

# MARSH



MARSH MERCER KROLL  
GUY CARPENTER OLIVER WYMAN

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## **Business Continuity Management and the Healthcare Sector**

Presentation for the ALARM Healthcare Risk Management Workshop

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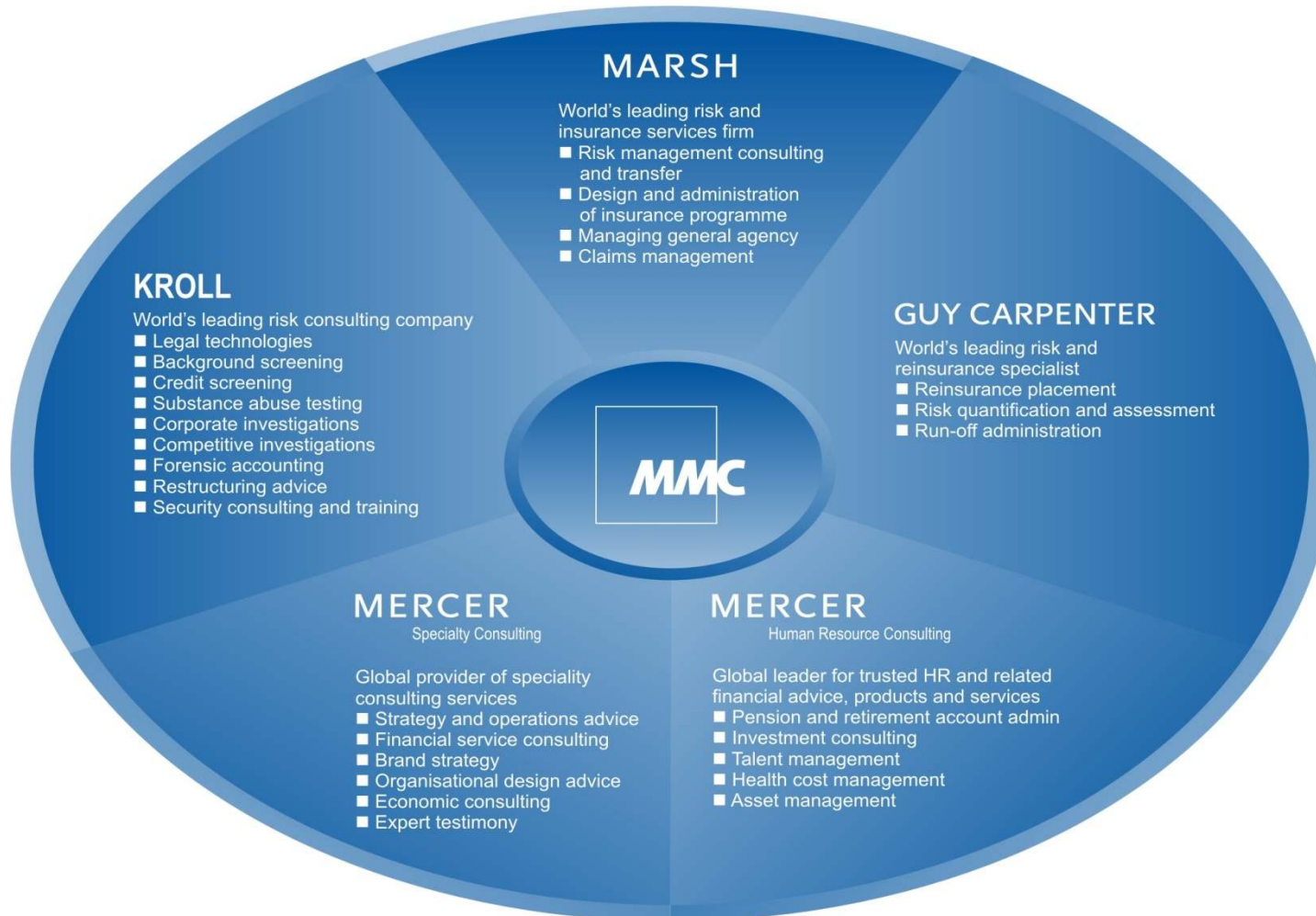
## Agenda

