

## PPE Cost Survey Results & SBA Loan Forgiveness Application Highlights

### Survey Results: "What is PPE Costing You?"

Thanks to each of you who participated in our PPE survey! We truly appreciate your experience so we may help the community realize the costs PPE is having on independently owned dental practices.

After reading the results of hundreds of dentists nationwide, key PPE trends are:

- **Billing Patients:** 61.2% of dentists said they will bill patients for the extra PPE costs. Overall, dentists share they are billing \$10-12 per patient; however, one office is billing \$30. **When adding the up front, fixed costs for PPE to the variable costs per patient seen, the additional invoice amount would need to be higher than \$12 per patient for most offices--if trying to recoup 100%.**
- **Re-Opening:** 81.5% of dentists who responded will re-open by today with only 14% expecting to re-open *after* June 1.
- **PPE Out of Stock:** although offices are reopening, they have very limited supplies and some are staying closed due to this issue. 90.18% of practices have N95 masks on back order and 74.9% state that gowns are on back order.
- **Time Between Patients:** 67% of dentists will be adding up to 20 minutes between patients, with 29% of those practices adding only 10 minutes for room turnover. For practices with 45 minute hygiene appointments, this can mean as much as a 40% increase in time needed per patient appointment.
- **N95 Masks:** On average, spending has ranged from \$4 to \$5.30 per mask. 67.5% of dentists are spending *more than* \$4 and 63.5% are spending *less than* \$5.
- **Gowns:** 57.76% of dentists are spending more than \$5 per gown, due to using reusable gowns. Many offices shared that they are using gown rental services.
- **Face Shields:** This PPE expense had the widest response range. 49.28% of practices are spending less than \$12 per shield yet 39.56% are spending over \$15.

DENTIST SURVEY RESULTS:

**"61% SAY THEY  
WILL BILL PATIENTS  
FOR THE EXTRA PPE  
COSTS."**

Effect of PPE On Your Cash Flow Survey Report  
published on: WillefordGroup.com

## **Loan Forgiveness Application Released by SBA Friday Night**

While the application is not the full guidance we have been waiting for, it does give us significant insight into the direction the SBA is headed with forgivable expenses as well as the process the SBA will use when we are requesting forgiveness.

Please [CLICK HERE](#) to download the application, including the Schedule A & Worksheets.

- Key aspects expected to change: Unfortunately, the Loan Forgiveness Application has been released prior to the SBA defining key aspects of the PPP loan as well as prior to Congress voting to extend the 8-week time period & payroll percentages. We are expecting a change in at least one of those two aspects, **which would significantly change the application.**
- Expenses do NOT have to be incurred AND paid in the 8 weeks: this is the most important fact in the application and is a change from the CARES Act and previous guidance. The prior language said "incurred AND paid" -- the ability to include both will make it much easier to meet full loan forgiveness.
  - Payroll effect? It appears payroll paid for wages earned prior to the 8 weeks will qualify for loan forgiveness; however, the SBA does not state how far in arrears the payroll could have been earned. And, it does not mention a limit on the amount of bonuses or increased pay you are allowed to pay your employees.
  - Rent effect? It appears all rent payments "paid or incurred" will qualify, as long as they are in accordance with the lease that was in place prior to Feb. 15th. Thus, deferred rent payments appear to be eligible for forgiveness as long as they were paid during the 8 weeks. Again, the SBA does not mention a limit on the maximum number of rent payments.
  - Retirement plan effect? It appears Corporations will be able to receive forgiveness for all retirement plan payments paid during the 8 weeks. Meaning, it appears both matching contributions as well as profit sharing or DB plan contributions are eligible. That being said, the SBA does not comment on whether these payments made can cover 2019's contribution or all of 2020's, should you have the cash to make the larger payment.
- Pay period doesn't need to be weekly: for loan forgiveness, you will be allowed to choose an "alternate pay period."
  - You do not need to change your pay period to a weekly one.
  - "Alternate Covered Pay Period" will begin with the first date of payroll after receiving the PPP loan and ends 56 days later.
- Planning tip: if you choose the Alternate Period, you may want to plan on adding one extra payroll before the end of the 56 days so you can request loan forgiveness for the final days of incurred payroll expenses.
- Application due date: the application is to be submitted 60 days after the end of the 8 week period and is submitted to the lender.
- Other highlights: The SBA has not fixed, or clarified, a few important aspects of the legislation with this application. And, there is no mention of paying family members so, absent any guidance, that appears to be allowed. Finally, many details are missing as to the maximums allowed for expenses that were paid during the 8 weeks yet not incurred during that period.
- The application does confirm that any amount received under your EIDL grant (\$1,000 per employee), will reduce the amount of forgiveness on your PPP loan.