spending		
						2021 (age 31)	2032 (age 42)—after PA Ioan repayment	2040 50)- child colle
-	\$116,080	\$70,000	\$125,000	\$187,760	Denver	\$30,700	\$102,717	\$11
2	\$116,080	\$70,000	\$125,000	\$187,760	Boston	\$13,483	\$85,246	\$99,

igure 1. Availability of lifetime discretionary spending for Denver and Bosto



BOSTON HIGH-INCOME MODEL CITY



DENVER MIDDLE-INCOME MODEL CITY



METHOD

A comprehensive financial planning software modeled the annual finances for a virtual PA's household. MaxiFi Planner was used as financial planning software. An average lifetime was assumed. US Bureau of Labor Statistics was used for the median PA wage (2020) and average consumer spending.

MEDICINE AS A CAREER?



RESEARCH QUESTION: WHAT IS THE FINANCIAL DEBT AND CAREER EARNINGS FOR A NEW PA SELECTING FAMILY

DISCUSSION

- The lifetime earnings of Henrietta Boffin, PA, spanning 36 years, is \$\$5,790,516.
- When combined with other likely income throughout their lives the Boffins earn \$11,776,565 by age 85.
- Our analysis suggests that a family medicine role is a financially comfortable career option that puts our PA at the 75th percentile for an income of all Americans.
- The career flexibility of a PA has been one of the defining attributes of their creation and value.
- This analysis adds to a growing body of knowledge about the career arc of a PA and sets the stage for more investigation on the externalities of career choice.

\$6,266,535

total earnings for 36-year PA career

/5

ercentile for incom of all Americans

\$11,776,565

total family income from start of PA career to death at age 85

CONCLUSIONS

A contemporary PA financial model incorporated salary, educational debt, household spending, and other normative statistics about life in the United States. The results reveal that a PA that selects a career in family medicine can assume a comfortable lifestyle, raise a family, and have adequate discretionary spending throughout a lifetime.