



GUIDE TO PANDEMIC  
BUSINESS PLANNING & COMMUNICATIONS



**HEALTH**  
*Advocate*<sup>™</sup>



## ABOUT THIS GUIDE

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This publication offers the latest research and comprehensive advice to assist your organization in preparing for a possible pandemic. No one can be sure when the next pandemic may strike, but the planning tips in this white paper provide your workforce with the needed tools for designing a strategic plan to address such a crisis, in addition to helping you respond to other emergency situations.

Health Advocate, Inc., the nation's leading health advocacy and assistance company, was founded to help employers and other organizations and their respective employees and families better navigate the clinical and administrative complexities of the nation's healthcare and insurance systems. The company currently serves more than 6 million Americans nation-wide through its relationships with employers, unions, third-party administrators and insurers, including some of the nation's largest companies as well as a wide range of local and regional organizations.

Under the extraordinary circumstances of hurricanes Katrina and Rita, Health Advocate also served as a trusted source to many of our clients and members. We helped them find the answers and resources they needed to protect their families' health and obtain medical services, medications and insurance coverages.

Whether it is in response to the challenges of an emergency situation or the everyday healthcare needs of employers and their employees, Health Advocate provides a broad spectrum of time and money saving advocacy and assistance solutions. For more information please contact Health Advocate at 1-866-385-8033 (*toll-free*) or via email at [answers@HealthAdvocate.com](mailto:answers@HealthAdvocate.com).

## GUIDE TO PANDEMIC BUSINESS PLANNING & COMMUNICATIONS

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uide to Pandemic Business Planning & Communications offers the latest information about a possible avian influenza pandemic and what your organization can do to prepare for it. Planning now is imperative because, if this influenza strain becomes easily transmittable from person to person, it could spread globally in as little as three to four weeks.

This guide presents the business case for preparing for a possible pandemic and provides answers to many of the questions business leaders have about educating employees, protecting their health and keeping your business viable. The stand-alone Business Continuity Checklist takes you step-by-step through the process of assessing your current emergency/business continuity plans and addressing challenges specific to a pandemic.

Influenza experts around the globe held their breaths in May 2006 when the World Health Organization (WHO) reported the first confirmed human-to-human transmission of the avian flu. In Sumatra, Indonesia, the virus had been passed on from one family member to another, and first reports showed that there was a slight mutation in the virus that infected a young boy. There was a collective sigh of relief when the WHO announced that it did not consider this case a precursor to a worldwide pandemic of the disease.

But there is no ignoring it. H5N1, the avian influenza strain that is currently circling the globe, has gained the attention of the world. Some experts espouse various dire predictions about the deadliness of the disease and what it could mean for the planet, while others believe that the whole case is overblown. We should be cautious, but not alarmists. As someone who is interested in protecting your business and your employees, how do you sort through the hype?

### Executive Overview

# The Risk

The general consensus is not if a pandemic will happen, but when. We will experience another pandemic – in fact, there are, on average, about three or four a century – but when is anyone’s guess. The last one was in 1968 and was relatively mild, killing approximately 34,000, the same amount of people the annual flu kills. There was also one in 1957-58, which was moderately severe, causing 70,000 deaths. We only need to venture back to the beginning of the last century, however, to find one of the worst influenza pandemics that ever occurred. The 1918 “Spanish Flu” was startling in the number of people it killed and the devastation it caused. Estimates put the number of deaths between 20-100 million; no one is certain because of the lack of records kept.

How much of a risk, however, does H5N1 actually pose? H5N1 first infected humans in 1997, but then became dormant. The current outbreak, which began in Southeast Asia in 2003 and spread to more than 50 countries, appears to pose a significant threat, but only to birds. Just 241 human cases resulting in 141 deaths have been reported, in 10 countries, and almost every single one of those cases was directly linked to infected birds. This means that human-to-human transmission is almost nonexistent. That’s the good news.

The concern is that this may change. H5N1 is closely linked to the 1918 virus. Dr. Robert Webster, an expert on influenza viruses and the Director of U.S. Collaborating Center for the WHO and Rose Marie Thomas, Chair, Department of Infectious Disease at St. Jude Children’s Research Hospital in Memphis, Tennessee, believe the virus has the potential to mutate and become easily transmittable between humans. In an interview on the Canadian Broadcast Corporation’s Fifth Element in January 2006, Dr. Webster said he had “never seen such a pathogenic virus.” He went on to tell viewers that H5N1 is the most likely candidate for a pandemic and “you should prepare for it.”

