



Covid-19 Resources

FAQs – August 5, 2020

Getting you the answers to the many questions related to Covid-19 and its impact to you is our first priority. Things continue to evolve and change, but please know that our team is working as quickly as possible to understand all that is taking place and going to the source for the answers. Our goal is to get you answers and information that is in **your** best interest and not get waylaid with distractions. Below are the most recent questions we have been fielding.

Q1. What is the latest on the Provider Relief Fund (PRF) administered by the US Department of Health & Human Services (HHS)?

Extended Deadline: The HHS has extended the application deadline once again. You now have until August 28th to complete your application.

Terms and Conditions: As previously recommended in past FAQs, when accepting funds from any grant program it is important that you read and understand the terms and conditions set forth by the program. A copy for the HHS program can be found here: <https://www.hhs.gov/sites/default/files/terms-and-conditions-medicaid-relief-fund.pdf>

No additional documentation has been reported to us by clients and most have simply seen the funds be directly deposited into their accounts. The HHS indicated that if you retain the payment for at least 90 days without contacting HHS regarding remittance of those funds, you are deemed to have accepted the Terms and Conditions.

Balance Billing: We highlighted some restrictions to be aware of on our July 22nd FAQ. One of the biggest concerns was the restriction of balance billing for presumptive or actual COVID-19 patients. Since then, while the actual terms and conditions have not changed, the ADA and HHS have indicated that it is unlikely to apply to dentists. Specifically see the Balance Billing question added on 7/22/2020 on the HHS FAQ section of their website found here: <https://www.hhs.gov/coronavirus/cares-act-provider-relief-fund/faqs/provider-relief-fund-general-info/index.html#auditing-reporting-requirements>

Use of Funds: By accepting the funds, you are certifying that they will be used only to prevent, prepare for, and respond to coronavirus and to reimburse you only for health care related expenses **OR** lost revenues that are attributable to coronavirus.

We believe that for most dentists, the lost revenue during March and April 2020 (compared to the same period last year) should more than offset your relief payment and you can use the payment to cover any cost that the lost revenue otherwise would have covered (so long as that cost prevents, prepares for, or responds to coronavirus). Per the HHS, these costs do not need to be specific to providing care for possible or actual coronavirus patients, but the lost revenue that the PRF payment covers must have been lost due to coronavirus. Still, it is important to note that you **cannot** use these funds for the same expenses covered by your PPP loan.

If your lost revenues were not enough to offset your relief payment you must show that the funds were used only for "healthcare related expenses attributable to coronavirus." Costs incurred prior to the date on which they received their payment also count.

While a separate bank account for these funds is not required you might consider segregating the funds in a separate account within the 90-day optional repayment period.

Q2: Has there been any new guidance on the PPP loan and forgiveness?

Answer: The SBA issued a new set of FAQs on August 4th, but there was nothing really new in terms of information. It reaffirmed much of what we already knew or had surmised about eligible expenses and how to calculate a reduction in forgiveness if you reduce wages and/or hours for employees.

As it stands now, August 10th is the earliest date that you can apply for forgiveness, but it will also depend on when you exhaust your funds and when your bank has its application process up and running. Either way, we still recommend waiting to apply for forgiveness in almost all cases. There is no financial incentive to apply early, and there may still be further changes. Congress continues to work on modifications which could make the application process even easier than it currently is for small and medium-sized loans. Another round of stimulus money has also been discussed, which could bring further changes.

The question of whether PPP expenditures will be tax deductible remains uncertain. Congress has made it clear they intend to fix this and legislatively make them deductible, but for now the IRS position of non-deductibility remains the law.

Q3: Do I pay employees that don't come to work due to COVID issues (displaying symptoms, near someone testing positive, quarantined, etc.)?

Answer: It is complicated and uncertain. We urge you to reach out to an HR specialist to help you determine if you, as a dental office, are exempt from having to comply with the Families First Coronavirus Response Act (FFCRA) and how this may relate to state and local laws related to Sick and Safe time off. Further, whether or not you are exempt, you should consider what you want your practice environment to be and what policies will best support your business. Following is a list of HR specialists that might be a good resource for you.

All Things HR - www.allthings-HR.com or 425.248.4978

Bent Ericksen - <http://www.bentericksen.com> or 800.679.2760

HR for Health – <https://www.hrforhealth.com/> or 877.779.4747 (option 1)

Or your HR attorney

Q4: My fall hygiene schedule looks a bit weak due to the closures in March, April and May. What do I do?

Answer: We are not endorsing the following vendor, but we found their video on this topic to be interesting. Whether you use their software, some similar software or do it on your own, we thought their proactive approach appropriate to managing your schedule as best as possible was a good one. <https://get.dentalintel.com/production-pandemic/>

Dental Group, LLC - We continue to work both in the office and remotely. Our meetings will be done via teleconference and or online collaboration. If you need to drop off documents, please call ahead to coordinate a time when we will be in the office as there is no safe place to leave documents at the door. If you have any questions, please do not hesitate to contact us directly at (425) 216-1612.