

The Job-Hop Audit NP & PA Financial Checklist

For nurse practitioners and physician assistants navigating a hot job market

SIRMIUM CAPITAL

The \$20k raise that costs \$15k: *The mid-level market is hot. Moving for salary makes sense. But a \$20k bump can quietly cost you \$15k when you factor in the rollover window, the vesting schedule you walked away from, and the malpractice tail coverage nobody told you to negotiate. This checklist closes that gap.*

\$20K

Typical malpractice tail coverage buy-out when leaving a claims-made policy

60 days

Window to roll your old 401(k) before missing it triggers a 10% penalty + taxes

\$66K

Max you can contribute to a Solo 401(k) on 1099 income (2026 limit)

BEFORE YOU SIGN

Negotiate These First

- Ask: "Who pays tail coverage if I leave?"
- Negotiate tail coverage into the contract — have employer pay it
- Confirm vesting schedule on any 401(k) match
- Check: is the new plan better or worse than your current plan?
- Get the malpractice policy type in writing (occurrence vs. claims-made)

WITHIN 60 DAYS OF LEAVING

The Rollover Window

- Contact old plan administrator — request direct rollover, not check
- Open IRA or confirm new employer plan accepts rollovers
- Never take the check — triggers 20% mandatory withholding
- Confirm old vesting balance — unvested funds stay with employer
- Log the rollover with new account confirmation number

AFTER YOU'RE SETTLED

Optimize the New Setup

- Set contribution % immediately — don't leave it at zero
- Review new fund options vs. old — check expense ratios
- Confirm malpractice tail is active if you paid for it
- Update beneficiary designations on all accounts
- Adjust withholding on W-4 if salary changed significantly

+ The 1099 Tax Advantage

- Picking up locum or 1099 shifts? That income is different from W-2
- 1099 opens a Solo 401(k): contribute up to 25% of net self-employment income
- Max 2026 Solo 401(k): \$66,000 (employee + employer contributions combined)
- SEP-IRA alternative: simpler, but no Roth option and lower limit
- Must open the account by December 31 to count for this tax year

! Malpractice Tail — The Fine Print

- Claims-made policy: only covers claims filed while policy is active
- When you leave, you need tail coverage for prior incidents
- Tail coverage = 200–300% of one year's premium — often \$10–20k+
- Occurrence-based policy: no tail needed — much cleaner on job changes
- If employer has claims-made, negotiate tail coverage before you sign

The 1099 Math That Changes Everything

Say you pick up \$40,000 in 1099 locum shifts this year. On W-2, that \$40k adds to your taxable income with no shelter. On 1099 with a Solo 401(k): you can shield up to **\$10,000+ in pre-tax contributions** — money that compounds tax-free until retirement. Most NPs and PAs find out this option exists in year four or five. It should be year one.