



Steps to Successful Recovery after Disaster Strikes

Valley Baptist Health System at a Glance

- Two Acute Care Hospitals (Harlingen & Brownsville)
- Psychiatric Hospital (Brownsville)
- Insurance Companies
 - Commercial Health Plan (23,000 Members)
 - Property & Casualty
 - Professional Liability
- Joint Venture Services with Physicians & Others
 - Acute Care, Long-Term Care, Imaging, Surgery, etc.
- Teaching
 - LVN School (VB)
 - Family Practice Residency (VB)
 - Internal Medicine Residency (RAHC)

} **Total
900
Beds**



Valley Baptist Health System STATS

- Serving Brownsville since July 5, 1923
- Serving Harlingen since January 22, 1925
- ❖ Harlingen Hospital at a Glance
 - 586 Licensed Beds
 - Lead Level 3 Trauma Center
 - Primary Stroke Center
- ❖ 3,000 Employees
 - 550 Medical Staff
 - 490 Volunteers
 - 124 Board Members
- ❖ \$2.0 Billion Annual Gross Revenue
 - \$500 Million Annual Net Revenue FY 2009
 - \$200 Million Annual Payroll
 - \$ 1.5 Million Daily Expenses
- 80,000 Annual Emergency Room Visits



Hurricane Dolly FAQs

- Hurricane Dolly struck the South Texas Coast as a Category One Hurricane on July 23, 2008.
- Wind speed reported by NOAA's National Hurricane Center was clocked from 65mph to 100mph.
- Rainfall totals of 5 to 15 inches or more were recorded over portions of the lower Rio Grande Valley (max. total of 15 inches in Harlingen).
- Using NOAA records, the eye of Hurricane Dolly was within 45 miles and less of Harlingen for a period of 12 hours.
- Hurricane Dolly was the third most powerful hurricane to hit the U.S. in the month of July in recorded history, behind a storm in 1916 and Dennis in 2005.
- Hurricane Dolly was also the second most destructive U.S. hurricane in July, behind Dennis. *(excerpted from a Wikipedia recap of the development, path and life of Hurricane Dolly).*



Damage

- Emergency Room was on diversion until September.
- 13 of 18 Operating Rooms sustained damage and were the first thing we worked on.
- Central Sterile became flooded (*Niagara Falls*).
- All floors and wings had water damage.
- About 150 windows were broken out.
- Office building damage.



Summary of Claim

Property Damage	\$17,309,777
Business Interruption	<u>7,350,012</u>
	24,659,789
Deductible	<u>7,500,000</u>
	\$17,159,789
Cash Received to Date	\$15,158,639



Exterior Damage

- Roof \$12.5M

- Exterior Glass/Glazing
 - Windows \$1.3M
 - Required Code Upgrade \$10.5M

- EIFS \$731K



Outline

- Be Prepared

- Ensure Safety

- Respond Quickly

- Insurance & FEMA Claims



Be Prepared

- Establish a team to head the recovery
 - Executive
 - Clinical
 - Engineering
 - Identify Consultants / Experts **negotiate pricing beforehand* (Contractor/Engineers/Claim Accountants)
- Review plans
 - Staffing needs / relief shifts
 - Disaster pay/staffing policy



Be Prepared

- Document pre-event condition status
 - Take pictures / video / inventories
 - Where is the anemometer (wind speed)?
 - Is it working?
- Setup a cost tracking system
 - Accounting Code / Department Codes
 - Track labor by employee, by day, by task



Be Prepared

- Follow state plans for evacuations / protocol
- Board windows
- Stock up - water, food, fuel, blood, O2, drying/cleaning supplies, dehumidifiers, generators, etc.



ENSURE SAFETY!



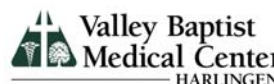
Respond Quickly

- Patients first
 - Minimize impact to patient services
 - Survey damages & evaluate key areas to dictate repair sequence (critical services like ER)
 - Moisture Maps
- Coordinated Efforts
 - Establish meetings / communication protocols
 - Important: Clinical input to repair schedule
 - Include adjusting/repair team representatives
 - Infection Control



Insurance & FEMA Claims

- Be mindful of deadlines & requirements
 - Review your insurance policy for reporting
 - FEMA – Request for Public Assistance for all eligible (non-profit) entities
 - FEMA – quarterly report updates
 - Department of Urban Affairs deadlines
- Establish an Estimate of Total Loss early
 - Have independent parties evaluate physical damage and loss of income
 - Ensure an adequate reserve



Insurance & FEMA Claims

- Documentation is Critical
 - For Property Damage:
 - Damage assessments by professional engineers
 - Pictures / video
 - Inventories pre & post-event
 - Invoices & DETAILED descriptions of applicability
 - Internal labor support
 - Support of internal supplies used
 - Gantt Charts/Timelines of Repairs
 - Maps
 - Etc.



Insurance & FEMA Claims

- For Business Interruption:
 - Daily revenue
 - Census reports
 - Statistics
 - Budgets
 - Income statements / operating statements
 - Etc.

- Note: Can't claim BI on FEMA, but need info



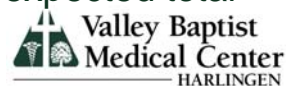
Insurance & FEMA Claims

- General
 - “Claim Executive”
 - Communication Protocol
 - Experts-does not include roofers!
 - Pre-Agreements / Agreements with Adjuster
- FEMA
 - You will deal with many different contacts
 - Keep copies / proof of delivery
 - Categorize eligible / non-eligible expenses



Insurance & FEMA Claims

- Avoid Cash Flow Issues
 - Determine “estimates to complete” ahead of spending
 - Issue interim claims with incurred & estimated spending to complete
 - Request advance payments on expected total



FEMA Claims

- Request public assistance for each eligible non-profit entity – within 30 days of disaster
- Review categories of eligible costs
 - Category A: Debris Removal
 - Category B: Emergency Protective Measures
 - Category C-E: Permanent Repairs
- Funding at 75%, advances at 75% x 75%
- Deductibles reimbursable for eligible costs



Valley Baptist's Recovery & Claims Team

- Contractor – Cotton USA
 - Stewart Geldersma | 214-766-2532
- Engineers – Childress Engineering
 - Joey Childress | 469-576-1166
- Claims Accountants – Navigant Consulting
 - Kevin O'Toole | 214-395-2354