- Introduction
- What is business continuity management (BCM)?
- BCM and the Healthcare sector
- Current potential issues
- Questions / Discussion

# Introduction

## Who is Marsh?

- Part of Marsh & McLennan Companies (MMC), Inc.
- One of the world's leading risk and insurance firms





## Marsh Risk Consulting

- Enterprise risk management (Strategic Risk Consulting)
- Business continuity management (incorporating supply chain and product risk)
- Property loss control
- Forensic accounting, claims and business interruption (incorporating claims defensibility)
- Workforce strategies (health and safety and motor fleet)
- Modelling, analysis and design
- Insurance archaeology
- Valuation services (intangible risks, including intellectual property)

In 2009, our European, Middle East and Africa (EMEA) risk consulting division was awarded 'Risk Service Provider of the Year' in the 2009 European Risk Management Awards.



## The Marsh BCM Practice

- Global team of approximately 100 consultants, 10 of whom are UK-based
- Business Continuity Awards:
  - In May 2010, the Marsh team was the winners, for the fifth time, of the award for ‘Excellence in the Insurance Industry’.
  - Individuals within the team have won awards for ‘Consultant of the Year’ and ‘Newcomer of the Year’ over the last three years.
- Members of the Marsh team sat on the committee responsible for the formation of BS 25999, the British Standard relating to business continuity.
- Most of the Marsh team members have attended formal training courses and qualified as lead auditors for BS 25999.
- Marsh consultants regularly appear in the media as recognised industry experts commenting on BCM issues.



## What do we do?

We have experience of delivering consulting services across a wide range of BCM subjects:

- Development of new BCM plans.
- Enhancing / upgrading existing BCM plans.
- Assessments and benchmarks (including BS 25999).
- Planning and running BCM exercises and tests.
- Training and familiarisation.
- Setting up BCM programmes, integration with risk management, BCM maturity model development.

We work with all types of organisations across all sectors and have good working experience of BCM in Healthcare.

**What is business continuity  
management?**



## What is BCM?

Definition from BS 25999:

- “An holistic management process that identifies potential threats to an organization and the impacts to business operations that those threats, if realized, might cause, and which provides a framework for building organizational resilience with the capability for an effective response that safeguards the interests of its key stakeholders, reputation, brand and value-creating activities”

Or more simply put:

- A process that enables an organisation to continue its activities to a minimum acceptable level following a serious disruption



