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The Business Impact Of COVID19 On Pediatric Practices

Webinar #15









Panelists Include: Katrina Skinner, MD Hiral Lavania, MD Paulie Vanchiere Chip Hart

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What We Are Not Going To Talk About

- 1. COVID19 Testing Options
- 2. Amount of time providers/staff should self-isolate
- 3. Treatments for people affected
- 4. Predict how long this will last
- 5. Issues that are geographic-specific
- 6. Detailed Human Resource Issues
- 7. Nitty Gritty Details of PPP Loans





Agenda

- 1. Thank You
- 2. Data Report
- 3. News Roundup
- 4. Things To Come
- 5. Homework Assignments

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Did we guess right?







What are we going to be talking about?

- Return to school
- PPP
- Flu Clinic
- **Tax Planning**
- **Telemedicine Payments**
- Staff Management Permission Slips
- Parent Issues (COVID Vaccines)



















Special "Thank You" to these 22 guests who have shared their experiences...



























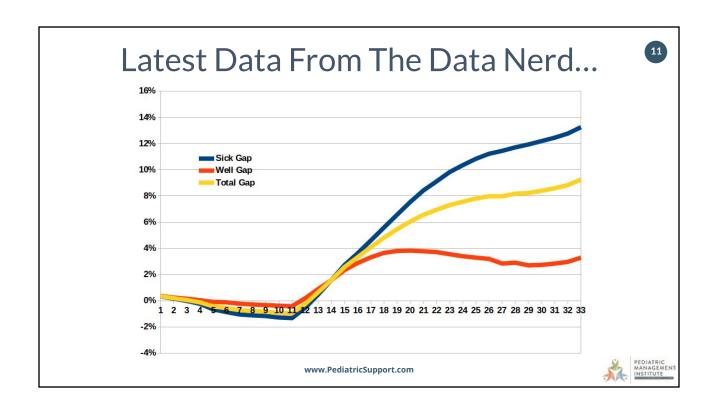


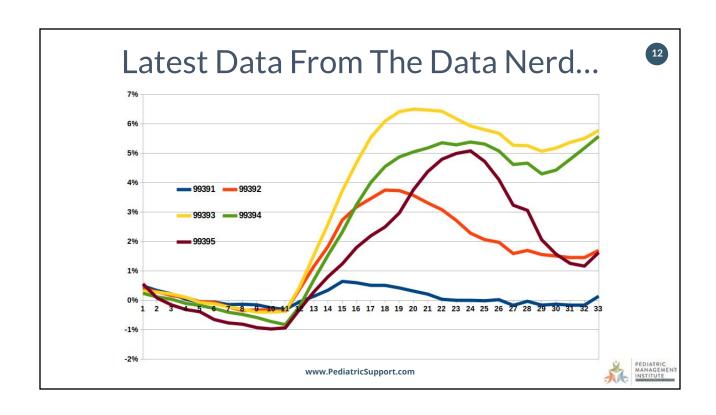


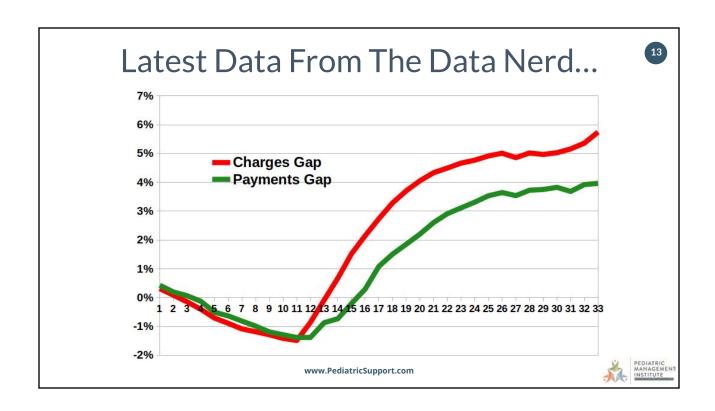


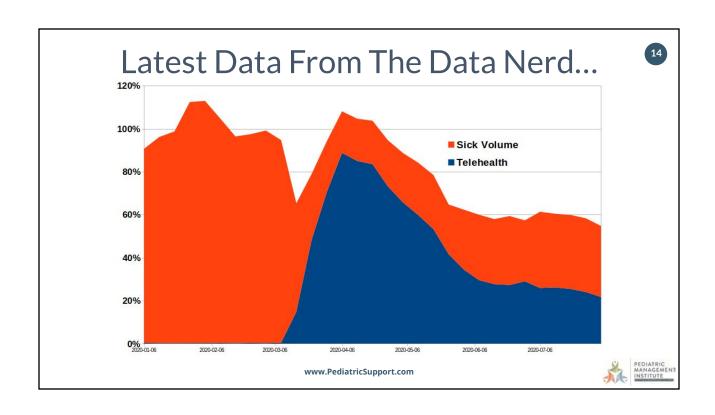


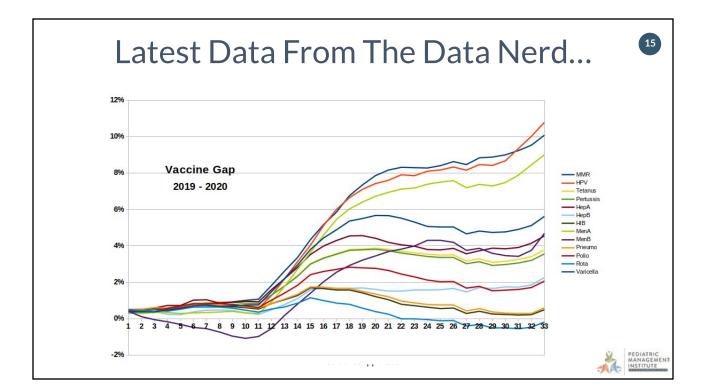












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In The News...



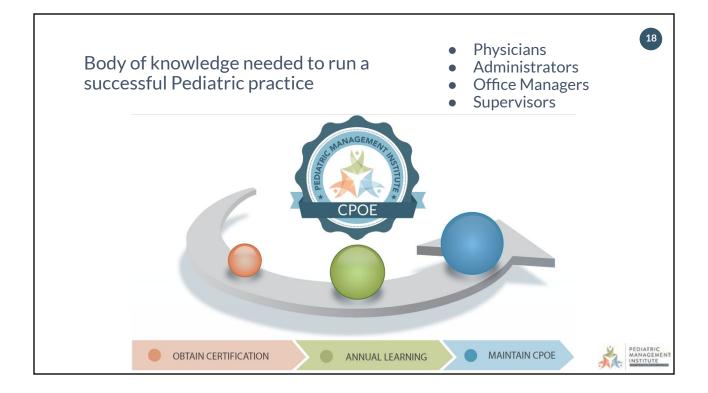
Certified Pediatric Office Executive





- 1. Budgeting For Pediatric Practices
