Main Street Lending Program Provides Financial Assistance to Small and Medium-Sized Physician Practices

On Thursday, April 9th, the federal government announced the implementation of the Main Street Lending Program ("MSL Program"), a $600 billion lending initiative, aimed at helping businesses, including small and medium-sized physician practices, affected by COVID-19. The MSL Program offers four-year loans ranging from $1 million to $25 million for businesses with less than 10,000 employees or revenues less than $2.5 billion. While neither the federal government nor banks have issued exact details regarding the application or the application progress, earlier reports suggest that applicants must commit to make reasonable efforts to maintain payroll and retain workers and to follow compensation, stock repurchase, and dividend restrictions.

If physician practices are interested in applying for a loan through the MSL Program, they should start the potentially time-consuming process of gathering payroll filings reported to the IRS for 2019 and payroll records supporting their compensation expenses and total workforce numbers so that they can submit their application as soon as it is available.

Nelson Hardiman will provide further details regarding the MSL Program once available. In the meantime, other economic relief packages are available for practices affected by the pandemic.

The California Medical Association has created this information sheet providing resources and lists of financial assistant programs focused on aiding small practices.

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For questions regarding this article, please contact:

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