



Instructions for IDOC Business Disruption Calculator

What this is:

A tool to quickly baseline your expenses and forecast your cash flow and cash needs based on how much your revenues may drop and how much you may reduce your payroll obligations during this COVID-19 crisis.

How to fill it in:

Take your 2019 P&L or Tax Return (if it's ready). Fill in the green blocks in the first column. Definitions are below.

The spreadsheet will take your annual numbers and auto-populate a baseline monthly and weekly P&L in the middle group of columns. (If you're interested, the weekly column is seven thirtieths of a month.)

Then, in the third group of columns, you can play with different percentage drops in your revenues and non-OD payroll (or total payroll, if you choose not to break out non-OD staff from doctors and owners) as well as absolute cuts to your salary and any associate OD salaries you may have.

The bottom line, Owner's Cash Flow, will give you a sense of your cash needs to stay open per month or per week under different revenue and payroll scenarios.

Definitions:

Gross Revenue – the income your practice collected last year. Should not include rebates or outside income.

Non-OD staff payroll – compensation, benefits and payroll taxes for your non-OD staff. If you can't easily break out your payroll between you, your associate ODs and staff, just put the total payroll here.

Total Operating Overhead – the sum of your Cost of Goods, Payroll, Occupancy Costs, Equipment Costs, Marketing Costs, General and Administrative Expenses AND your employed OD payroll. These are your expected expenses on a monthly basis. This does NOT include payments on loans, though.

Owner Salary – your salary and payroll taxes, if it's booked as an expense on your P&L

Associate Salary – Your associate(s)' wages, if they are broken out.

Net Income – the bottom line (Net Income) of your P&L, adding back interest.

Depreciation & Amortization – They will be labelled as such. If you don't see depreciation or amortization or interest on your P&L, don't hunt for them; not everyone has these line items.

Practice Net Income – In benchmarking terms, this is all the available pay to all the ODs in a practice, regardless of ownership

Debt service – add up your monthly payments to your lenders and multiply by 12 months. The interest we added back into your Operating Income (or Net Income)? It's getting paid for here.



Owner(s) Cash Flow – the Owner(s) salary and the operating income of the practice, less debt service. This is the monthly change in cash, not including taxes. It will also be the bleed rate while you're shut down.