



Chief Financial Officer’s Checklist For Disaster Recovery

In a disaster situation, all healthcare provider staff will be focused on the safety of the patients and employees, and protecting the facility if possible. Once the situation is stabilized, as a financial manager you can use the following actions as recovery guidelines for the financial functions of your facility.

Action/Task	Decision	Person Responsible	Date Completed	Notes
<b>I. Employee needs and safety</b>				
1. Address payroll, employee benefit, and other HR issues that could affect employees’ state of mind and distract them from the important recovery work at hand. <i>(See Section on Cash Flow)</i>				
2. Check job banks of displaced workers for skilled individuals who may be able to fill temporary or permanent human resource needs. For example, see HFMA’s Resume Bank at <a href="http://www.hfma.org/hurricane/resumebank.htm">http://www.hfma.org/hurricane/resumebank.htm</a>				
<b>II. Business continuity</b>				
<i>Cash flow</i>				
1. Project cash flow and needs, and have an action plan for getting necessary funding				

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assistance. Key considerations include:				
a. Should your A/R outsourcing vendor and/or collection agencies suspend collection activities while the status of your patients and community are assessed?	Yes __ No __			
b. Are banking relationships intact?  If not, are alternative arrangements in place or being developed?	Yes __ No __  Yes __ No __			
c. Establish the necessary communications with key payer organizations to ensure payments continue and any advance payments needed can be processed timely.				
2. Ensure there is documentation in patient financial, or clinical, records that will facilitate the reporting of the care and claims for disaster relief funding (including federal grants).				

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3. Familiarize business office staff with the disaster recovery measures being taken by health plans. For example, the America's Health Insurance Plans web site has information on many plans' insurance coverage or policies during the hurricane relief efforts (see <a href="http://www.ahip.org/hurricaneresponse/">http://www.ahip.org/hurricaneresponse/</a> )				
4. Monitor CMS, HRSA, and state health department web sites for news and instructions of emergency policies for beneficiaries of government health programs. Familiarize business office staff with these policies. Links to these sites are available at <a href="http://www.hfma.org/hurricane">http://www.hfma.org/hurricane</a>				
<b><i>Business coverage</i></b>				
1. Determine your legal counsel's availability and accessibility.				
2. Locate and ensure the integrity of contract and insurance policy files.				

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3. Review the “acts of God/nature” clauses for issues needing immediate attention.				
4. Secure vendor cooperation and compliance with “emergency conditions” contract provisions.				
5. Establish direct contact with both the casualty and the business interruption insurers and their adjusters, and make arrangements for them to come on site at the earliest practical time.				
a. Start and maintain a list of damage and losses incurred, recognizing that it may take some time to identify some kinds of losses. Consider using a public or private adjuster.				
b. Ensure that any interim settlement is recognized as just that, and that the final settlement will take place after patient and employee care has been addressed.				
6. Communicate with your rating agencies				

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<p>and bond insurers promptly and frankly about the impact on your organization. Assure them that you want them to have the best information available and that they can trust the organization's leadership to keep them informed of the facility's status during recovery.</p>				
<b><i>Supplies and equipment</i></b>				
<p>1. Ensure that key vendors keep hospital managers informed about the status of critical supplies and resources.</p>				
<p>2. Ensure that emergency stores are replenished as promptly as possible to the levels necessary to respond to another disaster.</p>				
<p>3. Assess the operational needs of equipment repair and maintenance for both care delivery and administrative needs:</p>				
<p>a. Is care delivery at risk because of unsafe patient care equipment?</p>	<p>Yes __ No __</p>			

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b. Double-check with clinicians that work-arounds caused by shortages of equipment or supplies are safe and acceptable.				
c. If routine preventive maintenance is not possible, will equipment become inoperable or software become out of date?	Yes __ No __			
<b><i>Important Emergency Response Actions Unrelated to Financial Management</i></b>				
The following items are examples of activities that do not directly pertain to the financial management of a facility, but may fall to the financial managers if other leaders are unavailable.				
1. Address employees’ mental, as well as physical, health needs.				
2. Ensure that local law enforcement authorities and the hospital’s leadership have addressed the security needs of the organization.				
a. Remember the special needs of the off-campus sites.				

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b. Consider the vulnerability of paramedics and others who may have to go into unsecured areas.				
3. Work with area communications officials to restore back-up communications capabilities. Remember:				
a. Even though the area is returning to some semblance of normalcy, the restoration of the communications infrastructure could produce outages as repairs are made.				
b. To maintain capability of dealing with another disaster or emergency				
4. Ensure a process to temporarily credential volunteer clinicians.				
5. Ensure all volunteers have identification badges or are appropriately identified.				
6. Debrief on the effectiveness of your				

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emergency call roster of personnel.				
7. Prepare for an increased number of patients injured during clean-up and reconstruction efforts.				

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This checklist was developed by HFMA's Hurricane Relief Task Force. To suggest additions to this checklist, please contact Laura Foy at lfoy@hfma.org or 800-252-4362, ext. 614.