

Property: Before and After a Loss



Topics Covered

Computer Loss
Equipment Breakdown
Fire Loss
Theft and Vandalism
Water Damage

Introduction

Whether it's equipment breakdown, fire, flood or vandalism, a loss at your dental office can be a devastating experience. Recognizing and preparing for common perils along with following a plan once an emergency occurs will help minimize inconvenience and eliminate down time.

While it is your duty to mitigate your production loss and take appropriate steps to ensure quick recovery, you are not alone. Once you have contacted TDIC, a claims representative will assist you throughout the adjustment of your loss. The following suggestions offer ways to prevent or minimize loss so you can get back to business and full production as soon as possible.

Computer Loss

Most dentists use computers to help manage their practices. Despite the conveniences that computers offer, they do not come without risks.

Are you prepared to move forward with your practice if your office experiences a fire, water damage or power surge? Consider an office that is infiltrated with water due to a malfunctioning fire sprinkler system. Unfortunate consequences of not backing up your data include loss of your accounts receivable, accounts payable, check registers, cash receipts, financial statements, patient records and appointment schedules. Without a suitable backup method, the data on the computer system may be lost forever.

Remember

- Train all staff on proper computer use to heighten defense against malware.
- Utilize anti-virus protection.
- Back up your data daily.

- Ensure your backup system is working properly by testing it regularly.
- Make sure the backup system is storing uncorrupted data and that the data is retrievable and useable.
- Regularly replace backup tapes if you use such a system to prevent old tapes from failing, if not using cloud-based backup.
- Store the backup data using a cloud-based service or offsite in a safe and secure location.
- Review contracts with your service providers to ensure you are covered in the event of a loss of your computer or computer data. Have them sign a confidentiality agreement and a business associate agreement.
- Use surge protectors and uninterruptible battery power supplies.
- Keep copies of data and software licenses accessible (in a location other than the dental practice) in the event you have to contact vendors or reload the software.
- Have an IT professional set up a proper computer system, with a dedicated server, and proper desktop systems with backup.

Despite your best efforts, system damage does happen. When it does, have a plan in place addressing how to retrieve uncorrupted backup data to begin using it again with minimal loss. Take steps to prevent and minimize your exposure to loss associated with your computer and computer data.

Equipment Breakdown

Equipment breakdown coverage pays for a loss caused by or resulting from an accident to covered equipment. Examples may include power surges, electrical arcing or boiler explosion. Equipment breakdown coverage protects personal property customarily used in the practice of dentistry, and computer equipment or other data processing equipment.

Fire Loss

Property loss due to a fire can be devastating. The best course of action is taking proactive steps to avoid or detect a fire in a timely manner. Ensure the smoke alarms are operational and the batteries work, fire exits are clearly marked, fire extinguishers are properly maintained, staff knows where the fire extinguishers are located, there are no frayed electrical cords and electrical plugs are not overused. In addition, conduct a yearly fire drill so staff know the protocol for getting themselves and patients out of the office in an orderly manner.

As soon as you are aware of a fire in your practice, notify TDIC immediately. Have your policy information available, and be prepared to summarize the facts of your loss. Either a TDIC adjuster or an independent adjuster will want to conduct an on-scene investigation. No matter the size of the fire, make sure professional firefighters extinguish it. Enter the building only after the fire department has declared it safe and the building is secure.

Once you are able to enter the structure, complete a walk through to assess the damage. Do not turn on the lights or other electric equipment. Be careful not to disturb anything in the immediate area where the fire appears to have originated. A forensic professional may use this evidence determine the cause and origin of the fire. Make sure the gas main and electricity are shut off. Open the windows to let in fresh air, and do not breathe the smoke for extended periods of time.

Smoke, soot and water problems are associated with even minor fires. Consult a professional restoration company to assist in the cleaning and restoration. Work closely with your TDIC representative and independent adjuster to assist you in finding restorative services. If the situation requires immediate attention and you are unable to contact a TDIC representative, research online or consult with your dental colleagues.

Mitigate damages

- Photograph damaged equipment and areas.
- Have an authorized service technician check equipment that appears to be salvageable prior to operating it.
- Separate salvageable items. Inventory all damaged equipment and salvageable equipment separately.
- Collect valuable documents such as insurance, tax, employee records and patient information. Move the documents to a clean area within the same proximity as the building.
- Move any dental equipment that you can to a dry, clean area. Be sure to leave the equipment in the same proximity as the office and not offsite. If items are moved away from the incident site, you run the risk of contaminating a second location and may transfer health-related problems.
- Replace essential items as soon as possible to reduce the potential for additional loss. These items include dental and office equipment. Established vendors may allow for quick replacement of various items.

Documents to forward to TDIC after the loss

Once you have reported your loss to TDIC, your claims representative will request the following items:

- A copy of the complete and current lease (if you do not own the property).
- A statement outlining the facts of the incident.
- Original receipts for damaged and replacement items.
- Photographs.
- Research will be administered to assist in calculating actual loss of income, and you will be asked to provide production documents for the last 24 months of practice.
- A signed and notarized Proof of Loss form (TDIC will send this to you).

Remember

- Use professionals to extinguish all fires.
- Use professionals to clean and restore areas.
- Circulate the air by opening windows and doors.
- Do not wipe walls or fabrics as the soot and smell will saturate them.
- To avoid shock, do not use electric equipment.