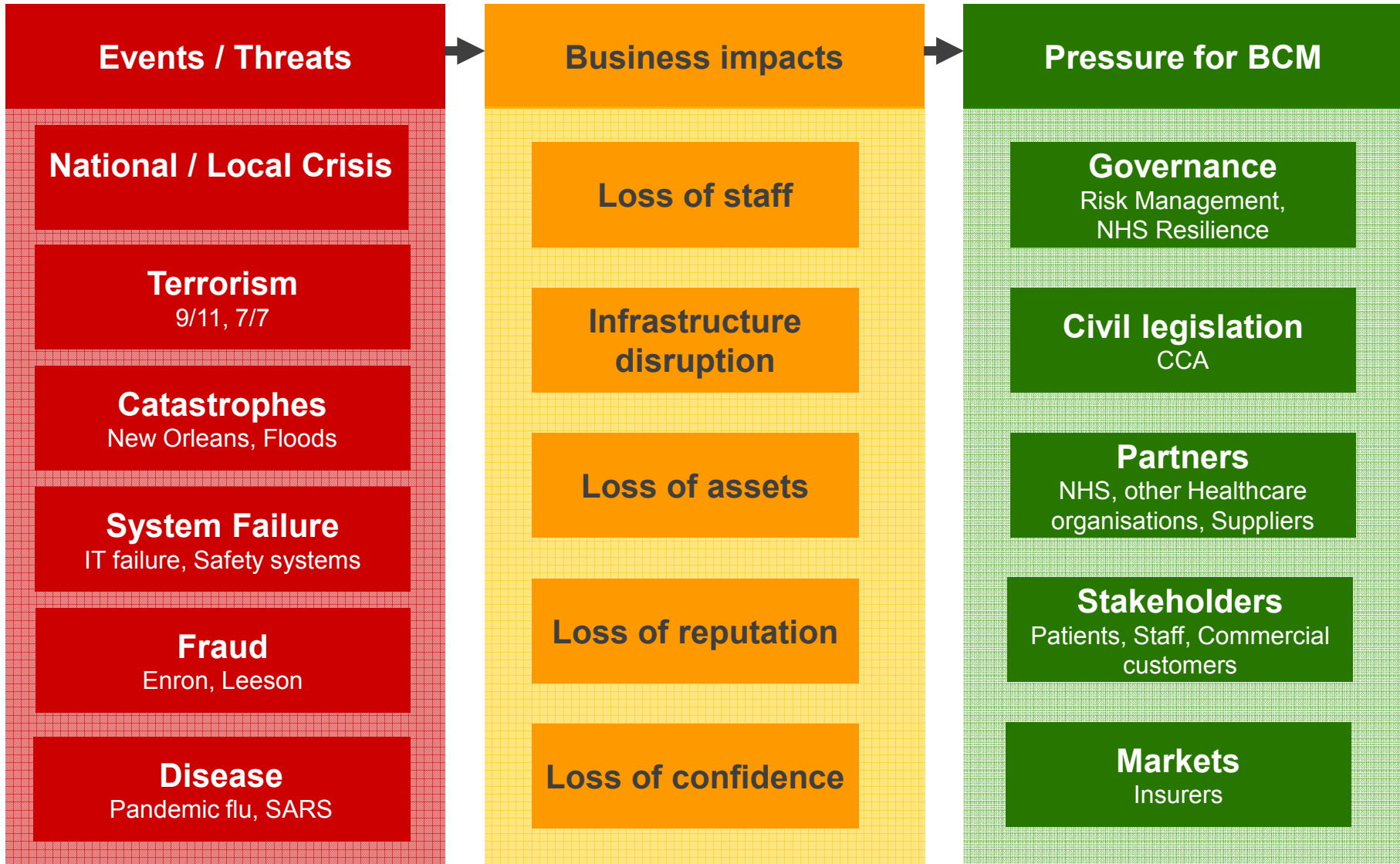
## What is BCM?

National Health Service (NHS) definition from NHS Resilience and BCM Guidance – June 2008.

“The management process that enables an NHS organisation:

- To identify those key services which, if interrupted for any reason, would have the greatest impact upon the community, the health economy and the organisation.
- To identify and reduce the risks and threats to the continuation of these key services.
- To develop plans which enable the organisation to recover and/or maintain core services in the shortest possible time.”

