

# How to keep your physician practice going during COVID-19 pandemic

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While the financial squeeze for physician practices may not be as obvious as that felt by bars, restaurants and other businesses shut down by social-distancing measures nationwide, doctors' offices are still being hurt financially. Physicians have been urged to cancel elective procedures, and many patients who would have previously left the house for an appointment are now staying home.

In this rapidly evolving situation, it is imperative for physicians and their practices to focus on their business and financial operations in order to sustain the practice and care for patients in the long term. To aid in this effort, the AMA has developed 14 tips to help physicians keep their practice in business amid the COVID-19 pandemic.

Among other things, physician practices should:

- Evaluate existing financial obligations.
- Make a financial contingency plan.
- Keep current on new care delivery flexibilities.
- Understand how to continue business operations.

Learn what the \$2 trillion coronavirus relief plan means for doctors. The package includes several provisions that could help mitigate the financial battering that COVID-19 is inflicting on physician practices.

The AMA and the Centers for Disease Control and Prevention (CDC) are closely monitoring the COVID-19 global pandemic. Learn more at the AMA COVID-19 resource center and consult the AMA's physician guide to COVID-19.

## Find out which bills can be postponed

As physicians are urged to postpone or cancel elective surgeries and perform fewer outpatient visits, practices are seeing less clinical revenue as a whole. Practices should revise their financial plans to ensure ongoing liquidity. Physicians and their practices should develop a contingency plan that considers financial approximations of how much revenue is required to stay in operation.

An important component when evaluating current financial obligations is to communicate with third-party businesses, from vendors to landlords, in order to understand what policies and agreements are in place in the case of cash flow disruption.

## **Plan for the worst**

With so much uncertainty facing businesses and individuals across the country, it is important to develop or implement a financial contingency plan.

Beyond managing cash as much as possible, practices should delay or limit discretionary payments or bonuses and communicate with creditors to arrange for forgiveness or new stipulations based on reduced revenue.

## **Put one person's eyes on the news**

Regulatory obstacles are seemingly being waived on a daily basis to assist doctors and improve patient care during the COVID-19 emergency. It is easy to get overwhelmed by the constant updates or miss an important policy change, but in order to protect the practice, it is critical to keep track of the latest developments.

To help streamline this information and help prevent an influx of email to everyone in the practice, assign one administrative staff member to sign up for and disseminate alerts from your Governor's office, state and local departments of health, and payors.

## **What you need to know to keep going**

As more states and localities continue to issue emergency or "shelter in place" orders, your practice's business operations may be affected — if they haven't already. Although medical practices are often considered "essential operations" or "critical infrastructure industries," many businesses tangential to the practice, such as your office building, are not.



The AMA created two template letters for physician practices that can be tailored to each practice's specific needs and situation. The employee essential business certification letter is for practice employees to show if they are stopped by authorities on the way to work. The essential critical infrastructure notice letter is for the practice to send to employees to help explain how their work is considered an essential service and why they should report to work.