



Business FAQs During COVID-19

This information is current as of March 19, 2020. The information contained in this document is intended as general advice. The MDA recommends that you also consult with your own professional advisors about your individual situation and the applicable law.

Human Resources

If I close my office, do I have to pay my employees?

Hourly (non-exempt) employees you do not have to pay — if they don't work, then they don't get paid. However, you may want to pay them as a gesture of goodwill. See financial section below for information to address the cash flow situation in your office.

For exempt employees, you will have to pay them if they work for part of a work week, but they do not have to be paid if they are off work for an entire week. You may direct exempt staff to take vacation or debit their leave bank account during a disaster, whether for a full or partial day's absence, provided the employees receive in payment an amount equal to their guaranteed salary.

If I close my office, does my staff qualify for unemployment benefits?

On March 16, 2020, Minnesota Governor Tim Walz issued an executive order to ensure workers affected by the COVID-19 pandemic have full access to unemployment benefits.

If employment has been affected by COVID-19, employees can apply for unemployment benefits.

To apply visit the following link: [Minnesota Unemployment Insurance Benefits System](#)

Can I reduce workers hours?

Employers experiencing a slowdown in their businesses as a result of COVID-19 may apply for the Unemployment Insurance Shared Work Program. The program allows employers to seek alternatives to layoffs by reducing employee hours and wages that can be partially offset with UI benefits. Employers who are approved to participate receive the percentage of their weekly Unemployment Insurance benefit amount based on the percentage of hours and wages reduced, not to exceed 60 percent.

For more information and to apply visit the [shared work website](#).

Families First Coronavirus Response Act

The federal government has passed legislation that created emergency paid sick leave and emergency expansion of family and medical leave. The sick leave provision would require employers to provide two weeks of paid sick leave under certain circumstances. Under the expansion of family and medical leave, employers must provide up to 12 weeks of leave with the first two weeks unpaid and the following

weeks paid. The employer will be reimbursed by the federal government through a tax credit. The credit is applied to the tax the employer pays for each employee's Social Security, in hopes of lessening the financial burden on employers.

However, the United State Department of Labor can exempt employers with less than 50 workers from having to pay these benefits. Health care providers may also be exempt. We are waiting on the Department of Labor to publish guidelines on these provisions that will help employers follow the new requirements.

What do I do if an employee is exhibiting symptoms?

Always err on the side of caution and send the employee home, and encourage any employee feeling sick to stay home. Also, encourage them to contact the state of Minnesota's COVID-19 hotline at: 651-201-3920 or 1-800-657-3903 for more information regarding any health questions.

Insurance

Will my insurance company pay business income if I have to close my office?

Most likely, no, since business owner's policies require "direct physical loss" in order to trigger a business income claim. When in doubt, file a claim since only your insurance carrier can make a final determination.

If an employee contracts the coronavirus, does workers' compensation provide coverage?

An employee who contracts the coronavirus while at work might have coverage under workers' compensation, but the burden of proof would be on the employee to prove the triggering event of the illness arose out of employment and occurred during employment. Your insurance carrier will evaluate each claim on its own individual set of circumstances.

If I contract the coronavirus, will my long-term disability income (LTD) policy provide benefits?

It's doubtful, since typical LTD policies have a 90-day waiting period before benefits are compensable. Check with your carrier on your individual policy specifics.

Will my group short-term disability income (STD) policy provide benefits if one of my employees contracts the coronavirus?

It's possible, since STD policies contain relatively short waiting periods. Please check with your carrier on the policy specifics.

Short-term disability benefits are there to support your employees when they have an injury or an illness that prevents them from doing the essential duties of their job.

If you have an employee who becomes ill or has symptoms and/or tests positive for COVID-19, and they are unable to work from home, your employee would be eligible to receive STD benefits in accordance with the contract.

Please note: If the employee is not exhibiting any symptoms and can continue their work from home while self-quarantined, there is no absence from work, so there is no disability claim.