- 2. Corporate Structures
- 3. Effective Interviews To Find The Right People
- 4. Effectively Marketing For Your Pediatric Practice
- 5. Equipment Lease Versus Purchase
- 6. Financial Key Performance Indicators (KPI's) In Pediatrics
- 7. How To Determine The Value Of A Medical Practice
- B. How To Easily and Accurately Set Your Prices Using RBRVS
- 9. Physician Compensation Models
- 10. Physician Employment Options
- 11. Practice Financing: Lines Of Credit & Loans
- 12. Process Improvement In Your Practice
- 13. RBRVS- What It Is And How It Affects Practices
- 14. Reading Financial Statements
- 15. Reducing No-Show's In Pediatric Practices
- 16. SWOT Analysis For Pediatric Practices
- 17. The Business Of Immunization
- 18. True Cost Of Billing Department And Outsourcing
- 19. Using PCMH Components To Increase Efficiency & Productivity
- 20. Value-Based Contracts For Pediatric Practices





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STChealth Initiates New Public-Private Partnership to Handle The Coming Massive

SO WHAT SHOULD STATES BE DOING NOW TO GET READY?

June 23rd, 11:32 AM ED

Break down the remaining barriers to pharmacists as vaccinators, including restrictions on the minimum age of patients. (This will give an option to parents who fear taking their children to doctors' offices.)"

The average number of all vaccines shipped for use in U.S., per year (from 2006 to 2016) was 281 million. There's talk of administering COVID-19 vaccinations to 300 million Americans.

