

How to get back to work safely and manage claims after an earthquake

After the immediate danger and possible aftershocks of an earthquake have passed, businesses may be eager to get back to work. However, organizations should approach return to work with safety procedures in place. It is also critical for organizations to know the insurance claims process, understand policy conditions, and have a plan for preparing a claim with key stakeholders aware of their responsibilities.

The following checklist provides guidance on actions organizations can take when facing an earthquake event. Please note that the following checklist is not all-inclusive and that following this checklist does not guarantee any result, including the outcome of any potential claim.

Task	Not started	In progress	Complete
Getting back to work			
Evaluate physical damage			
Assess any damage both to your property and any surrounding infrastructure and take any necessary steps to reduce the potential for further losses.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rely on in-house maintenance teams, if available, or coordinate with remediation third-party service providers to remove any damaged or affected materials throughout the facility.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Thoroughly clean equipment of dirt, debris, and other contaminants.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Confirm the operability of all building systems — including fire detection and fire suppression, elevator, ventilation, air conditioning, and heat — and identify and repair any damaged systems.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Perform hot work only if necessary and ensure proper precautions are taken.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Verify that the affected areas have been restored and are safe to reoccupy by employees or tenants.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Task	Not started	In progress	Complete
Implement business continuity plans			
Retain open lines of communication with your people, and keep senior leaders, response teams, and other stakeholders informed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Determine the management and logistical processes for continuing or resuming and recovering interrupted critical business functions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ensure the availability of networks, applications, and data.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Consider to what extent your contingency plans need to be activated if your properties or your suppliers are affected by power or network outages and other damage.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Check on the condition of your customers and suppliers as interruption of their operations can significantly disrupt your own.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Managing your claims			
Report potential claims to your broker or insurer			
Following damage and business continuity assessments, reach out to your broker or insurer about actual or potential property, operational, or revenue losses experienced as a result of the earthquake.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Track claim costs			
Review applicable insurance policies — including property, business interruption, and contingent business interruption coverage — to determine what may or may not be covered.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Set up special work orders, job numbers, and other accounting procedures to identify and capture all claim costs.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Describe the tasks assigned to job numbers, and make sure to separate overtime pay because you will need this breakdown later.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Attempt to secure the adjuster's agreement to compensate for salaried repair labor — if possible, before a loss occurs.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Review all components of overhead charges with the adjuster, and try to get agreement on mark-ups and corresponding amounts to be allowed in this adjustment.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Keep records of overhead applied to labor, materials, and other repair-related costs.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Advise your accounting department to set up special work order accounts to accumulate all related expenses as soon as possible after the loss.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
See that your supervisors are notified so they can charge all clean-up, salvage, and repair labor to the proper account, and keep track of the overtime separately.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Arrange for purchase orders, invoices, and checks to reflect the special account numbers, then to be copied and set aside to substantiate your claim.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Clear all formal claim information through your insurance staff — local people may not be aware of many administrative and overhead items that could count toward the claim.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Arrange permanent repairs or replacement			
Before authorizing permanent repairs, attempt to obtain your adjuster's agreement on the scope of repairs.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Secure contractors to bid on the job, including, if necessary, a meeting with the adjuster to establish details and itemization.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If your people and the adjuster disagree on the extent of damage to buildings, you may need an expert opinion from a contractor, architect, or licensed structural or civil engineer.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
For the same situation regarding machinery and equipment, you may need documents from the equipment manufacturer or machinery repair experts.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Task	Not started	In progress	Complete
Inspections			
Inspect the property as soon after the loss as possible.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Make notes and gather general impressions, which will be vital to you later in adjusting the loss.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Have photographs or videos taken to help refresh your memory later.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Communications			
Establish a smooth flow of information from the affected location to your office and clarify which decisions local management can make.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Appoint one person to oversee the entire claim preparation process — from setting up specific work orders or similar accounting mechanisms to final preparation of claim figures.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Decide who will be responsible for dealing with the loss at local levels and see that the adjuster is instructed to work only through this individual.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Coordination			
Work with people and departments across the organization to produce a result acceptable to your business and the insurer.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Make sure everyone involved understands, at least in general terms, what you are trying to accomplish and why.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Risk manager should coordinate the gathering and sharing of information from all these sources and ensure it is presented to the insurer properly and favorably.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resume operations			
Consider whether it is practical to set up temporary facilities in your location or another while repairs are being made.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Be careful to keep your adjuster fully informed of your actions, and always try to secure prior approval of these extraordinary expenses.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Meeting your earthquake preparation and response needs

For more help with earthquake planning, response, and recovery issues, engage your Marsh Client Executive, who will connect you to the appropriate consulting and claims resources. You can also visit the [Earthquake Resource Center](#) for additional information.

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