

INSURANCE CLAIM PARALYSIS

We have all seen it. Some have experienced it, or know someone who has, and it is likely to strike one of us next. What is it? It is **Insurance Claim Paralysis (ICP)**. This phenomenon occurs when a disaster hits our business and we freeze. We do not know what to do and we are scared that taking the wrong approach will cause the insurance adjuster to deny our claim.

This dilemma can create two typical types of behaviors—inactivity and hyperactivity: **Inactivity** is true paralysis in that we do nothing. **Hyperactivity** is “running around like crazy” making decisions and fixing damages without any real plan and no documentation. We are beside ourselves to get the damage fixed as soon as possible so we can return to normal.

I visited two offices in a downtown metropolitan city that had suffered a disaster and they were completely the opposite in their response to the damages. One office was at a standstill, there was broken glass and debris everywhere, wet furniture and rugs, no work being done, and everyone was wringing their hands and moaning, “What should we do?”

The other office looked like the disaster missed them until I noticed the plywood on their windows. They met me with a claim folder full of pictures, receipts, and actions taken to recover from the disaster.

Since no one can predict when the next disaster will strike, how can you avoid “ICP”? According to FEMA, “Every year emergencies take their toll on business and industry in lives and dollars. But something can be done.

Business and industry can limit injuries and damages and return more quickly to normal operations if they plan ahead. Whether you operate from a high-rise building or from an industrial complex; whether you own, rent or lease your property; whether you are a large or small company, you must prepare.”

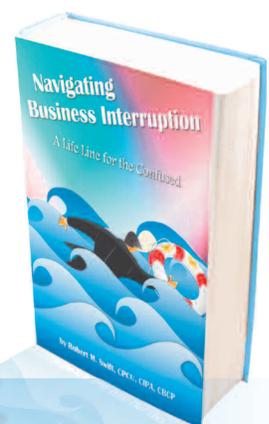
Having a sound disaster recovery plan will allow the policyholders to recover as quickly as possible and therefore be paid the proper amount. ***Do your part and avoid Insurance Claim Paralysis!***

For more detailed information, refer to the Contingency Planning Section on our website at:
www.BISimplified.com

LOOK FOR OUR BOOK!

We are excited to announce our newest upcoming addition to the Be Prepared! arsenal: ***Navigating Business Interruption, A Life Line for the Confused.***

This complete business interruption training guide will be available next spring, so add to your “must have” list. More detailed information available soon!



COMING NEXT SPRING!