Particularly troublesome is that, upon re-examination, it now appears there were multiple mutations in the virus in the family cluster in Sumatra, though the significance of the changes is uncertain. Still, the WHO has not increased the level of their warning, which they currently put at a Level 3 in terms of a threat for a pandemic.

Current WHO Phase of Pandemic Alert		
Inter-Pandemic Phase	Low risk of human case	1
New Virus in Animals, No Human Cases	Higher risk of human case	2
Pandemic Alert	No or very limited human-to-human transmission	3
New Virus Causes Human Cases	Evidence of increased human-to-human transmission	4
	Evidence of significant human-to-human transmission	5
Pandemic	Efficient and sustained human-to-human transmission	6

Source: World Health Organization. “Current WHO phase of pandemic alert.”

But whether it is the current H5N1 strain that eventually becomes a pandemic, or a different disease in the future, organizations must start planning for business continuity during such a crisis. The one thing experts know for sure is that if we experience a moderate to severe pandemic, there will be no business as usual. Companies may have to cope with extremely high absentee rates, disrupted supply chains, security and succession issues.

## What To Expect

A pandemic comes in waves, each one lasting anywhere from four to twelve weeks, continuing for up to two years. Twenty to 30 percent of the population worldwide could become ill during the first wave alone.

In the United States, more than 90 million people could be infected with the virus. We could also face the following medical challenges from a moderate or severe outbreak.

Medical Challenges Based on Severe to Moderate Outbreak		
Characteristic	Moderate (1958/68-like)	Severe (1918-like)
Illness	90 million (30% population)	90 million (30% population)
Outpatient medical care	45 million (50% of those ill)	45 million (50% of those ill)
Hospitalization	865,000	9,900,000
ICU care	128,750	1,485,000
Mechanical ventilation	64,875	745,000
Deaths	209,000	1,903,000

*Source: PandemicFlu.gov. Estimates based on extrapolation from past pandemics in the United States.*

Even though the current death rate for H5N1 is 58 percent, that percentage is expected to decrease significantly if it becomes more easily transmissible between people.

The main impact of a mild or somewhat moderate pandemic will be health related, in terms of taking care of those who fall ill or even die. A more intense pandemic will have even more serious consequences, not only in terms of public health needs, but also for the infrastructure of the areas affected. Countries, including the United States, could and probably should expect to see:

- Healthcare systems completely overwhelmed
- Disruption of supply chains, including those for food, medications and other needs
- Reduced or short-term outages of electricity and other utilities
- Travel bans
- Social disruption



## Are We Prepared?

In a March 20, 2006 speech, Michael Leavitt, Secretary of the Department of Health and Human Services (HHS), told his audience, “Any community that fails to prepare – with the expectation that the federal government can come to the rescue – will be tragically wrong.” So what are we doing to prepare? Unfortunately, not as much as we could.

Chances are there will not be a viable vaccine for the first six months of the pandemic. Companies have been developing possible vaccines, but because the virus will have, in all probability, mutated to make it more easily transmittable between people, the vaccine will probably have to be fine-tuned as well. Currently, the government has stockpiled more than 6 million doses of Tamiflu®, an antiviral that may or may not be effective against H5N1, and ordered an additional 15.4 million. In July 2006, HHS announced an additional \$225 million to be added to funding for state and local preparedness, yet we have a long way to go in terms of preparation. In May 2006, the Homeland Security Council released the federal government’s 233-page response plan to a pandemic, *National Strategy for Pandemic Influenza*. Many health officials felt the plan was insufficient. The Trust for America’s Health, a nonprofit organization that focuses on disease prevention, said that whereas the plan “represents serious progress for our national response,” it “does not adequately address the financial blow the country will take if and when an outbreak happens. The resources it will take to implement a comprehensive response effort during a pandemic will be enormous.” Dr. Irwin Redlener, director of the National Center for Disaster Preparedness at Columbia University, responding to the report, said in a May 3, 2006 *New York Times* article, “There’s a disconnect between the rhetoric about what’s needed [during a pandemic] and the resources on the table. This is the mother of all unfunded mandates.”

The business community is not really prepared either. Yet, according to the federal government’s pandemic plan, 85 percent of critical infrastructure in this country is owned and operated by the private sector, and the report says it will be incumbent on them to sustain their operations.