How do we prepare to take on a huge increase in the number of vaccinations administered each year? One major solution could come from the new Pharmacy-Public Health COVID-19 Collaboration. In April and May of this year, STChealth brought together a select aroup of state public health and major pharmacy immunization professionals. They met to start the process

https://www.wfxg.com/story/42279771/stchealth-initiates-new-public-private-partnership-to-handle-the-coming-massive-increase-in-vaccinations



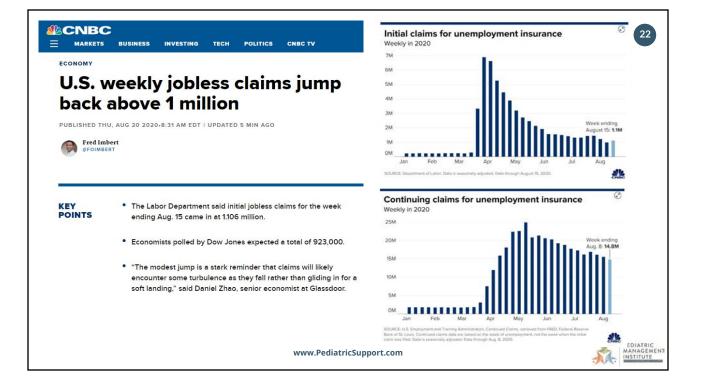
News Release

American Academy of Pediatrics Opposes HHS Action on Childhood Vaccines; Calls It 'Incredibly Misguided'

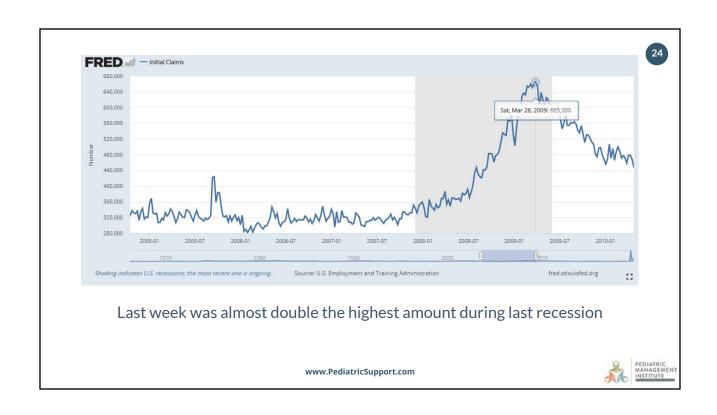
American Academy of Pediatrics Opposes HHS Action on Childhood Vaccines; Calls It 'Incredibly Misguided'

http://bit.ly/AAP-Pharma









Key Findings

In this brief, researchers estimate how 20 percent unemployment—expected in the coming months—could affect health insurance coverage. Findings include:

- An estimated 25-43 million people could lose their employer-sponsored health insurance coverage.
- More than half of the newly jobless will obtain Medicaid coverage in states that expanded Medicaid under the Affordable Care Act (ACA), while only about one-third will receive Medicaid coverage in the 15 states that have not expanded the program.
- Less than a quarter of these workers and their dependents in expansion states will become uninsured, while about 40 percent in non-expansion states will become uninsured.

How the COVID-19 Recession Could Affect Health Insurance Coverage

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https://www.rwif.org/en/library/research/2020/05/how-the-covid-19-recession-could-affect-health-insurance-coverage.html

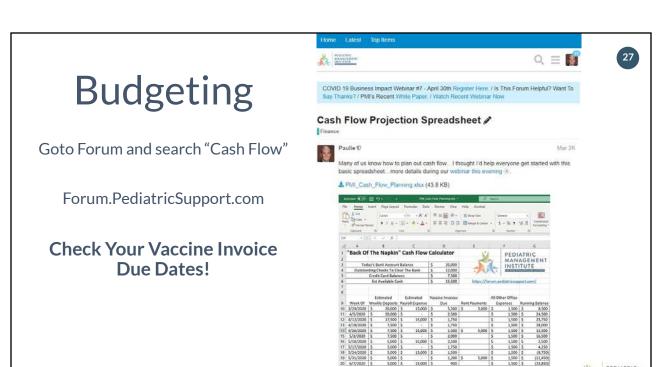
Nothing Wrong With Being Over-Prepared

- Manage Your Cash -

- Manage Your Expenses -

- Defer Owner Bonuses Until End Of 2020 -

Worse case, the owner bonuses end up being much larger at end of the year...