Due to the extensive impact that fire and its associated components can have, work closely with your TDIC representative and independent adjuster to assist you in finding restorative services. An independent investigation will also be conducted using fire investigators and electricians. The claims representative will schedule these professionals while coordinating the restoration services.

Theft and Vandalism

Discovering items missing from a dental practice brings unease and a sense of violation to staff and the practice owner alike. Similar to protecting the office against fire loss, the practice owner can take proactive steps to combat the likelihood of becoming a victim of theft or vandalism. Install an alarm and/or a surveillance camera for the building and any surrounding structures that may be part of the practice. When an employee separates from the practice, be sure to change the locks and the alarm code. Do not leave personal items such as purses, wallets or cameras in common areas. Provide a locked cabinet or lockers for staff to secure such items. When setting up the office, do not place your computer near a window.

Lock the front and/or back door when staff are not in the reception area, i.e. lunchtime, as thieves can use these times as an opportunity to enter an office undetected. Small steps like those described above can provide enough deterrence for a thief or vandal to skip your practice for another less prepared one.

If you arrive at your office and find a sign of forced entry or a door mysteriously left open, do not enter the office. Contact the police to search the building to assure intruders have left. The responding officer will provide you with a corresponding police report number.

Once immediate danger has passed, notify TDIC. Have your policy information available, and be prepared to summarize the facts of your loss. Have the police report available for reference.

Mitigate damages

- Protect areas of disturbance (i.e. compromised equipment from falling) to ensure the safety of you and your employees.
- Photograph any evidence of forced entry, damaged equipment and areas from which equipment has been stolen.
- Replace essential items as soon as possible to reduce the potential for additional loss. These items include any broken windows or doors as well as dental and office equipment. Vendors you have already established relationships with may allow for quick replacement of various items.
- Begin a file of your receipts and invoices of the replacement items.
- Make a reasonable effort to continue production through this loss.
- Inventory all damaged and stolen equipment. Items that are typically stolen but not immediately suspected include stamps, petty cash and blank checks from the middle and/or back of the business checkbook.

Patient information collected by dentists may include names, addresses, Social Security numbers, credit card numbers, health and other personal information. If a computer containing this information is stolen, those patients can be at risk for identity theft. Many states require dentists to notify patients of potential for identity theft. Discuss this with your claims adjuster.

Documents to forward to TDIC after the loss

After determining the scope of your loss, a claims representative will request the following items:

- A copy of the complete and current lease (if you do not own the property).
- A statement outlining the facts of the incident.
- Original receipts for all stolen and/or damaged equipment.

- Photographs.
- A signed and notarized Proof of Loss form (TDIC will send this to you).

Water Damage

Employing preventive measures may protect a dental practice from suffering water damage. Conduct regular inspections of the water heater, refrigerator, air conditioning unit, supply hoses, plumbing systems, including vacuum, compressor, water lines under sinks and toilets, and roofing.

The first thing to do is locate the source of the leak and shut it off. If you do not know how to shut the water off, find a plumber or building maintenance person to do it for you. Refrain from stepping into flooded areas, and using or touching any electric equipment to avoid shock. If the water came from above, there may be debris falling from the ceiling area. Make sure that it is safe for you and your staff to enter the building.

Once the water is shut off, notify TDIC. Have your policy information available, and be prepared to summarize the facts of your loss.

Mitigate damages

- Move valuable equipment and papers from harm's way.
- Contact a plumber to repair the damaged lines and a restoration company to properly remove the water. If you are unable to contact a TDIC representative and the situation requires immediate attention, research online or consult with your dental colleagues.
- Mop water from the floor and walls and dry areas with clean white towels. This is only to be done on an emergency basis as the emergency restoration company will perform a thorough drying of the area.
- Open cabinets and areas concealing moisture to allow the air to circulate. In winter, if it is not raining, open the windows. During the summer, use the air conditioning to facilitate drying.
- Check salvaged equipment through an authorized service technician check prior to operating it.
- Replace essential items as soon as possible to reduce the potential for additional loss. These items include dental and office equipment. Vendors you have already established relationships with may provide quick replacement of various items.

Documents to forward to TDIC after the loss

After determining the scope of your loss, a claims representative will have you send the following items to TDIC:

- A copy of the complete and current lease (if you do not own the property).
- A statement outlining the facts of the incident.
- Original receipts for all damaged equipment.
- Photographs.
- Research will be administered to assist in calculating actual loss of income and you will be asked to provide production documents for the last 24 months of practice.
- A signed and notarized Proof of Loss form (TDIC will send this to you).

Remember

- Consult professionals to dry the office to ensure that it is dried thoroughly.
- Do not attempt to operate any electrical equipment that may have suffered water damage until your service technician has examined it.

In developing this resource, TDIC researched and talked to experts in the field of dentistry, law and insurance claims. However, the ideas and suggestions contained in this resource represent experience and opinions of TDIC. There are no guarantees that any particular idea or suggestion will work in every situation. The ideas and suggestions contained in this resource are not legal opinion and should not be relied on as a substitute for legal advice. For legal advice specific to your practice, you must consult an attorney.

Lists are not exhaustive of issues to be addressed, and suggestions may not be applicable to every situation. For further discussion, contact the TDIC Risk Management Advice Line at 800.733.0633, Monday through Friday, 7:30 a.m. to 5 p.m. PST.

To report a claim after business hours, call 800.834.2669 or visit the website at **tdicinsurance.com**.