A Mercer Global Avian Flu Survey found that even though 70 percent of businesses surveyed believed a pandemic would damage profitability, only 47 percent had a business continuity plan in place, and just 17 percent had budgeted for pandemic preparedness. More than a quarter of Asian companies had prepared, compared to only 7 percent in the United States. The Conference Board found in its survey this past spring that the preparedness of a company was closely related to its size. Ninety-five percent of companies with more than \$5 billion in sales had either updated their readiness plan or were in the process of planning, while 65 percent of companies with less than \$100 million had no plans in place specifically addressing the impact of a pandemic.



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## What Businesses Face

Even a mild pandemic will have a significant economic impact. The Congressional Budget Office, in a report to Sen. Bill Frist, predicted that the economic impact on the United States alone could reach \$675 billion. Sherry Cooper, global economic strategist and executive vice president of Harris Bank and BMO Financial Group, speaking to a group of businesses at the CIDRAP (Center for Infectious Disease Research and Policy) conference on pandemics in February 2006, put the impact on the U.S. economy at \$650 billion and noted that the global impact could reach \$3.2 trillion.

All it takes is a look at what happened to Toronto, Canada, during the SARS outbreak. Toronto had a total of 252 cases, with 44 deaths. The economic impact, however, was shocking. Hospitals and schools closed, more than 15,000 people were quarantined, hotels were two-thirds empty and Air Canada ended up declaring bankruptcy.

A moderate or severe pandemic would have much more severe repercussions. Healthcare services will likely be overwhelmed. According to the U.S. Department of State's Bureau of International Information Programs, there could be significant shortages of medical equipment and supplies, such as ventilators, respirators, syringes, anti-bacterial soap, anti-virals and vaccines. Medications for other medical needs could become scarce, and people with chronic conditions may have a harder time getting the medical services they need as well. In addition to all these shortages and the exorbitant healthcare costs for taking care of those who become ill from the virus, businesses may also have to cope with absenteeism rates of up to 40 percent; lack of waste management, water and power; communication technologies disruptions; and travel restrictions.

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There's more. Just-in-time inventories mean that companies will probably face inventory shortages, and some industries may have to shut down their entire operations. Restaurants, hotels, movie theaters and sports arenas, for example, will all find themselves without sufficient customers to sustain operations. Many other companies will find that their downsized workforces will not be sufficient to continue normal production as absenteeism rates rise.

The Congressional Budget Office estimates that the arts, entertainment, accommodation and food industries will see an 80 percent reduction in business during a severe pandemic, while healthcare will increase by 15 percent. Industries such as construction and manufacturing will see a 10 percent decline, while professional and business services will remain even.



## Are You Ready?

The time to plan is now, considering that an outbreak of H5N1 could spread worldwide in less than a month. The first step in planning for a pandemic is to review your current emergency and business continuity plans. This is a great start, but the plans need to be updated for a possible pandemic.

Hurricanes Katrina and Rita served as an important lesson for business. Companies on the Gulf Coast have long had hurricane preparation plans, but the vast majority of them never expected the devastation that followed these storms. Employees were scattered across the United States, facilities were flooded, homes were uninhabitable and businesses that were open lacked customers. Those companies that had good hurricane plans in place were better able to deal with much of the destruction and confusion, because they did not have to start from scratch. They could more readily be adaptable and creative in their approaches to the situation. Businesses came up with all kinds of creative ways to not only contact their employees, such as advertising on news web sites, but also making decisions about how to get their businesses up and running while taking care of their employees and even helping their communities. Some companies, such as Coca Cola, set up Camp Coca Cola, a place for their displaced employees to live when they returned home to Louisiana. One major bank ended up renting an entire hotel in New Orleans and bringing in workers from other areas of the country to help. They could be flexible because they already had their basic plans in place and had more time to consider new ways to find solutions.

*The first step in planning for a pandemic is to review your current emergency and business continuity plans.*

A comprehensive business continuity plan should already have assessed your company's risk for a number of possible emergency scenarios as well as the impact each of these risks would pose to both your facilities and your employees. Take a moment to assess the components of your plan. The stand-alone Business Continuity Checklist can help you evaluate your current disaster preparedness/business continuity plan and consider what changes should be made to it to help ensure the health of both your business and your employees.