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Banks Ready To Process Forgiveness Paperwork?



COMMUNITY BANKS

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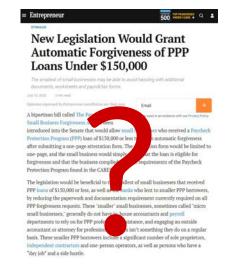
Why banks are putting PPP forgiveness on the back burner



The Paycheck Protection Program's forgiveness portal has debuted, leaving bankers and their borrowers with a big decision.

Those who participated in the \$659 billion program must determine if they are ready right now to navigate the complex system for having loans forgiven, or if it makes sense to wait and see if Congress intervenes and simplifies the process. That decision was complicated over the weekend when talks about a new round of stimulus collapsed, casting doubt on when — or if — PPP will get an overhaul.

A number of banks, including JPMorgan Chase, the program's biggest participant with \$29.2 billion in PPP originations, plan to hold off on processing applications. The \$3.2 trillion-asset banking giant will start the forgiveness process next month, said Kimberly Hooks, a vice president at Chase Business Banking.





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From Regional Bank:

Congress continues to consider additional changes to the PPP program via the HEALS Act with potential impact to the forgiveness phase. We believe there is a high likelihood that these changes could have a significant impact to the forgiveness application requirements for our borrowers.

PPP Forgiveness Application Process - holding for Congress

To protect our borrowers from the potential need to reapply, complete new and different forms, and load new documentation, UMB will wait to launch our PPP forgiveness application platform and we will not take applications at this time (emailed, printed, or otherwise). We will continue to monitor the proposed legislation, and will accept applications when we have increased clarity on the situation.

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Expansion of PPP Loan Uses Eligible for Forgiveness

The HEALS PPP would permit PPP loan proceeds to be used for the following expenses and remain eligible for forgiveness:

- Covered operations expenditures (which include payment for any software, cloud computing, and other human resources and accounting needs).
- Property damage costs (which include costs related to property damage and vandalism or looting due to public disturbances that occurred during 2020 that are not covered by insurance).
- Covered supplier costs (which include expenditures to a supplier pursuant to a contract for goods in effect prior to February 15, 2020, that are essential to the current operations of the entity).
- Covered worker protection expenditures (described as personal protective equipment and adaptive investments to help a borrower comply with federal health and safety guidelines related to the COVID-19 pandemic during the period between March 1, 2020, and December 31, 2020).

Change in Covered Period

Currently, the covered period for PPP loan is 24 weeks (or alternatively 8 weeks for borrowers who received their loans prior to June 5, 2020, and elected to use an 8-week covered period). The HEALS PPP would allow borrowers to select a covered period between 8 weeks after loan origination and December 31, 2020.

Simplified Forgiveness Application

The HEALS PPP would significantly simplify the loan forgiveness application process for many borrowers as follows:

- Loans under \$150,000 would be forgiven in full upon the borrower's attestation to a good faith effort to comply with PPP loan requirements and retention of relevant records for three years (subject to audit for fraud by the Small Business Administration, or
- Loans between \$150,000 and \$2 million would require certification by the borrower that information contained in record retention was accurate and complete, and the retention of records and worksheets for three years. These loans would be subject to SBA's current loan forgiveness procedures and would remain subject to SBA audit.pport.com
- Loans over \$2 million would be unaffected.

Group Insurance Payments as Payroll Costs

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The HEALS PPP would clarify that employer-provided group insurance benefits other than health care benefits (e.g., life, disability, or AD&D) fall within the definition of forgivable payroll costs.

PPP Loan Cap

The HEALS PPP would cap any future PPP loans at \$2 million.

Second PPP Loan Availability

The HEALS PPP would allow eligible PPP borrowers to receive a second PPP loan, referred to as a "second draw."

To qualify, an entity must:

- Meet the SBA's revenue size standard, if applicable;
- Employ not more than 300 employees; and
- Demonstrate at least a 50% reduction in gross receipts in the first or second quarter of 2020 relative to the same 2019 quarter.

