

Risk Management Guidebook

Hurricane and Disaster Preparedness



USI Insurance Services
Property & Casualty
usi.com



DISCLAIMER: The information contained in this document is for informational purposes only and is not intended as, nor does it constitute, legal or professional advice to the reader. In no event will USI or any of its affiliates be liable in tort or in contract to anyone who has access to or uses this information. USI does not warrant that the information in this document constitutes a complete and finite list of each and every item or procedure related to the topics and issues referenced herein. Federal, state, and local laws, regulations, standards and codes may change over time, and the reader should always refer to the most current requirements, as applicable.

© 2022 USI Insurance Services. All rights reserved.

This Hurricane and Disaster Preparedness guide was developed to assist employers and residents in addressing the challenges of a hurricane against the backdrop of the COVID-19 pandemic.

TABLE OF CONTENTS

Are You Prepared for Hurricane Season?	3
Develop an Emergency Response Team and Emergency Action Plan.....	5
Hurricane Preparedness.....	6
Hurricane and Disaster Recovery/Restoration Checklist (Pre- and Post-Event)	8
Hurricane Safety/Preparedness Checklist for Facilities	10
Resources and Links	11

Are You Prepared for Hurricane Season?

Don't wait until a hurricane is imminent: Proactively prepare before the next hurricane to help keep your organization, employees and yourself safe.

In addition, the potential for future surges of COVID-19 cases could create additional challenges in the wake of a major hurricane. Businesses should refer to state and local guidelines on COVID-19 to help mitigate additional challenges and risks. See [Resources and Links](#) below for more information, or visit the [USI Public Health Emergencies](#) site for additional articles and resources.

Not every business requires the same preparations. Consider customizing your plan based on the specific needs of your business and property that adhere to state and local COVID-19 protocols. Help speed the recovery following a hurricane by “preparing for the worst and hoping for the best.”



Prepare for a Property Loss

A large property loss coupled with the existence or threat of COVID-19 can dramatically impact a property claim outcome and lengthen the time it takes to get back into business. It is important to review your property insurance policy prior to an event to ensure the coverage limits, terms and conditions are adequate for your locations and needs. If assistance is needed in understanding your insurance policy, please contact your USI representative or insurance carrier.

USI's property placement and analytics teams can assist you with:

- Utilizing catastrophe modeling tools to evaluate property limits and identifying locations that pose the greatest risk of loss
- Modeling for property acquisitions or divestitures
- Reviewing flood and storm surge limits
- Evaluating flood zones and their impact on coverage and deductibles fire scenarios

- Updating insured values at each location, as coverage restrictions for property insurance are now more common
- Ensuring that sub-limits are appropriate for the risk
- Funding forensic accounting and engineering services in the insurance program
- Calculating deductible scenarios and options for deductible buydowns

Given the uncertain nature of natural disasters, it is critically important to consider changes in exposures and limits sooner rather than later.

Establish an Agreeable Claims Service Team

The claims adjuster is your point of contact with the insurance carrier. It is important to understand that the adjuster represents the insurer. The adjuster investigates, negotiates and settles the claim. When applicable, an account adjuster should be assigned to the program at the time of policy inception.

Having an account adjuster who has been pre-approved by both the insured and insurer often makes for a good working relationship and partnership during the adjustment process. Advance assignment allows the adjuster to be involved in pre-event planning, and helps them to understand the process and pre-designated flow of information and documentation. And of course, the claim process will be streamlined if the adjuster is familiar with the insured's operations, eliminating the "learning curve" after the loss.

Select an Emergency Response Contractor

Following a major hurricane, businesses can typically expect longer recovery times and higher post-event inflation on contractors, restoration firms, and construction suppliers. We suggest identifying and working with your restoration project manager in advance of a loss, so they fully understand your operations and equipment needs.

USI can connect companies of all sizes with emergency response firms that have national and international capabilities. An arrangement with one of these firms allows companies to receive a priority response in the wake of a major catastrophe and keeps all parties apprised of developments during the recovery period and claim process. Additionally, a written response plan, developed in advance of the loss, can be tailored to a company's specific needs and exposure.



