

RISK ALERT #5

Outbreak Management A CEO's Real-time Experience



*"All our plans had been based on 40% staff loss...
and we lost 75%!"*

Business as usual in the most unusual and uncertain of circumstances requires responsive, steady and visionary leadership. Collectively, care organisations in Australia have led a remarkable response to the pandemic; strongly safeguarding and protecting lives of vulnerable people in a way incomparable with other advanced economies around the world. However sustaining this effort will be challenging and in fact other unintended risks may rise.

The value of effective risk management frameworks (and clinical governance frameworks) have been well demonstrated throughout this pandemic:

- Organisations that have invested in continuously improving and embedding their risk capabilities will govern with more confidence through the crisis and be more likely to recover well after it.
- The very nature of the virus has shown that despite efforts to manage risk as low as reasonably possible, transmission can silently commence with little warning and spread rapidly. The risk of a Covid-19 outbreak remains real for residential and community care providers and the consequences of such an event can be devastating.
- For many CEOs and their teams, that fearful moment of receiving **THAT phone call advising of a positive Covid-19 result**, forms part of these very uncertain and complex times care organisations now operate in.

This Risk Alert shares the experience of Belinda Scott CEO of Grant Lodge Aged Care. Belinda received **THAT call** and shares her organisation's response, providing key messages of advice and support to other CEOs and senior managers on risk-based planning, prevention and recovery.

The collage includes several news articles:

- Herald Sun:** Nursing home in lockdown after staffer tests positive as new coronavirus cases spike to 17
- THE AGE:** Nursing home tested after staff members' positive results
- 7NEWS.com.au:** Grant Lodge aged care facility in lockdown after worker tests positive to coronavirus
- Nine News:** Two Melbourne aged care homes in lockdown after coronavirus cases
- Grant Lodge Aged Care:** Busselton nursing home is in lockdown after a staff member tested positive to COVID-19.

"I think the thing that went really well was the communication with families and the openness"

"To the CEOs who have spent the time watching this, if you need assistance or support I'm happy to share our tools and resources and take your call"

"We've taken a risk based approach to everything that's arisen"

INTERVIEW

To view the full interview with Grant Lodge Aged Care's CEO, Belinda Scott on their experience with Covid-19 click [here](#).



CEO, Belinda Scott (left) and Senior Risk Consultant - National Care Practice Leader, Anthony Black (right).

PREVIOUS RISK ALERTS

Risk Alert #1

RISK ALERT #1
Good Governance & Risk Management Considerations & Information for Pandemic Risk

Good Governance & Risk Management

As the global risk of a pandemic declaration grows, it is important for organisations to have a clear governance and risk management approach to respond effectively.

This is particularly important for organisations responsible for the safety and welfare of vulnerable people, where disruption and uncertainty can have significant impacts.

In response to this risk, Boards and Senior Leaders should take action now to prepare their organisations:

Background

With Coronavirus now spreading through countries from the origin in China, it is now considered by experts to be at a pandemic level. The Federal Government has issued a Health Sector Emergency Response Plan to manage the risk of a pandemic. Recently the Federal Government released the Health Sector Emergency Response Plan to manage the risk of a pandemic.

Under the plan, state and territory governments are responsible for:

- Identifying, testing and isolating people exposed to those who are infected.
- Coordinating the distribution of antiviral drugs.
- Ensuring the availability of medical equipment (including schools and workplaces), quarantining people, cancelling events and even limiting down public transport).

The states and territories will establish systems to promote the safety and security of people in aged care, schools, child care, disability services, mental health facilities, correctional facilities, and other key sectors. This will involve working closely with the relevant state and territory governments and organisations and the general public must respond accordingly.

How does Insurance Coverage Work?

Business Interruption Insurance Coverage

Business interruption insurance policies have become a source of concern for organisations. Businesses provided by public authorities due to the outbreak of infected or contagious disease. Typically, business interruption insurance policies do not cover losses arising from government intervention or emergency declarations or related to the emergency declaration.

As the COV19 emergency declaration is made under section 402 of the Biosecurity Act 2015, the policy would not cover the prevention of harm and the avoidance of potential legal liability. Your insurance broker will help you understand your specific policy and what is covered and what is not.

Contact your insurance broker to understand your specific policy.

Checklist

The checklist can be downloaded here: [Download Checklist](#)

Risk Alert #2

RISK ALERT #2
Pandemic Management
3 Actions to Support Clients

Over the last two years, the “imperial” rigs of “pandemic disruptor” have been one of our risk management considerations. As the world has continued to evolve, acknowledging that business over the next decade will be a different place, disruptions will be the norm, our insurance world will mean global risks and challenges will continue to increase. We believe that the best way to support our clients will be to encourage them to take three actions:

Develop a Pandemic Plan

The Covid-19 pandemic has brought to light how testing all of this. Managing through the pandemic – and the post-pandemic world – relies on effective and capable risk management frameworks. Standard approaches at work – organisations must act swiftly, decisively, and responsibly to protect their organisations.

We can see that it is an important time throughout these very challenging times. For example, employees, employees and customers are more likely to leave their organisation if they feel that their employer is not fully prepared. Providing timely and relevant advice and support will assist organisations to navigate through the pandemic as well as manage the broad range of risks they also encounter.