# BCM Drivers



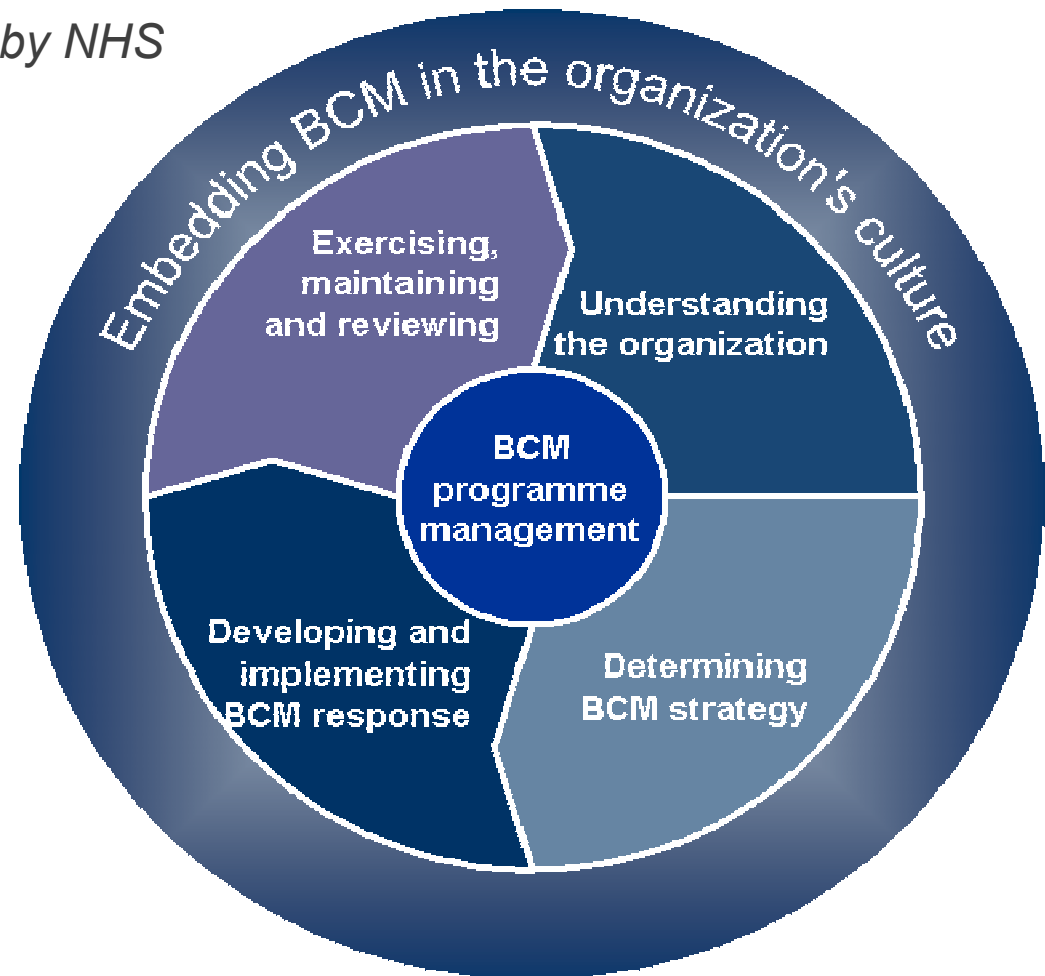
## The business continuity management process

### The BS 25999 BCM Model

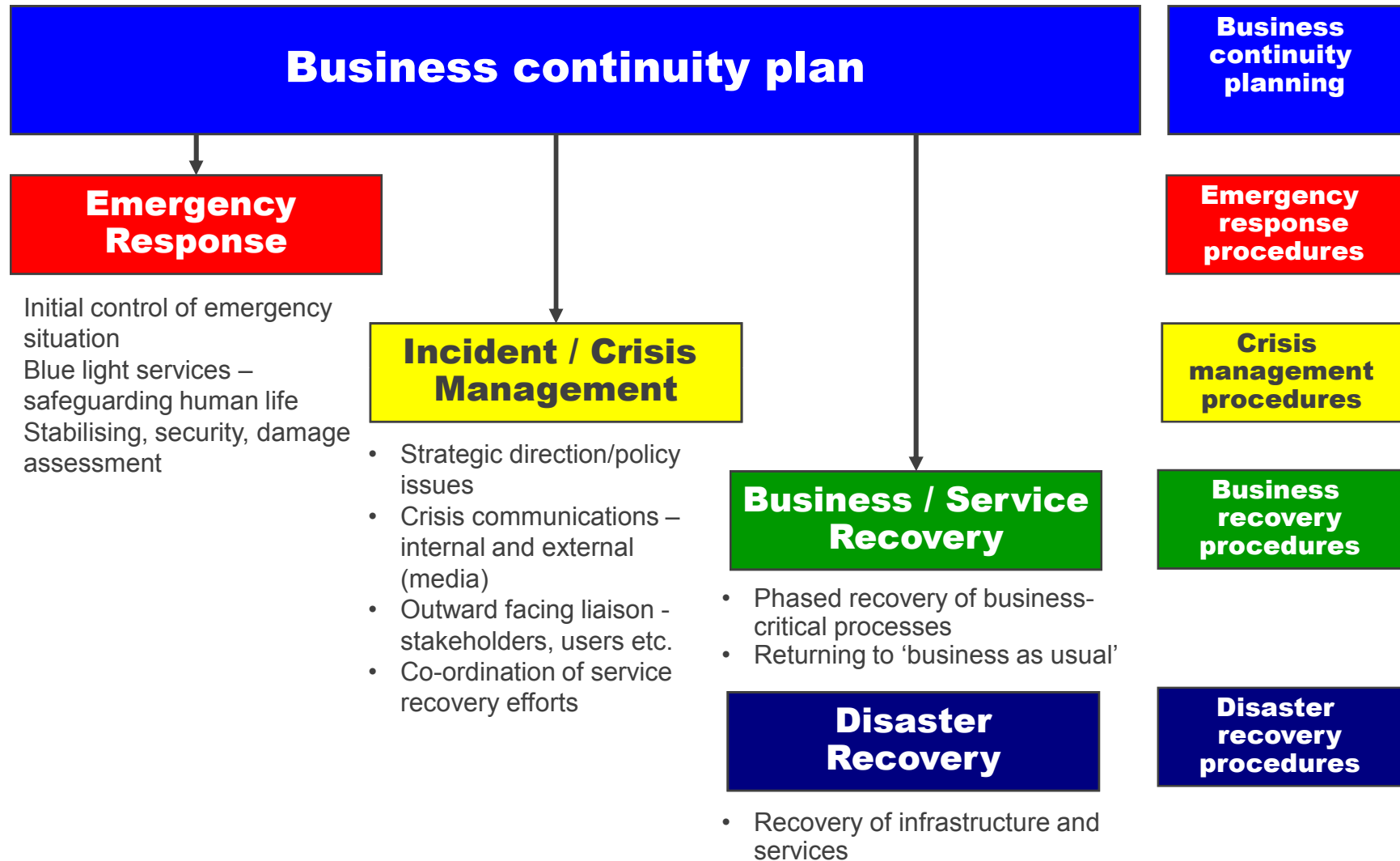
- *NB. BS25999 approach endorsed by NHS Resilience Project*

