

Beating the Challenges of a Natural Disaster

Floods in the Midwest and fires throughout the Southwest have been prominent in the news this past year. Communities have been devastated and individuals and businesses have suffered extensive financial losses. Medical practices in the affected areas have suffered, too.

Every medical facility and practice should assume that a natural disaster will affect them at some point in the future and plan accordingly. One way to ensure that your practice will survive a natural disaster with minimal damage is to have a disaster plan in place. An effective disaster plan will cover several critical areas, including personnel safety, data preservation, communications, and insurance.

Ensure the Safety of Staff

Your disaster plan should identify and designate safety areas for employees as well as an evacuation route, critical in case of tornadoes and fires. It should include a list of emergency phone numbers and the home phone numbers of all employees in case injuries occur during the event. It's also important that you establish procedures to ensure that your practice's key personnel can continue working after a disaster.

Back Up Essential Records

If you don't do so already, you should systematically create daily backup records and store them offsite where they are well protected from fire, water, or other damage. A sudden natural disaster can damage or destroy your primary records, so access to copies of your patient and personnel records, receivables, contracts, and other operating data can make the difference between your practice's survival as a going concern or its failure. Consult with an IT professional regarding the most effective and safe ways to back up your data.

Decide on Communications

In the period following a natural disaster, you'll need to be able to quickly contact your partners, staff, insurance agent, suppliers, etc. Decide how you plan to communicate with each other, but be aware that land lines and cell towers may be damaged during a natural disaster. Use your cell phone, PDA, or laptop to maintain a current list of phone numbers and e-mail addresses.

Lay Out a Management Succession Plan

The unimaginable does happen occasionally. Your disaster plan should address what happens if one of your practice's partners, shareholders or senior managers dies or is seriously injured. In relevant, controlling documents, you should have a clearly defined line of succession and guidelines for communicating any management changes to your employees, vendors, and patients.

Outline Recovery Steps

Consider making action lists that lay out the steps you and your staff would follow when operating in a temporary location or returning to your offices after a forced closure.

Review Insurance Coverage

You may have property and casualty insurance that would cover much of the cost of repairing and replacing practice property damaged in a natural disaster. However, check with your insurance agent about what coverage you have in force and whether -- and how much -- you'd be reimbursed for a business interruption. It may be necessary to change your coverage or add a policy to obtain more complete protection.

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