
SUSTAINABILITY

Physician practices: Learn how to get help under CARES Act

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Kevin B. O'Reilly
News Editor
American Medical Association

 [@kboreilly](#)

[Full Bio](#)

The [\\$2 trillion COVID-19 relief bill](#) enacted last month by Congress and signed into law by President Trump offers several provisions that could help small businesses—including physician practices and other health care organizations employing 500 or fewer workers—withstand some of the economic pain inflicted by physical distancing policies and the cancellation or postponement of nonurgent medical care.

Featured updates: COVID-19

Track the evolving situation with the AMA's library of the most up-to-date resources from JAMA, CDC and WHO.

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The AMA has developed a [resource that outlines what doctors and their practices need to know](#) about potentially helpful provisions of the Coronavirus Aid, Relief and Economic Security (CARES) Act. Physicians should act quickly to take advantage as

Payroll protection program

This Small Business Administration (SBA) program is open to employers, including physician groups, with 500 or fewer employees. The program allows a small business to apply to an SBA-approved lender for a loan of up to 250% of the business' average monthly payroll costs to cover eight weeks of payroll as well as help with other expenses like rent, mortgage payments and utilities. The maximum loan amount is \$10 million.

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A loan can be forgiven based on maintaining employee and salary levels. For any portion of the loan that is not forgiven, the terms include a maximum term of 10 years, a maximum interest rate of 4%. This program is retroactive to Feb. 15 and is available through June 30.

Learn more from the [SBA about the Payroll Protection Program \(PPP\)](#).

Economic injury disaster loans

These are lower-interest loans of up to \$2 million, with principal and interest deferment available for up to four years. They are meant to pay for expenses that could have been met had the disaster not occurred, including payroll and other operating expenses. An eligible entity that has applied for this loan can request an advance on that loan, of not more than \$10,000, which the SBA must distribute within three days.

Advance payments may be used for providing paid sick leave to employees, maintaining payroll, meeting increased costs to obtain materials, making rent or mortgage payments and repaying obligations that cannot be met due to revenue losses.

Learn more from the SBA about [Economic Injury Disaster Loans \(EIDLs\)](#).

Can you apply for both?

If your practice or physician group gets a PPP loan that is forgiven, any advance amount received under the EIDL would be subtracted from the amount forgiven in the PPP loan. Small businesses can get both an EIDL and PPP loans, as long as they do not cover the same expenses. Physicians should consult with their lender before applying for both types of loans.

The CARES Act also includes a small-business debt-relief program and tax provisions that could prove helpful to physician groups that employ 500 or fewer workers. Learn more about those provisions at the AMA's resource on how the [CARES Act can help physician practices](#).

For a broader overview, read the [AMA's summary of the CARES Act highlights](#) or click here to find out [what the CARES Act means for physicians and medical students](#).

Also, learn more with the AMA about the [Centers for Medicare & Medicaid Services' Accelerated and Advance Payment Program](#) that will continue for the duration of the COVID-19 health emergency.

Stay up to speed on the [AMA's COVID-19 advocacy efforts](#) and track the fast-moving pandemic with the [AMA's COVID-19 resource center](#), which offers a library of the most up-to-date resources from [JAMA Network™](#), the Centers for Disease Control and Prevention, and the World Health Organization.

Medical Practice Emergency Management

COVID-19 Practice Management Guidance

Coronavirus Aid, Relief and Economic Security (CARES) Act



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A time to stand together

With expert resources and tireless advocacy, the AMA is your powerful ally against COVID-19.

Support Our Efforts

COVID-19 action plan

This quick-start COVID-19 guide, curated from comprehensive CDC, JAMA Network and WHO resources, will help prepare your practice, address patient concerns and answer your most pressing questions.

Start Planning



COVID-19 test shortage: How a clinic stayed local for solutions



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