Impact of State-level PA Practice Regulations on PA Wages

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Background
- 20% 10-year PA wage growth\(^1\)
- Persistent gender wage gap\(^2,3\)
- PA wages vary across states\(^4\)
- Wages are higher in states that adopted more “Key Elements of a Modern PA Practice Act” (Figure 1)

Figure 1: Median Real Hourly Wages by Regulation Category, 2012-2017

Methods
- 2012-2017 AAPA Salary Report data
- Regulation categories
  - Restrictive (1-2 KE)
  - Moderate (3-4 KE)
  - Permissive (5-6 KE)
- 2-way fixed effects regression with log-transformed real hourly wages
- State and individual characteristics as independent variables

Results

<table>
<thead>
<tr>
<th>Variable</th>
<th>Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permissive</td>
<td>0.0164* (0.00745)</td>
</tr>
<tr>
<td>Moderate</td>
<td>-0.0145 (0.0111)</td>
</tr>
<tr>
<td>Female</td>
<td>-0.0495*** (0.00468)</td>
</tr>
<tr>
<td>IM</td>
<td>0.0115 (0.00950)</td>
</tr>
<tr>
<td>EM</td>
<td>0.216*** (0.0114)</td>
</tr>
<tr>
<td>Pediatrics</td>
<td>0.0469* (0.0201)</td>
</tr>
<tr>
<td>Surgery</td>
<td>0.0278** (0.00977)</td>
</tr>
<tr>
<td>Other Specialty</td>
<td>0.0695*** (0.00773)</td>
</tr>
<tr>
<td>Cost-of-living index</td>
<td>0.00232*** (0.000243)</td>
</tr>
</tbody>
</table>

N=15,495
* p<0.05, ** p<0.01, *** p<0.001
Standard errors in parentheses

Note: Some state and individual variables not shown; state and year dummies not shown

Conclusions

- PA wages are positively associated with enacting at least 5 KE (Figure 2)
  - Cost-of-living does not fully explain wage variation across states
  - PAs in permissive states earn 1.7% higher wages than PAs in non-permissive states
- The gender wage gap persists
  - Male PAs earn 5.1% higher wages than female PAs
- Significant wage variation exists between primary care and other specialties
  - Primary Care PAs earn 2.8% (surgery) to 24.1% (EM) lower wages

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References