



Covid-19 Resource Summary®

With the rapidly changing landscape, we wanted to provide a summary of the resources that have become available so far as we all struggle to deal with the unprecedented challenges.

Federal Tax Deadline. The federal tax deadline has been pushed back from April 15th to July 15th. This gives all taxpayers an automatic extension to both file and pay any amounts due without penalties or interest. However, we still encourage you to file your personal tax returns as soon as possible. If you have a refund coming to you, we want to get you that money as soon as possible. If you owe, you will have until July 15th to pay, but it will help you budget and know what your liability is. In the past, if you typically had any refund applied in order to cover future estimates, we are currently planning to refund that money to you in order to give you more access to cash, and will tax plan more for 2020 based on how the next several months turn out.

Washington B&O Taxes. The Department of Revenue has announced that businesses can request an extension for B&O taxes due starting in March. The extension is not automatic, so it must be specifically requested, and it is not clear yet how they will determine who is eligible. As Department of Revenue (DOR) staff is currently limited and their physical locations are essentially closed, all requests must be done online through the company's My DOR account. Thus far, any requests we made have been approved.

We are recommending that everyone request this extension. Contact us if you need assistance navigating the DOR website to make this request.

Delta Dental Assistance Program. The Delta Dental of Washington Independent Dental Practice Reimbursement Advance Program (RAP) is intended to provide a base-level of practice cashflow to help cover the fixed costs of a practice. The RAP will consider the average DDWA clinical reimbursement payments from 2019 and will advance future clinical reimbursement payments to DDWA Member Dentist practices for eight weeks. These advance payments will be recovered in small increments later in 2020 as practices begin to provide treatment once again. This program is voluntary, and all interested Member Dentists will need to apply.

Get more information here <https://www2.deltadentalwa.com/provider/ddwa-member-dentist-covid-19-financial-support>.

Consider applying for the SBA Disaster Relief Loan. As of today, March 24, this is the best option, if you have already exhausted your other options, such as your current lender or line of credit. However, the new stimulus package, that will be voted on this week by Congress, may have better and easier options, but we need to wait and see. If you choose to apply for this loan, or another loan that may come out, we encourage you to apply for a loan that is large enough to cover all practice overhead, loans, and necessary distributions for up to 6 months. While you will likely not need that much money, we encourage you to include the amount in your application.

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

Contact your banker. Most banks are offering relief to dental clients who have loans. These options vary, bank to bank. This will be an important help during the coming months.

Contact your credit card company. Some credit card companies are offering \$0 minimum payment and 0% interest for a month or more. This may be a way to better leverage the cash on hand if the payment can be delayed.

Contact your landlord, supply company and labs, which represent your largest expenditures. Ask these vendors for payment options during the time the practice has limited operations.

Contact your health insurance broker. 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 landscape and each state is different, we strongly recommend that you talk with your insurance broker. We also recommend that you continue to pay for health insurance unless your broker advises otherwise. While this may not be required, it can go a long way to helping your employees.

Stop all owner payroll for corporations. If you need to pull money from the practice, withdraw money as an Officer Loan, Distribution or Draw. Do not run your pay through payroll in order to save both the payroll fees, retirement contributions and payroll taxes at this time. It is easier to get disaster relief if practice owners are not on payroll.

Guide your team to file for unemployment, even if they are working reduced hours. Each state has different rules, so we highly encourage speaking with an employment lawyer, if you are having trouble navigating through the website or information. Employees working reduced hours, since they may be helping with emergencies, may still qualify for unemployment (pay received while working part time will reduce unemployment benefits, but employees working limited hours can still receive unemployment).

Paid Leave. The Family First Corona Virus Relief Act (FFCRA), was signed into law on March 18. This greatly expanded the Family Medical Leave Act to include employers with fewer than 500 employees. The law goes into effect April 2, but it is still not clear at this time how it will impact dentists. The law allows exceptions for healthcare providers and employers with fewer than 50 employees.

The coverage is in addition to any existing paid leave policies you may have and starts once an employee (who has been employed by the company for at least 30 days) has missed work for 10 days and cannot reasonably perform their job by telecommuting.

Employees qualify for sick leave if they are subject to a government enforced quarantine, have been advised by a health care provider to self-quarantine, or are experiencing COVID-19 symptoms and seeking a medical diagnosis.

Family leave is when they must care for a family member displaced by closed schools or daycare.

Sick Leave Wages

- 100% of ordinary pay, up to \$511 per day.
- Up to 2 weeks.

Family Leave Wages:

- 2/3 of ordinary pay, up to \$200 per day.
- Up to 12 weeks, capped at \$10,000 per quarter.

Employers will be reimbursed in the form of a payroll tax credit, claimed on the next quarterly payroll tax return. The amount of the credit is 100% of the paid leave under either the sick leave or family leave rules. The credit is only available to those forced to pay under the new rules. Employers that already have paid leave policies in place cannot receive credit for benefits that would have been paid under the existing policy, and they are not currently allowed to make changes to those existing policies.

Other HR Considerations. Visit the Employment Security Department website <https://esd.wa.gov/newsroom/covid-19> to learn more about the options available which may include using state programs (Washington Paid Family Medical Leave, Sick and Safe), paid time off, and of course considering temporary lay-offs. They have a helpful chart that compares the various state programs and when they would come into play.

We have been told (and again urge you to confirm) that you may pay out PTO in advance and that if you are paying an employee hourly with no employment contract you may drop pay to minimum wage. We do not know how this would interact with the employee's ability to claim unemployment or utilize the SharedWork Program.

Also check with Bent Ericksen (An HR Consulting firm for Dentists) at <https://bentericksen.com/coronavirus-faqs/>.

And, as always, we urge you to discuss all HR issues with your attorney and or HR specialist.