



Coleman, Ureda, Alford & Kaucher, PA
CERTIFIED PUBLIC ACCOUNTANTS
DENTAL FINANCIAL STRATEGISTS

Frequently Ask Questions

We know that every news conference, headline and new development is overwhelming you about what you should be doing for your practice and team.

What are the best steps to take while your practice is either shut down or limited to emergency care only?

1. How can I pay my bills if I shut down?

There are several cost saving actions that you as a Practice owner can take to reduce operating costs of your Practice while shut down.

- If you have a practice or equipment loan or lease, contact your lender immediately and ask for a deferment or extension of time to pay your bill. All banks are assisting their customers in this area but you MUST call in order for them to implement.
- Obtain a Line of Credit (LOC) from your financial institution. This can assist with expenses during the shut down and if not needed can be utilized in operating the practice once the shutdown ceases.
- Contact your credit card companies. Some may waive fees and interest if you make minimum payments, others may give you a few months to pay off your balance, or they may have other terms with specific rules that you must follow to achieve.
- Contact your supply companies and ask them to give you more time to pay any balances. Schein, Patterson and other suppliers know that we're all going through difficult times and should be willing to work with you.
- Stop all auto payments to vendors immediately. This enables the doctor to control cash flow and payments to those vendors.
- Stop all ACH withdrawals from your bank accounts immediately. You will have to contact your bank to see how you can go about doing this as quickly as possible.
- Have someone from your admin team go through any insurance aging to see if there's outstanding money that you should be receiving, if you submit the proper claim information.

- Pause or stop your advertising for a couple of months. Remember to stop any Google or Facebook automatic campaigns.
- Contact your landlord to see if you can lower your lease payment, or defer payment until you return to work.
- Pause any non-essential services that your practice uses; laundry, magazines, water delivery, etc.
- Turn off all unnecessary equipment in your office making sure to pay attention to manufacturer's recommendations for dental equipment, 3D printers, suction units, etc.
- If you won't be in the office to receive your mail, forward the mail to your home, have them hold it at the post office, or have it delivered to a PO box, so you can go through it and deposit any checks that may come in.

2. What if I can not borrow any more money on my practice or personally?

- Consider applying for the SBA Disaster Relief Loan. As of today, this is your best option if you have already exhausted your other loan options with your lenders.

Here is the link to the SBA: <https://disasterloan.sba.gov/ela/>

Keep in mind that all the proposed legislation has not been passed and may have better and easier options.

3. What about my staff? Do I have to pay them through the shutdown?

- Each state has different rules so we highly encourage speaking with an employment lawyer if you have trouble navigating through the website or information. Employees working reduced hours, since they are helping with emergencies, may still qualify for unemployment.

Here is the link to the South Carolina Dept of Employment & Workforce:

<https://dew.sc.gov/>

4. What do I do about my staff health insurance benefits?

- It is VERY important that you follow the rules regarding how health insurance is handled during a layoff or significantly reduced hours. Since the rules are ever changing given the current situation, we strongly recommend that you talk to your insurance broker. Continue to pay for health insurance for the employees and your family unless your broker advises you otherwise. This may not be required but will go a long way to help your team.

5. Does the Doctor keep themselves on payroll?

- Stop all owner payroll for corporations. If you need money from the practice to live on, withdraw it as a loan or distribution from the corporation. Do not run your pay through payroll in order to save both the payroll fees, retirement contributions and payroll taxes at this time. Also, it may be easier to obtain disaster relief if the practice owner is not on payroll.

6. What about my tax returns?

- If you are getting a refund, file your taxes as soon as possible. A refund will help with cash flow.
- If you owe, you have until July 15th to pay. (You need to budget for that liability)

7. What about Estimated tax payments?

- First Quarter estimated tax payments have been extended until July 15th. Whether Second Quarter estimates are extended is still unknown, at this time.

Donating supplies and inventory to hospitals and emergency responders is extremely helpful in this time of crisis. Unfortunately, you do not receive an additional deduction for doing so since you have already deducted the expense when you purchased it. We encourage you to generously contribute to your community's health if you can.

-and-

Don't forget to Sign the ADA petition to urge Congress to include dentists in the Covid-19 relief packages. The ADA is asking Congress to help dentists with loans, student loan debt deferrals, deferring or eliminating payroll taxes and other business-related relief. Please sign the petition at the following link and urge your colleagues to do the same:

<https://actioncenter.ada.org/>