Be prepared for potential delays caused by field claims adjusters and first responders who require more personal protective equipment (PPE) and potentially more frequent testing for COVID-19. Insurance carriers will likely perform more virtual loss inspections to speed up payment and recovery efforts and limit person-to-person contact to prevent the spread of COVID-19.

When a company selects an emergency response contractor in advance:

Whether the crisis is part of a major catastrophe or not, clients of an emergency response vendor receive a priority response from disaster recovery experts that have planned for the client's specific exposures in advance. In the case of a hurricane or flood, for instance, a prompt response can help mitigate both the property damage (e.g., spread of mold, etc.) and business interruption.

- The contractor will work with the client to develop a comprehensive plan, tailored to the client's specific exposures by evaluating the client's needs and expectations prior to a loss.
- The contractor may have a pricing agreement with the client's insurer(s), which can help avoid any post-loss scope, pricing, or invoicing disputes.
- The client also benefits from having a single point of contact with a national firm that has the necessary resources and technical expertise to respond in all areas of disaster recovery. The emergency response contractor can work within the claims process and facilitate recovery by leveraging critical relationships within the insurance industry.
- When it comes time to renew a policy, the client has an advantage, as advance planning can be very compelling and beneficial during renewal negotiations with underwriters.

Develop an Emergency Response Team and Emergency Action Plan

Studies of severe windstorms and floods show that related **damages and losses can be prevented or reduced with an organized plan** that is activated before, during, and after the storm. For this reason, USI encourages clients to establish an emergency response team (ERT) and emergency action plan (EAP).



Emergency Response Team

- Members of the ERT should understand their specific roles and the overall goal and procedures outlined in the EAP. Members (with alternates to cover all hours of operation) should also be trained to carry out their specified responsibilities.
- Members of the ERT should identify personnel to monitor weather conditions and the storm's progress relative to the path and intensity.
- The ERT leader should have authority to implement the EAP as based on pre-designated benchmarks. Responsibilities should include when to shut down operations and send personnel home.

Emergency Action Plan

The EAP should include, but not be limited to:

- Guidelines for inspections and repairs to roof coverings and edges prior to hurricane season.
- Identification of all critical areas of the facility and operations, and the appointment of someone on all shifts who is trained on shutdown procedures and has authorization to implement them.
- Up-to-date list of telephone numbers and contact information for ERT members, all relevant civil authorities, and any insurance contact or pre-assigned adjuster, or restoration project manager.
- Provisions for backup communications, and confirmation that all cell phones and two-way communication devices are charged.
- Arrangements for an off-site emergency communications center.
- Determination of vital company records and plans to protect and relocate them.
- Availability of pre-fitted window shutters or plywood for windows and doors, where practical; a dry run of installation should be performed, if possible.
- Preparations for windstorm-related flooding
- Identification of key equipment and stock that requires protection with tarpaulins and waterproof covers.
- Consideration for the removal of trees that could potentially fall and cause damage to buildings, power/communication lines, equipment, etc.
- Plans for site security in the event of evacuation before the storm and immediately thereafter.
- Arrangements with contractors for supplies and repairs needed after the storm.

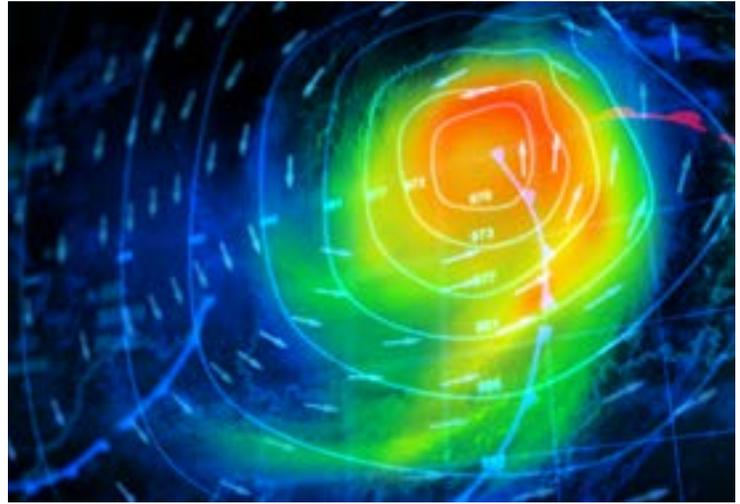
Hurricane Preparedness

When the National Weather Service (NWS) issues a hurricane warning, an emergency condition should be declared.