Brokers Play a Vital Role

The following 3 actions can assist your approach to supporting your clients now:

1. Ensure a Pandemic Management Plan is in place

By now all organisations should have a pandemic plan in place. There are three critical elements to this:

- It is proportionately tailored specifically to the organisation.
- It has oversight from the organisation's highest levels.
- There are regular briefings to this body.

There has been a risk assessment of the plan.

The Ansvar Risk Alert provides principles for the development of a plan, a checklist that covers key components of a plan, and a template for you to look out for and assess. The Risk Alert #1 and the Checklist can be downloaded here.

2. Ensure Business Interruption Insurance Coverage

Ansvar Risk, in consultation with brokers, has developed a checklist to assist brokers to support their clients with their business interruption insurance coverage. Please see below for details.

3. Brokers are a valuable resource

Ansvar Risk, in consultation with brokers, has developed a checklist to assist brokers to support their clients with their business interruption insurance coverage. Please see below for details.

Risk Alert #3

RISK ALERT #3
Important Aged Care Guidance for Brokers

Aged Care facilities have been fully tested over the last few years, now changes in regulation, a “Bigot Commission”, new Standards and the Commonwealth, significant workforce challenges, increasing care complexity and financial strains to boot just to name some.

Supporting them through these risks and disruptions, and now the enormous weight of a pandemic, remains a challenge. As a result, Ansvar has developed a range of resources to support you and your clients. We offer consultancy services, work with you on insurance solutions and continue the success we have had to date.

Please be safe and stay healthy.

For the Pandemic, Ansvar has issued an update on preparing for what we expect we have had great feedback on in timeliness, usefulness and practicality. Thank you to those who have circulated it to your clients. We continue to update guidance and will continue to provide risk alerts throughout the coming months related to the pandemic.

We will also continue to raise awareness of the pre-existing risks that are out there and must continue to be managed. This is crucial to ensure the right of care and protection of our clients. We are also happy to provide learning tools to assist our clients even more challenging. Our next alert – “Did Aged Care Facilities have the right processes in place to manage the risk of infection?” will be issued shortly. We will continue to provide updates and monitoring throughout the pandemic, with tips from experts on effective risk and governance practices.

Important directions and requirements were issued over the last two weeks that must be incorporated to ensure the safety of residents and staff. These include the revised National Quality Standard for Aged Care and the revised National Clinical Practice Guidelines for the management of COVID-19 in Aged Care.

Ansvar has issued an update on the revised National Quality Standard for Aged Care and the revised National Clinical Practice Guidelines for the management of COVID-19 in Aged Care. These are available on the Ansvar website.

IMPORTANT INCLUSIONS FOR AGED CARE PANDEMIC MANAGEMENT PLANS

1. Access Restrictions:
Residential Aged Care Facilities must comply with and enforce new Federal, State and Territory Government Directions.

2. Outbreak Risk Management:
Aged Care Providers should align their plans with recently published Guidelines for Infection Prevention and Management.

What to discuss with clients:

Now that these new Directions are there specific barriers have been identified – how will the organisation inform its residents? How will breaches be managed and care access facilitated using alternative communication methods? What are the key areas of business communication systems to support remote working? How will the organisation manage visitors – does this incorporate restrictions, and include guidance on practical aspects such as physical distancing, mask wearing and hygiene with Standards – particularly clinical and non-clinical?

Is Board & Responsible Body briefed on its obligations to ensure these Directions are fully implemented, risk assessed its policy and strategy and is monitoring its implementation?

Risk Alert #4

RISK ALERT #4
Unoccupied Properties

Protect vacant property

Do not damage or destroy vacant property. Do any damage is minimised.

Select vacant property

Remove unnecessary items like clutter, packaging and debris.

Risk managing vacant properties throughout the pandemic

Securing and managing vacant properties has become necessary for many organisations and businesses as a consequence of the pandemic. Property owners must ensure their buildings are safely isolated and monitored.

When a property is unoccupied for a period of time it may suffer damage due to:

- Fire caused by faulty electrical equipment.
- Water damage including flooding and profile.
- Burglary e.g. damage to the building when gaining access, theft of building materials and contents.
- Water damage from progressive and uncontrolled leakages.
- General deterioration caused by adverse weather or as a consequence of lack of maintenance.

Identifying risks at your premises can help you to reduce risk or damage occurring. Carrying out a risk assessment of the vacant property for a regular basis will help you identify any hazards and break points.

THIS DOCUMENT PROVIDES GENERAL RISK MITIGATION RECOMMENDATIONS

1. Key actions to take to PROTECT the property

2. Key risk areas for ONGOING assessment and management

This advice should be considered in the context of your risk management framework and your general audit policies and procedures. Your insurance Broker can provide important support throughout this time; we encourage regular contact with any changes or concerns.

To download the Risk Alerts, please click [here](#).

Contact

Please contact Ansvar Insurance on **1300 650 540** or insure@ansvarrisk.com.au regarding insurance coverage, claims support and advice. If you have any specific Risk Management queries please contact Ansvar Risk, see below for details.



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As our National Care Sector Leader, Anthony works with organisations throughout Australia to support governance and risk management capability; supporting boards, senior managers and staff to implement effective approaches to support decision making, improve performance, optimise objectives and prevent harm.

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