



Financial Planning for PAs

We equip PAs with the necessary skills to live a less stressful financial life.



12 Smart Steps Every PA Wanting To Retire Early Should Know

A practical guide for PAs ready to take control of their finances and retire ahead of schedule.

1. Set a Specific Retirement Age and Timeline

Want to retire at 52 instead of 67? That gives you 15 fewer years to save — and potentially 40+ years to fund. Define your age, then reverse-engineer the plan.

2. Estimate Your “Enough” Number (And Add a Buffer)

Use the 25x rule: Multiply expected annual spending by 25.

Example → \$90,000/year in expenses = \$2,250,000 minimum nest egg needed for retirement — excluding social security and pension income.

Add an additional buffer 10–15% to combat healthcare and inflation risk. This brings the total minimum nest egg to between \$2,745,000 - \$2,587,500

These are rough numbers. Some will need more, some will need much less. Your “enough” number is based on a multitude of assumptions. Some are in your control like spending. Others like investment returns and future inflation are less predictable and mostly out of your control.

If only “Rule’s of Thumb” were that easy!

3. Save 30–50% of Your Income Annually

FIRE-minded (Financial Independence Retire Early) PAs often save 50% or more of their income to meet their early retirement goals.

Example → If you earn \$150K, aim to live on \$75K and invest the rest across pre-tax, Roth, and brokerage accounts.

For many this is an unrealistic goal, but Coast FIRE or Coast FI is not. You can learn more about Coast FI and how to implement it on my [blog](#).

4. Get Strategic With Investment Accounts

Use all three account types: tax-deferred (401k), tax-free (Roth), and taxable (brokerage).

Tip → Diversification when it comes to your investments is vital to build a balanced portfolio. The same goes for building your nest egg. Tax diversification is key to a successful retirement, especially if you plan on retiring early.

5. Build a Retirement “Bridge” Fund

This is the money you’ll live on between your retirement age and when traditional retirement income sources (like Social Security or 401k withdrawals) kick in. There are a few exceptions but most people cannot start collecting social security before 62 nor can they access their pre-tax retirement assets before 59.5 without paying a 10% early withdrawal penalty.

Example → Retiring at 52? You better have 7+ years of savings that you can access outside your pre-tax retirement assets.

6. Prepare for Healthcare Without Employer Coverage

You won’t qualify for Medicare until 65. Plan to pay out-of-pocket or via ACA plans. Both options are unfortunately very expensive.

Example → A silver-tier ACA plan can cost \$800–\$1,000/month at age 55.

This is why a lot of individuals opt to go part-time so they can receive healthcare from their employer rather than retire completely prior to Medicare-age. Part-time work can also lower the total nest egg you’ll need for retirement since you won’t need to rely solely on your portfolio for your income needs.

7. Slash Non-Essential Spending and Eliminate Debt

Debt-free living reduces your retirement number significantly.

Example → Paying off a \$2,000/month mortgage before retiring reduces your annual expenses by \$24,000. You can repurpose these funds to something more fun like travel and entertainment.

8. Create Flexible Income Streams

Side work like telemedicine or consulting can ease the pressure on your investments.

Example → Earning \$20,000/year part-time could extend your portfolio life by a decade or more if managed properly.

9. Factor in Taxes (They Don’t Retire When You Do)

Don’t underestimate future taxes. Consider your state’s tax environment and how withdrawals will be taxed.

10. Run Retirement Simulations — Don't Guess

Use software or work with a planner to simulate market scenarios.

Example → Monte Carlo simulations can show your plan's chances of lasting 40 years.

11. Map Out a Roth Conversion Strategy

Lower income years post-retirement may be ideal for converting traditional IRA money into Roth IRA to reduce future tax bills.

12. Build a “Work Optional” Mentality — Not Just a Quit Date

Think flexibility, not finality. Many early retirees choose to do meaningful part-time work for connection and purpose.

Ready to Retire Early — or Just Want to Know if You *Can*?

This guide gave you a lot to think about — and that's the point. Retiring early as a PA is absolutely possible, but it takes planning, precision, and proactive steps.

If you're feeling overwhelmed or unsure where to start, you're not alone. The good news? You don't have to figure this out by yourself.

Let's talk through your numbers, your goals, and what's actually possible based on your unique situation.

Book your free 30-minute strategy call today.

There's zero pressure — just a relaxed conversation to help you get clear on your goals and the smartest next steps. I work specifically with Physician Assistants, so you'll be talking to someone who understands your career and knows how to help you make the most of your money and time.



[Schedule Your Call Now](#)

4 Bonus Tips To Supercharge Your Early Retirement Savings

Bonus Tip #1: Front-Load Your HSA and Invest It Like a Retirement Account

If you have a high-deductible health plan, max out your HSA *early* in the year — then invest those funds immediately.

Why it works → HSAs offer triple tax advantages, and invested early, they have more time to grow.

Pro move → Pay current medical expenses out-of-pocket and save receipts. You can withdraw funds tax-free decades later as a “reimbursement.”

Bonus Tip #2: Redirect Raises and Bonuses Immediately to Investment Accounts

Every time your salary increases or you get a bonus, automate it straight to a Roth IRA or taxable brokerage account.

Why it works → You won’t miss money you never counted on and it accelerates your timeline without lifestyle inflation.

Bonus Tip #3: Use a Backdoor Roth IRA — Even If You’re High-Income

As a PA, you likely make too much for a direct Roth IRA. But the *backdoor Roth* still lets you access tax-free growth.

Why it works → It’s legal, effective, and allows high earners to keep growing money tax-free. Just be mindful of existing pre-tax IRA balances (pro-rata rule).

Bonus Tip #4: Refinance or Pay Off Your Mortgage Strategically Before Retirement

Consider making small extra principal payments or refinancing to a 15-year loan *only* if it aligns with your retirement timeline.

Why it works → Being mortgage-free by retirement cuts your monthly need dramatically — and lowers the size of your FIRE number by hundreds of thousands.

Disclosures

The information provided in this document is for informational purposes only. It is not intended as financial advice, and no content within should be construed as such. The content is based on general financial principles and concepts, and individual financial situations may vary. Readers are encouraged to consult with a qualified financial, legal, tax and/or any other advisor that they may have for personalized advice regarding their specific financial circumstances. Any action taken by readers based on the information presented in this article is at their own discretion and risk. The author and publisher of this financial plan make no representations or warranties with respect to the accuracy, applicability, or completeness of the information provided. This article does not endorse or promote any specific financial products, services, or companies. It is the responsibility of readers to conduct their own research and due diligence before making any financial decisions.

About Us



Caleb Pepperday

Chief Executive Officer

Being the husband of a PA-C and the brother of a physician, I noticed something seriously off in the financial planning industry. Advanced Practice Providers were getting the short end of the stick while physicians were getting the red carpet treatment.



This fueled my mission to create a solution that filled the gap left by old-school finance, making sure that APPs get the respect and guidance they truly deserve.

As a **Certified Financial Planner (CFP®)** and **Chartered Financial Consultant (ChFC®)**, I bring a wealth of expertise to help APPs navigate the complex world of finance.

I'm proud to have been featured in prestigious publications such as CNBC, MarketWatch, Investor's Business Daily, and others, where I've shared my insights and strategies for budgeting, negotiating employment contracts, and more.

When I'm not working, you'll find me enjoying the breathtaking landscapes of Montana. Whether it's skiing down the slopes, hiking through scenic trails, or peacefully floating down the Bitterroot River on a Saturday, I believe in embracing the beauty of nature. You might even see me at a Penn State football game in the fall while visiting my family in Pennsylvania. We are!