Pre-Storm Planning

Action items for an impending hurricane (36 hours to landfall):

- Track the progress of the storm path and its intensity.
- As benchmarks are realized, determine if, or when, your plan is to be activated.
- Shut down operations that depend on outside power sources, following established procedures.



Outside the Building(s)

- When practical, bring yard storage, machinery and equipment into buildings, or otherwise secure it in place to prevent it from being damaged or blown about by high winds. If hazardous materials are involved (e.g., flammable liquids, oxidizers, toxic materials), their relocation should be carefully assessed so as not to increase the loss exposure.
- Check roof-mounted equipment to ensure it is securely connected to the building's structural steel. Bolts and guide wires should be tight and free from rust and corrosion. Remove any roof storage.
- To help prevent water leakage or roof collapse, check roof drains to ensure they are clear and able to drain off heavy rains. Have repairs made to any portion of the roof covering that appears loose, bubbled, or otherwise weakened.
- Cover window and door openings with storm shutters or substantial protective panels. If any fire exits are to be covered, the building must be evacuated first.
- Test emergency generators and maintain an adequate supply of fuel; when using a portable generator, make sure to keep it outside at all times and take necessary precautions to prevent carbon monoxide poisoning.

Inside the Building(s)

- Duplicate important records and papers and move them to a secure location. Backups of important computer records should be current and kept in a secure location, preferably off-site and in a hurricane-safe area.
- Move important materials or equipment away from flood-susceptible floors and away from windows, doors or walls that are not of substantial construction.
- Move hazardous materials (e.g., flammable liquids, oxidizers, toxic materials) from flood-susceptible floors and away from windows, doors or walls that are not of substantial construction.
- Close fuel valves to non-essential and non-emergency equipment.
- Disconnect power to non-essential equipment that is susceptible to power surges, or that is located where water leakage or flooding may cause damage or electrocution.
- Review secondary supply chain options and store additional supplies off-site at an alternative location.

Hurricane Advisories

A **hurricane watch** indicates that hurricane conditions are a real possibility, usually expected within 24 to 36 hours. Listen for additional advisories and be prepared to act. State and local governments may be cautious this season in providing earlier warnings for evacuation orders because of COVID-19.

A **hurricane warning** is issued within 24 hours before hurricane conditions are expected.



During the Hurricane

If necessary, arrangements should be made to evacuate the ERT before the hurricane strikes. If the ERT can stay on-site, a safe area of substantial construction should be available for the team to occupy.

The ERT's plans should be communicated in advance to local law enforcement officials. The ERT should continually patrol the facility, if it is safe to do so, and complete the following:

- Watch for structural damage and make repairs, as necessary.
- Watch for causes of fire (e.g., electrical short circuits) and take corrective action as needed. Check sprinkler water pressure frequently and watch for loss of pressure.
- Watch for flooding from rain or tidal surge, and deploy sandbags, as necessary.

After the Storm

- Enforce “No Smoking” rules and curtail the use of heat- or spark-producing equipment until it is determined that there are no flammable liquid or gas releases. Shut off any natural/propane gas lines that feed to the buildings.
- Use caution before turning on electricity to areas where equipment may be damaged or moisture-laden. Use caution when opening fuel control valves. Check to ensure that piping and equipment is intact, properly supported and not leaking.
- Make temporary repairs to the structure and property, only when it has been deemed safe to do so, to prevent further damage. Cover machinery, equipment or materials that may be exposed to the elements. Check fire protection equipment (e.g., fire pumps, alarm systems, and automatic fire suppression) to ensure it is in service.
- Take photographs of damages and maintain an itemized listing of materials and labor used to repair the property and to restore operations. Separate undamaged stock from damaged stock.

