

Veterinary Hospital

Update on Current Issues

U.S. Small Business Administration Loan Assistance

This is still emerging, but disaster assistance information can be found on their website:

<https://www.sba.gov/funding-programs/disaster-assistance>

Business Tools & Resources

We have compiled a list of resources designed to help navigate this crisis, mitigate the financial effects, and manage day-to-day operations. Some of these resources are available and can be leveraged immediately. For those still being formalized, rest assured we are keeping a close eye on development. <https://www.ksmcpa.com/blog/navigating-the-covid-19-crisis-business-tools-and-resources#>

Hospital Owner's Considerations:

1. Communication – It never hurts to overcommunicate
 - a. Text, email, use video
 - b. Staff – It's very important to keep them informed
 - c. Pet owners
2. Employee safety – Follow state and AVMA/AAHA recommendations
3. Client and patient safety - Follow state and AVMA/AAHA recommendations
4. **Business liquidity:**
 - a. See KSM break-even calculator
 - i. Critically review expenses – See outline
5. Delay 2019 federal income tax due until 7/15 (as of date of this presentation)
6. Delay 2020 first quarter federal estimated tax payment (as of date of this presentation)
7. Other matters:
 - a. Confirm availability of line of credit
 - i. If possible, increase it
 - ii. If no line of credit, immediately apply
 - b. Bank loan payment deferral
 - i. Most banks are at 90 days
 - ii. Each owner must receive in writing the deferral allowance
 - c. Credit card deferral – Creditor-specific
 - d. Vendor deferral – Need to check and get it in writing
8. Reduce inventory levels
 - a. Restock only critical medicines
 - b. Defer other sales to online store
 - c. See above, but ask vendors to provide delayed billing
9. Client account receivable terms
 - a. CareCredit/Scratchpay qualification prior to visit

- b. Consider suspending any additional credit offered
- c. Carefully review wellness plan payment schedules
 - i. Consider freeze of new patients
 - ii. Collect all monies at time of service or conduct pay qualification prior
- 10. Extend 2019 retirement plan deferral match
- 11. Suspend 2020 retirement plan match, if permitted (double check with plan trustee)
- 12. Cancel/defer all employee travel and continuing education courses
- 13. Telemedicine – Implement and charge for time
- 14. Employee safety/compassion
 - a. Deferral of personal finances
 - i. Mortgage/rent
 - ii. Credit card payments
 - iii. Retirement plan deferrals
 - iv. Other

More information is available at KSM's COVID-19 Resource Center:

<https://www.ksmcpa.com/covid-19>