Increased Loan Amount Flexibility

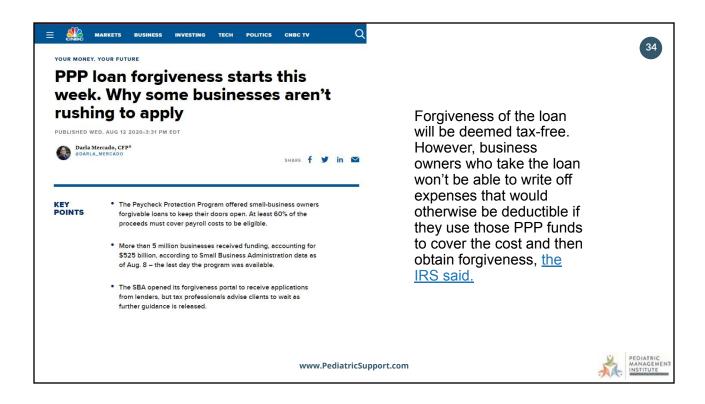
A borrower who received a PPP loan that is eligible for an increased covered loan amount as a result of any interim final rule that allows for covered loan increases would be permitted to submit a request for an increase in the covered loan amount (regardless of whether the initial covered loan amount has been fully disbursed or the lender of the initial covered loan has submitted Form 1502 [a form required to be completed by lenders] to the SBA).



Paulie's Executive Summary:

- HEALS Act Not Finalized- Final bill to be passed
- Potential Second Round For Everyone (Second Draw)
- Simplified Forgiveness Process
- Most banks holding off on processing forgiveness of existing loans





PPP Implications?



PPP Loan Amount: \$150,000

Α	Practice Income	Sce \$	nario #1 2,000,000
B	Practice Expenses	\$	1,850,000
C	Forgivable Loan Amount	\$	-
D	Deductible Expenses	\$	1,850,000
E	Net Income	\$	150,000
F	Corporate Taxes	\$	48,000

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PPP Implications?

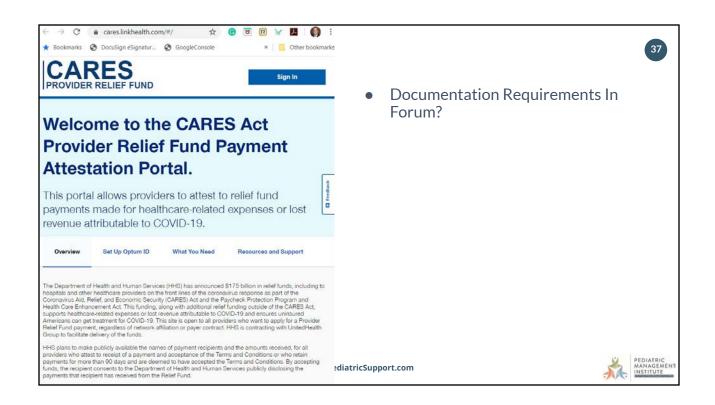
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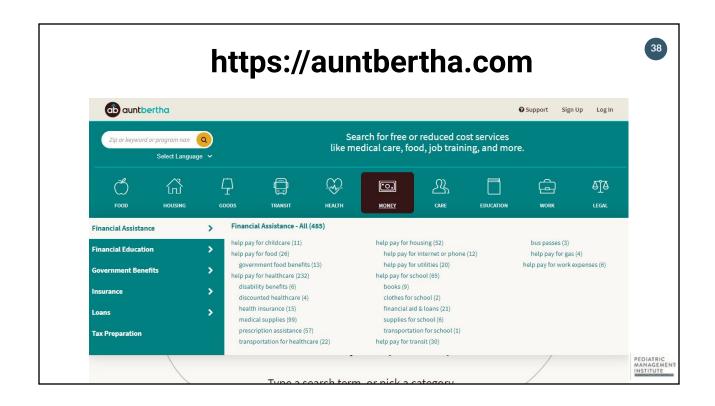
PPP Loan Amount: \$150,000

		Sce	Scenario #1		nario #2	
A	Practice Income	\$	2,000,000	\$	2,000,000	Actual
B	Practice Expenses	\$	1,850,000	\$	1,850,000	Actual
C	Forgivable Loan Amount	\$	-	\$	150,000	Actual
D	Deductible Expenses	\$	1,850,000	\$	1,700,000	B - C
E	Net Income	\$	150,000	\$	300,000	A - D
F	Corporate Taxes	\$	48,000	\$	96,000	E X 32%

Start planning with your tax accountant soon....







