

The First 3 Years Attending Financial Audit

For physicians, hospitalists, and specialists in years 1–5 of attending practice

SIRMIUM CAPITAL

The attending cliff is real: *Income triples in year one. Lifestyle adjusts to match it by year three. Somewhere in that window, the foundation for everything else either gets built or doesn't. This audit helps you find out which category you're in — and what to do about it.*

\$1.2M

Estimated lifetime wealth cost of lifestyle creep in years 1–3 for a \$400k attending

\$46K

What you can shield from taxes with 403(b) + 457(b) stacking this year

2–3%

Automatic income tax increase from TCJA expiration in Jan 2026 for most attendings

The Attending Financial Timeline — What Should Happen When

Year 1

Foundation Year

Max 403(b) immediately. Open a Backdoor Roth (\$7k). Start disability insurance review — cheapest when you're youngest and healthiest. Do not buy a house yet if you're not sure about your location.

Year 2

Stack Year

Add the 457(b) if your hospital offers it (+\$23k tax-free). Audit your student loan strategy — PSLF vs. aggressive payoff depends on your employer and remaining balance. Review life insurance if you have dependents.

Year 3+

Optimization Year

Taxable brokerage account for investments beyond retirement limits. Roth conversion opportunities if income dips (parental leave, sabbatical). Real estate if it makes geographic sense. Review overall tax strategy — bracket post-TCJA.

1 The 457(b) Most MDs Miss

- Most physicians max the 403(b) (\$23k) and stop there
- If your employer offers a 457(b), that's another \$23k shielded
- Total: \$46,000 out of taxable income — before the market touches it
- 457(b) is often not advertised — ask your benefits coordinator directly
- Unlike 403(b), 457(b) has no 10% early withdrawal penalty before 59½

2 The TCJA Bracket Reset (2026)

- TCJA expired January 2026 — brackets reverted to pre-2017 rates
- Most attendings at \$300k–\$500k: 2–3% automatic tax hike on base pay
- The Roth conversion window opened: current brackets favor conversion
- Backdoor Roth more valuable now than it was 18 months ago
- Review your conversion strategy with 2026 bracket math, not 2025

The Attending Financial Audit — 10 Questions

- Are you maxing your 403(b)? (\$23,000 limit in 2026)
- Does your hospital offer a 457(b)? If yes — are you using it?
- Have you done the Backdoor Roth this year? (\$7,000 limit)
- Is your disability insurance in place? (Own-occupation preferred)
- Have you audited your student loan strategy for 2026 tax changes?
- Do you have a taxable brokerage account open beyond your retirement limits?
- Have you reviewed your asset allocation since the bracket reset in Jan 2026?