*{ ...a company's biggest concern  
will be protecting its employee base... }*



### Communications

Your employees already want to hear from you about a pandemic. The media offers constant coverage about the avian flu and many people are anxious about what effects it could have on them and their jobs. Providing your workers with accurate and up-to-date information can help alleviate some of these fears and lets employees know the company is addressing the issue. On the personal side, they need information about how to protect themselves and their families. They are ready for a discussion about work issues, in particular, how the company will protect their health in the workplace during the pandemic, as well as specifics about their job status and pay and leave concerns. After hurricanes Katrina and Rita hit the Gulf Coast, most employees had no idea what their company's policy was for handling such a catastrophic event. Employers in the hardest hit areas reported that what employees wanted to know first and foremost was if the company was going to reopen and were they going to be paid for the time the business was closed.

Employees will want to know what the trigger will be for closing the facility or having employees work from home. Those who have been identified as key personnel for working onsite will also need to know ahead of time who they should contact if they are unable to work. Those working from home may need training on how to access the company's network. Expatriates should be told whether they will be evacuated back home or will remain where they are during the crisis.

Most important will be how employees who are not onsite can find out pertinent information about what is going on with the business. Many companies already have a dedicated telephone number or web address for employees to contact in the event of an emergency. Now is the time to make certain yours is ready to handle a possible pandemic and that employees are aware of these avenues of communication. Finally, make sure you have emergency contact telephone numbers for them. During Hurricane Katrina, many organizations realized they did not have current numbers and contacts for their employees, which hampered their ability to get in touch with them.

## Wellness

By far, a company's biggest concern will be protecting its employee base. HHS says that businesses should plan for possible absenteeism rates of up to 40 percent. Those absent include employees who are ill, taking care of or mourning the loss of loved ones or living in areas under quarantine. In addition, transportation services may close down and schools may close, leaving parents to have to care for their children. There will also be workers who are too fearful to come to work. Whereas nurses might feel compelled to report to work out of a sense of professional or personal duty during the crisis, housekeeping personnel at a hospital may not feel that their wages are sufficient for exposing themselves to such a risk.

So if there is an H5N1 outbreak in your area, how will your employees know if they have the avian flu? According to the CDC, symptoms of avian influenza in humans have ranged from typical influenza-like symptoms (e.g., fever, cough, sore throat and muscle aches) to eye infections (conjunctivitis), pneumonia, acute respiratory distress, viral pneumonia and other severe and life-threatening complications.

Is It a Cold or the Flu?		
Symptoms	Cold	Flu
Fever	Rare	Characteristic, high (102-104F); last 3-4 days
Headache	Rare	Prominent
General aches, pains	Slight	Usual; often severe
Fatigue, weakness	Quite mild	Can last up to 2-3 weeks
Extreme exhaustion	Never	Early and prominent
Stuffy nose	Common	Sometimes
Sneezing	Usual	Sometimes
Sore throat	Common	Sometimes
Chest discomfort, cough	Mild to moderate hacking cough	Common; can become severe

*Source: Center for Disease Control*

One item probably not on your current emergency plans is how to effectively use social distancing techniques to protect employees from becoming ill. Companies will want to consider allowing employees to work from home or other remote facilities. Not all organizations will have the necessary technology to provide their employees with this opportunity, but those that can need to assess which employees will need to be able to access their company's network. Consider, too, what training these employees will need to be able to work efficiently at home.



Of course, not all employees can work from home. You will probably need workers onsite. But coming into a workplace increases their chances of being exposed or spreading the disease, especially if you have hourly employees who arrive at work ill, because they cannot afford not to be paid. Smart businesses need to review their pay and leave policies to help mitigate the chances of this happening. How will you handle pay for workers who have little or no leave available to them but must remain home because they are ill or taking care of family members? Even if they can use Family and Medical Leave Act (FMLA) leave, if it is unpaid, they may not want to risk losing their paychecks.

To protect the health of onsite employees, consider setting up shifts, moving employees farther away from each other, canceling face-to-face meetings and controlling access to your buildings. The stand-alone Business Continuity Checklist offers other suggestions for protecting your workers health.

## Absenteeism

Some companies may be so drastically affected by absenteeism that they will have no choice but to close. On the other hand, if you plan ahead, you may find some creative ways to staff your organization. Cross-training employees could be helpful for companies that shut down nonessential divisions and move staff to other areas. It may also be a good time to bring retirees back into the workplace. Consider teaming with other companies that may not have a need for employees during a pandemic, such as those in the entertainment or hospitality industries.

