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Here today. Gone tomorrow. Asheville, North Carolina, dentist Robert Powell suffered over a million dollars in damages to his office when flooding struck area.

When Disaster Strikes

If outside forces have dealt a devastating blow to your dental practice, your first response might not be the best one. Fortunately, there are professionals who can help alleviate the pain of disaster recovery.

Wes Baldwin

January 4, 2005, was a fairly routine business day for Dr. Creighton W. Baldwin – several new patients, one emergency extraction and two missed appointments. But when Dr. Baldwin left the office that evening, about 6 p.m., he never dreamed it would be the last time in a while for “business as usual.”

Early in the morning hours of January 5, Dr. Baldwin learned that his Charlotte, North Carolina, dental office had been set ablaze, resulting in a total loss of the building and all equipment.

“There was so much on my mind,” said Dr. Baldwin (no relation to the author of this article). In addition to immediate concerns about rebuilding his

practice and maintaining service to his patients, Dr. Baldwin had reservations about handling all that was necessary to get a fair settlement on his property loss.

Disasters like fire, flood or high winds can be devastating to a dental practice. And while dentists are highly trained in procedures like fillings, bridgework and crowns, most are not experts when it comes to assessing the value of their property, equipment or professional expertise.

Just as the profession of dentistry emphasizes prevention and prompt treatment, a prescription for disaster recovery is also based on these elements.



There was nothing left after fire swept the Charlotte, North Carolina, dental office of Creighton Baldwin. His livelihood disrupted, Dr. Baldwin was concerned about getting a fair settlement on his property loss.

PREPARE NOW

The time to prepare for a disaster is long before it occurs. You can't file a claim for what you can't prove you owned. It's essential to compile a complete inventory and documentation of your building and all of its contents:

- If you own your building, photograph the exterior from all sides.
- Photograph the interior of each room, showing all equipment, furniture and supplies. Don't forget storage areas.
- Record replacement values, along with serial and model numbers.
- Make copies of contracts and financial records that can be used to estimate business-interruption losses.
- Maintain back-up copies of patient records, X-rays and computer files.

Store these materials, along with insurance policies, equipment manuals, warranties and deeds, in a secure off-site location, where they can be accessed quickly in case of a disaster.

Once you've created these records, be sure to update them regularly, to insure that information remains current.

Consider using a temporary employee to help prepare these documents if your staff doesn't have enough additional time.

MOVE QUICKLY BUT CAREFULLY

When disaster strikes, the first instinct is to move quickly. But it's important that you proceed with a calm approach and a level head.

The key to getting your practice up and running again is receiving an accurate settlement from your insurance company. When you file a Proof of Loss statement, you are submitting

documented proof of the value of everything you have lost. Once the statement is filed, it's too late to go back and make adjustments for items overlooked or undervalued.

Unfortunately, an insurance adjuster, who represents the insurance company, may differ dramatically from you in his interpretation of your loss. It's not the job of the company adjuster to help you, the policyholder, discover items you may have missed or to tell you that you might be undervaluing your claim.

Even if you and the insurance company agree on the items lost, there may still be dispute as to the degree of damage, the value of items or the amount of depreciation.

SEEK PROFESSIONAL ASSISTANCE

It's an emotional time when you've suffered a loss of your business. You've worked diligently to build a successful practice, an excellent staff and a great relationship with your patients. When that is taken away – along with your livelihood and income – it's easy to become overwhelmed.

Many small business owners, including dentists like Dr. Baldwin, are turning to public insurance adjusters to help them navigate the complicated insurance negotiation process. Public adjusters work on behalf of the policyholders, receiving a small percentage of the final settlement from the insurance company. They inspect the loss site immediately, analyze the damage, assemble the claim support data, review the insured's coverage and determine current replacement costs. In addition to helping reconstruct your inventory, put together a repair or replacement estimate and project losses of income, public adjusters will also negotiate on your behalf with the insurance company's representative.

If you are considering a public adjuster, do some homework to be sure you are selecting the firm best suited for your practice. Steps to take include:

- Contact the National Association of Public Insurance Adjusters (www.napia.com), a trade organization representing more than 100 firms.

- Interview several firms. Ask them about rates and credentials. Question former clients about their experiences.
- Call your state insurance office and the Better Business Bureau to make sure the company you have selected has no unresolved complaints.

BE SMART

Be cautious about whom you hire to perform repairs to your building. Don't be rushed into signing contracts with builders, roofers or other service providers. Take time to consult with more than one company, and compare written estimates. A public adjuster can also help you with this process. Be aware that temporary repairs might get you back in the building, but their cost will reduce insurance settlement resources for permanent repairs. Weigh the benefits of doing it fast against doing it right.

Hiring a public insurance adjuster helped Dr. Creighton Baldwin focus his time on finding a temporary location where he could continue to see his patients several days each week. The public adjuster helped Dr. Baldwin reconstruct a complete inventory, put together replacement estimates and negotiate a fair settlement based on calculations of lost business income. Today, this North Carolina dentist is successfully serving patients from a new office just a few miles from his former facility. And, fortunately, it's back to "business as usual."



Wes Baldwin is president of The Baldwin Company, a 30-year-old professional property-loss recovery firm headquartered in Charlotte, NC. He is past president of the National Association of Public Insurance Adjusters (NAPIA), having also served 18 years on the NAPIA Board of Directors. He can be reached at (704) 335-1111, or visit www.thebaldwincompany.com.