Business FAQs During COVID-19

Human Resources

If I close my office, do I have to pay my employees?
You are not required to pay hourly employees — if they don’t work. However, supporting your dental teams to help them through the crisis may be important when regular service resumes. Offices may want to consider reducing rather than eliminating hours or assigning shifts to maintain their ability to treat emergencies.

For exempt (salaried) employees, you will have to pay them if they are willing and able to come to work, but you closed the office. You may direct exempt staff to take vacation or debit their leave bank account during a disaster, whether for a full or partial day’s absence, provided the employees receive in payment an amount equal to their guaranteed salary.

Please note: Some provisions of the “Families First Coronavirus Response Act” currently before Congress may affect requirements to provide leave or payment for employees unable to work due to the COVID-19 outbreak. Please keep an eye on further developments in this area.

If I close my office, does my staff qualify for unemployment benefits?
At this time, the New Mexico Department of Workforce Solutions has not issued any guidance related to unemployment benefits and COVID-19. We are monitoring this issue and will update you if anything changes.

What is the federal legislation “Families First Coronavirus Response Act”?
This act is NOT effective yet and the ADA has joined many other organizations to effect changes. The Senate still has to vote on it and then the president will have to sign it into law. We are monitoring this legislation and will update you if anything changes. This legislation would provide 12 weeks of job-protected paid Family and Medical Leave Act (FMLA) leave for employees of employers with fewer than 500 employees if they have to quarantine themselves or care for a family member who is quarantined or for a child whose school has been closed. Employees may use accrued personal or sick leave during the first 14 days, but employers may not require employees to do so. Employers with fewer than 500 employees also will be required to provide full-time employees two weeks (80 hours) of paid sick leave for specific circumstances related to COVID-19 (e.g., self-isolating, doctors’ visits, etc.). Part-time employees are entitled to the number of hours of paid sick time equal to the number of hours they work, on average, over a two-week period.

What do I do if an employee is exhibiting symptoms?
Employees exhibiting symptoms of COVID-19, common cold, flu or similar respiratory ailments should be sent home. Encourage them to contact the state of New Mexico’s COVID-19 hotline at 1-855-600-3453 for information about testing.
Insurance

Will my insurance company pay business income if I have to close my office?
Most likely, no, since business owner’s policies require “direct physical loss” in order to trigger a business income claim. When in doubt, file a claim since only your insurance carrier can make a final determination.

If an employee contracts the coronavirus, does workers’ compensation provide coverage?
An employee who contracts the coronavirus while at work might have coverage under workers’ compensation, but the burden of proof would be on the employee to prove the triggering event of the illness arose out of employment and occurred in the course of employment. Your insurance carrier will evaluate each claim on its own individual set of circumstances.

If I contract the coronavirus, will my long-term disability income (LTD) policy provide benefits?
It’s doubtful, since typical LTD policies have a 90-day waiting period before benefits are compensable. Check with your carrier on your individual policy specifics.

Will my group short-term disability income (STD) policy provide benefits if one of my employees contracts the coronavirus?
It’s possible, since STD policies contain relatively short waiting periods. Check with your carrier on the policy specifics.

Financial Relief

Would my practice be eligible for federal loans offered by the Small Business Administration (SBA)?
New Mexico has been designated a state for the SBA Disaster Assistance Loans for Small Businesses Impacted by Coronavirus. Visit the SBA’s website.

Would another option be to get a loan from my financial institution?
Yes, working with a banking partner with whom you already have an established relationship is an excellent option to consider. Often, this may be a more efficient option that allows relatively quick access to needed capital. Some financial institutions are waiving penalties and fees for things like emergency CD withdrawals, so it’s best to reach out and inquire about what would be best for your situation.

Because interest rates are low, would a credit card be something to consider?
Low-interest or even zero-interest credit cards may be available and could be a good choice during this unpredictable season. You also may want to consider making minimum payments or even restructuring existing lines of credit to take advantage of the lower interest rate environment.
Are there options if my practice needs to skip payments?
The best recommendation is for you to contact vendors and financial partners directly — and proactively — to make requests. Since skipping a payment without making prior arrangements can have a negative impact on your credit, it's encouraged that you reach out in advance of missing any payments. You could potentially negotiate terms that include requesting a pause on payments, making interest-only payments or pausing automatic payments.

Can I skip student loan payments during the crisis?
You should check with the company the currently processes your student loans. Loans held by government agencies are waiving interest during the crisis, but many student loans are transferred to private companies on graduation or in a refinancing. The ADA's endorsed loan refiner, Laurel Road, has a forbearance program for the next two months.