## Legal Issues

A severe pandemic will provide businesses and governments with unforeseen challenges. Organizations will need to be flexible, creative and open to new ideas to find solutions. This may be especially true when it comes to handling the legal issues that will arise during this time. As everyone grapples with the consequences of a pandemic, do not be surprised if some laws and regulations are suspended, while new ones are passed. Now is a good time, however, to review current laws that may pose difficulties during the crisis. Besides reviewing pay and leave policies, authors Brian Arbetter and Peter Gillespie, attorneys with Baker & McKenzie, in a July 25, 2006 *Legal Times* article, suggest employers pay close attention to the Americans With Disabilities Act (ADA), Occupational Safety and Health Act (OSHA), Health Insurance Portability and Accountability Act of 1996 (HIPAA) medical privacy concerns, union contracts, discrimination laws and foreign legal requirements.

## Emotional Support

Finally, consider how to help your employees deal with the emotional side of living through a pandemic. Outsourced counseling programs will be short-staffed and unable to provide normal Employee Assistance Program (EAP) support. Whether you are able to provide such services for your employees or not, it can be helpful to put together information and resources for your employees to use during and after the pandemic.

## Additional Business Continuity Issues

After taking care of your employees, the next stage is to update the rest of your continuity plan. You will want to talk to your suppliers, vendors, government agencies and other business partners to make certain that your plans coordinate with theirs. If they do not have plans, find ways to encourage them to develop strategies now for dealing with the challenges of a pandemic.

Your company will also need to make some very important business decisions about what business functions will be essential to continue running during the crisis. From security issues to stockpiling supplies, organizations will be faced with a myriad of challenges. Having plans in place for those problems that can be anticipated frees your workforce up for dealing with those that are unexpected. Review the stand-alone Business Continuity Checklist for helpful advice on what to consider to ensure that your business will remain viable throughout the pandemic.

## Recovery

Going through these planning stages may seem overwhelming, but they are absolutely necessary. As we have seen recently with hurricanes Katrina and Rita, poor planning can leave companies and people devastated. How businesses respond in a crisis has a direct impact on their employees and their customers. If companies can continue to provide needed resources during a pandemic, everyone reaps the rewards.

## Additional Resources

U.S. Department of Homeland Security and Health and Human Services' pandemic flu web site: [www.pandemicflu.gov](http://www.pandemicflu.gov)

World Health Organization pandemic information: [www.who.org](http://www.who.org)

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<sup>1</sup> WHO. "Avian influenza – situation in Indonesia – update 1423." World Health Organization. May 2006. [http://www.who.int/csr/don/2006\\_05\\_23/en/index.html](http://www.who.int/csr/don/2006_05_23/en/index.html). Accessed on July 28, 2006.

<sup>2</sup> HHS. "Transcript of Secretary of Agriculture Mick Johanns, Secretary of the Interior Gale Norton, and Secretary of Health and Human Services Mike Leavitt, – Regarding Federal Preparedness for Avian Flu." HHS Speech Transcripts. March 20, 2006. [http://www.usda.gov/wps/portal/!ut/p/\\_s.7\\_0\\_A/7\\_0\\_10B?contentidonly=true&contentid=2006/03/0096.xml](http://www.usda.gov/wps/portal/!ut/p/_s.7_0_A/7_0_10B?contentidonly=true&contentid=2006/03/0096.xml). Accessed July 28, 2006.

<sup>3</sup> HHS. "HHS has enough H5N1 vaccine for 4 million people." CIDRAP News. July 5, 2006. <http://www.cidrap.umn.edu/cidrap/content/influenza/panflu/news/jul0506hhsreport.html>. Accessed on July 28, 2006.

<sup>4</sup> "HHS Announces Additional \$225 Million for State and Local Pandemic Influenza Preparedness Efforts." HHS News Release. July 11, 2006. [www.hhs.gov/new/press/2006pres/20060711.html](http://www.hhs.gov/new/press/2006pres/20060711.html). Accessed on July 28, 2006.

<sup>5</sup> CBO. Report for Senator Bill Frisk. Dec. 8, 2005; revised July 27, 2006. <http://www.cbo.gov/ftpdocs/69xx/doc6946/12-08-BirdFlu.pdf>. Accessed on July 31, 2006.

<sup>6</sup> U.S. Dept. of State. "Health Services Could Be Overwhelmed in a Pandemic , Experts Say." USINFO. March 9, 2006. <http://usinfo.state.gov/gi/Archive/2006/Mar/11-871715.html>. Accessed on Aug. 7, 2006.

<sup>7</sup> Ibid.



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