* DRIVE-THRU FLU CLINIC

Overview

- Scheduling Patients
- Flu Questionnaire
- Flu Clinic Flow
- What Will OFP Do?

Scheduling

- Verifying demographics/insurance
- Verifying CCOF and checking balances
- Do they need a well check/asthma check/med check?
- How many cars at a time?
- Parents and patients?

Flu Questionnaire

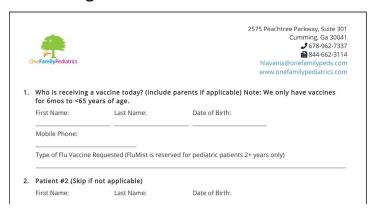
- · When should parents complete it?
- · What should be included
 - Patient name and DOB
 - Flu shot questions vs Flu mist questions
 - · VIS sheets?
- If day of, will staff ask questions?
 - · Limit patient contact

Flu Clinic Flow

- Talk with your landlord
- Vaccine coolers CDC cold chain guidelines
- · Number of staff members and designated roles
- Internet access Wi-Fi extender vs hotspot
- · Crash cart
- Weather
- How will the cars line up?
- Will walk-ins be accepted?

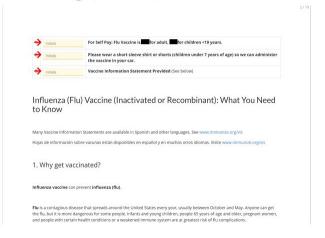
What Will OFP Do?

Scheduling



What Will OFP Do?

Scheduling (Cont'd)



What Will OFP Do?

- Scheduling (Cont'd)
 - 4 cars per 15 min slot
 - · Front desk will check online schedule
 - Verify CCOF/outstanding balances/missing appointments



What Will OFP Do?

- Day Before
 - · Verify insurance
 - Prepare and separate vaccines by family

What Will OFP Do?

- Day Of
 - Set up parking areas
 - Set up tent
 - Place crash cart under tent
 - Bring down vaccines, items required for vaccines, sharps container, PPE
 - · Ponchos and umbrellas if it rains
 - Covid screening by front desk





What Will OFP Do?













- · Open-minded
- Influential
- Motivated, problem-solving
- Empowering
- Knows when to lead the charge

Leader Qualities

Set yourself up for success by developing these traits.





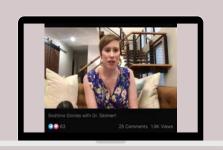
- Gather information and effectively disseminate it
- Advocate
- Develop and share your vision

Leader Behaviors

Practice these habits to stay out in front.

YOU HAVE NOT BECAUSE YOU ASK NOT.

James 4:2-3 and my Granny













Takeaways From Last Twelve Weeks



Webinar 1:

- Flexibility
- Communication
 - Prepare Staff
 - Prepare Providers
- Cash flow Planning
 - Budget
 - Call Landlords
- Telemedicine

Webinar 2:

- · Cash Is King
- SBA Loans

Webinar 3:

- Review TM Claims
- Revenue needed in three weeks
- Be Proactive & Engage With Patients
- HR/Legal

Webinar 4:

- Find Opportunities To See Patients
- Leadership Is Essential
- State Medicaid Programs & Telemedicine

Webinar 5:

 Drowning means you're still alivelwww.PediatricSupport.com

Webinar 6:

Advocacy

Webinar 7:

Communicate with your patients!

Webinar 8:

• Recall, Recall!

Webinar 9:

Prepare for the future

Webinar 10:

- This is a marathon, not a sprint.
- The AAP is advocating for you.



Homework



- Stay Healthy!
- Weekly Budgeting
- Responsibility Matrix
- Patient Recall List
- Contact the media
- Stay Connected: Forum.PediatricSupport.com