The MDA partners with the Dyste Williams Agency for the insurance needs of our members. If you have questions about your current Dyste Williams policies, you can call them at 952-593-5025. You can also visit them online at <http://dystewilliams.com/coronavirus-faqs-impact-to-business-insurance-and-employee-benefits/>

Financial Relief

Would my practice be eligible for federal loans offered by the Small Business Administration (SBA)?

At this time, Minnesota is not an included state for the SBA Disaster Assistance Loans for Small Businesses Impacted by Coronavirus. The Minnesota Dental Association is monitoring this situation and will provide updated information as it becomes available. To check if Minnesota has been designated a state for SBA loans related to impacts of the coronavirus, visit the SBA's website.

<https://www.sba.gov/disaster-assistance/coronavirus-covid-19#section-header-1>

Because interest rates are low, would a credit card be something to consider?

Low-interest or even zero-interest credit cards may be available and could be a good choice during this unpredictable season. You also may want to consider making minimum payments or even restructuring existing lines of credit to take advantage of the lower interest rate environment.

Would another option be to get a loan from my financial institution?

Yes, working with a banking partner with whom you already have an established relationship is an excellent option to consider. Often, this may be a more efficient option that allows relatively quick access to needed capital. Some financial institutions are waiving penalties and fees for things like emergency CD withdrawals, so it's best to reach out and inquire about what would be best for your situation.

Are there options if my practice needs to skip payments?

The best recommendation is for you to contact vendors and financial partners directly — and proactively — to make requests. Since skipping a payment without making prior arrangements can have a negative impact on your credit, it's encouraged that you reach out in advance of missing any payments. You could potentially negotiate terms that include requesting a pause on payments, making interest-only payments or pausing automatic payments. One may also consider the possibility or options surrounding:

401(K) Loan If a 401(K) plan is offered and if the plan allows for participant loans – consult your plan sponsor, which is typically the employer or a financial institution).

Home Equity Line of Credit (HELOC) – (Contact the financial institution where your mortgage is with – consider also inquiring about whether the lower interest rate environment makes sense to complete a refinance in your situation).

Do you have suggestions for other ways my practice can access funds during this time of uncertainty?

We suggest continuing to manage your receivables and collect them from patients and insurance companies even during the pandemic to bring in payments for services that have been rendered.

The MDA partners with Bank of America Practice Solutions for dental practice loans. If you have questions regarding financing, please call them at 800-497-6076.

Department of Revenue

The IRS has established a special section focused on steps to help taxpayers, businesses and others affected by the coronavirus. This [page](#) will be updated as new information is available.

Has the income tax deadline changed?

The IRS has extended the deadline for federal income tax payments only to July 15, 2020, for payments due of up to \$1 million for individuals and up to \$10 million for corporations. **NOTE:** The grace period is for **Tax Payments only**. At this time, **filing of** federal and Minnesota **individual** income tax returns are still required by April 15, 2020.

What if I cannot file and pay my taxes on time due to COVID-19?

Please contact the department if you cannot file and pay on time due to COVID-19 illness or a related situation. You may ask us to abate (cancel) penalties and interest for late filing or payment if you have a reasonable cause. [See Penalty Abatement Information for Individuals.](#)

Other Resources:

MDA Dedicated Web Page

<https://www.mndental.org/virus/>

ADA Dedicated Web page

<http://ada.org/virus>

ADA FAQ page

<https://success.ada.org/en/practice-management/patients/coronavirus-frequently-asked-questions#Privacy>

CDC Interim Guidance for Businesses and Employers

<https://www.cdc.gov/coronavirus/2019-ncov/community/guidance-business-response.html>

Department of Commerce:

<https://www.commerce.gov/>

Department of Health Worker Protection Related To COVID-19

http://www.dli.mn.gov/sites/default/files/pdf/MN_worker_protections_related_to_COVID_19.pdf

Internal Revenue Service:

<https://www.irs.gov/>

Minnesota Department of Revenue

<https://www.revenue.state.mn.us/>