Hurricane and Disaster Recovery/Restoration Checklist (Pre- and Post-Event)

This checklist outlines information and action steps the ERT can use to prepare for and recover from hurricanes.

Description	Details
Broker information	<ul style="list-style-type: none"> <input type="checkbox"/> Office phone <input type="checkbox"/> Cell phone <input type="checkbox"/> Fax number
Property Insurer Information	<ul style="list-style-type: none"> <input type="checkbox"/> Policy number <input type="checkbox"/> Claim reporting phone number <input type="checkbox"/> Claim reporting email or web-based loss notification site. <input type="checkbox"/> Assigned/designated adjuster contact information
Additional Information, If Applicable	<ul style="list-style-type: none"> <input type="checkbox"/> Flood insurer <input type="checkbox"/> Flood policy number <input type="checkbox"/> Claim reporting phone number <input type="checkbox"/> Claim reporting email or web-based loss notification site
Additional Insurer Information (i.e., specific wind or wind buy-back policies, etc.)	<ul style="list-style-type: none"> <input type="checkbox"/> Policy numbers <input type="checkbox"/> Claim reporting phone number
Information Needed to Report a Claim	<ul style="list-style-type: none"> <input type="checkbox"/> Insurer and policy number <input type="checkbox"/> Address of loss <input type="checkbox"/> Brief description of damages and date/time incurred <input type="checkbox"/> Contact information for adjuster (provide phone number and cell number, if applicable) <input type="checkbox"/> Secure a claim/reference number from your insurer when you report your claim

Next Steps	Actions
What to Do After Storm Has Passed and Claim Is Reported	<ul style="list-style-type: none"> <input type="checkbox"/> Notify employees' families about status of personnel on premises. <input type="checkbox"/> Whenever possible, make temporary/emergency repairs to mitigate or prevent further damages, as required by your policy <input type="checkbox"/> Make sure your adjuster is properly licensed <input type="checkbox"/> Hire licensed, insured, and reputable contractors to perform work <input type="checkbox"/> Maintain your own copies of all receipts and invoices relating to your loss

<p>What to Do After Emergency Service</p>	<ul style="list-style-type: none"> ❑ Notify and meet with insurance carrier/assigned adjuster to discuss claim and restoration plans ❑ Notify federal, state and local government agencies for assistance (with permits, inspections, certification of occupancy, debris removal/transport/disposal, etc.), and inform them of major restoration plans ❑ Enact pre-loss agreements (emergency restoration, forensic accounting, etc.) ❑ Determine need for alternate facility, if necessary, and arrange for move ❑ Determine outsourcing needs, if any ❑ Ensure availability of key management personnel ❑ Provide cash advances, if appropriate (management) ❑ Separate damaged property from undamaged property (employees)
<p>Damage Assessment</p>	<ul style="list-style-type: none"> ❑ Take photos or videos of the damage so you can account for all damage-related costs ❑ Take inventory of damaged goods (this can be done with insurance adjuster) ❑ Assess the value of damaged property ❑ Assess the impact of business interruption ❑ Keep damaged goods on hand for insurance adjuster ❑ If you release goods to adjuster or salvage goods, obtain a signed inventory, detailing goods type and quantity ❑ Establish special job and charge codes for purchases and repairs ❑ Protect undamaged property and secure the property
<p>Resuming Operations</p>	<ul style="list-style-type: none"> ❑ Coordinate power restoration with utility companies (to prevent damage to equipment or injury to yourself and others, do not power up the facility on your own) ❑ Restore sprinkler systems and other fire protection equipment ❑ Restore equipment and property for critical operations ❑ Move backup power and equipment into place, including backup communication systems ❑ Ensure personnel safety and security ❑ Conduct an employee briefing ❑ Provide employees with Material Safety Data Sheets (MSDSs) ❑ Maintain contact with customers and suppliers

Note: This list is not intended to be all-inclusive. It is a guide to some of the things you should consider in assessing your vulnerabilities and capabilities to respond to a natural disaster or catastrophic event.

Hurricane Safety/Preparedness Checklist for Facilities

When preparing for hurricanes, develop a detailed checklist indicating the order in which to shut down processes and secure the facility. To initiate appropriate actions, the length of time needed to accomplish these tasks must be determined in advance. Complete each task during either a hurricane watch or hurricane warning and check it off below.

Action	Time It Takes	Done
1. Shut down processes safely.		<input type="checkbox"/>
2. Inspect roof edging strips, gutters, flashing, covering and drains.		<input type="checkbox"/>
3. Inspect sign and stack supports, guy wires, and anchorages.		<input type="checkbox"/>
4. Check for weak door and window latches or hardware, as well as for insecure panel fastening. Expedite repairs.		<input type="checkbox"/>
5. Protect vulnerable windows from flying debris.		<input type="checkbox"/>
6. Brace unsupported structural members at construction sites.		<input type="checkbox"/>
7. Protect important records from wind, debris, and rain.		<input type="checkbox"/>
8. Update important backup records and move them to a location not vulnerable to the same incident.		<input type="checkbox"/>
9. Fill above-ground tanks to capacity with product or water to minimize wind damage.		<input type="checkbox"/>
10. Anchor outdoor structures or items that can be moved by high winds, such as trailers, lumber, or any loose yard storage. Move stored materials inside where practical.		<input type="checkbox"/>
11. Assemble the following supplies and equipment at a central, secure location: <ul style="list-style-type: none"> ▪ Emergency lighting ▪ Tarpaulins ▪ Lumber and nails ▪ Sandbags ▪ Tape for windows ▪ Shovels and axes ▪ Tools (power and manual) ▪ Roofing paper ▪ Caulking compound ▪ Chain saws 		<input type="checkbox"/>

Note: This list is not intended to be all-inclusive. It is a guide to some of the things you should consider in assessing your vulnerabilities and capabilities to respond to a natural disaster or catastrophic event.

Resources and Links

General Hurricane and Disaster Preparedness

[Ready.gov](https://www.ready.gov)

Offers preparedness information for business continuity planning.

[OSHA — Emergency Evacuations](https://www.osha-slc.gov/emergency-evacuations)

OSHA e-tool on emergency planning — Emergency Evacuations and Procedures.

[American Red Cross — Hurricane Preparedness](https://www.redcross.org/hurricane-preparedness)

American Red Cross Information on preparing your workplace and your employees. 1-866-438-4636

[Federal Emergency Management Agency \(FEMA\) Local Offices](https://www.fema.gov/local-offices)

FEMA local office finder. 1-800-621-3362

COVID-19 Preparedness and Risk Mitigation

[USI Public Health Emergencies Site](https://www.usi.gov/public-health-emergencies)

Helping Clients Prepare and Respond to Public Health Emergencies and Steer Through Epidemic and Economic Recovery.

[OSHA.gov/coronavirus](https://www.osha.gov/coronavirus)

OSHA COVID-19 Guidance.

[National Association of County and City Health Officials \(NACCHO\)](https://www.naccho.org/)

Directory of local health departments.

NOAA National Weather Service and National Hurricane Center

[National Weather Service](https://www.noaa.gov/)

The National Weather Service (NWS), part of the National Oceanic and Atmospheric Administration (NOAA), is an excellent source of up-to-date and accurate information on hurricanes, tropical storms, and wildfires.

[National Hurricane Center](https://www.nhc.noaa.gov/)

Excellent NWS resource page tracking current storms and discussing hurricane hazards, risks, and preparedness activities.

Protect Your Home, Yourself and Your Family

[National Flood Insurance Program \(NFIP\)](https://www.floodsmart.gov/)

National Flood Insurance website offers information on hurricane preparedness.

[NWS Hurricane Safety Tips and Resources](https://www.noaa.gov/hurricane-safety-tips)

When a hurricane is headed your way, TAKE ACTION at the appropriate time.