#### Benefits

- Standardised approach
- Reduces confusion (terminology)
- Accessibility and education
- Guidance
- *Specification*
- *Accreditation*



# Business continuity plan documentation and terminology





## Business Continuity Management System (BCMS)

- It's more than just a plan or series of documents:
  - How are your BCM plans going to be maintained up to date and fit for purpose?
  - BCM programme, organisational structure, policies, planning activities, responsibilities, procedures, processes and resources.
  - Appropriate documentation and record retention is a mandatory requirement for BS25999.

## **BCM and the NHS – Current status**

## Existing BCM Status?

### Some?

- A small number of trusts are reported to be going through certification to BS 25999.

### The Majority?

- Major incident plans developed, i.e. how you will respond to an external incident (category 1 responders within the Civil Contingency Act 2004).
- Localised emergency response plans developed.
- Existing culture of planning and participation in rehearsals / desktops.
- Need for emergency / out of hours contact for key staff already well-understood and part of the culture.
- However, a directorate-level business impact analysis (and BCM plans based on this) are still outstanding?

## Existing BCM Status?

### Outstanding?

- Has an in-depth business impact analysis (BIA) for all clinical and non-clinical areas been completed and are your recovery plans based on the conclusions from this?
  - What are your key services, their relative priorities for recovery and why? What exactly is the impact and cost if they are not recovered?
  - What resources are critical to support these services and why?
  - Are these conclusions agreed and signed-off by senior management?
- Have your recovery strategies and associated recovery plans been agreed, documented and tested, based on these BIAs?
- Does your major incident plan also document top management's response to an internal crisis? (i.e. Is it also a crisis management plan?)
- Do you have a fully documented BCMS?



## NHS Resilience Project

### NHS Resilience Project Website / NHS Resilience & BCM Guidance

- At the end of 2007, the Department of Health launched the NHS Resilience Programme, whose goal over three years is to ‘pump prime’ the understanding, acceptance and implementation of BCM across the healthcare system.
- The NHS Resilience project is based on a whole systems approach to healthcare focusing on the trusts becoming individually robust whilst making the NHS collectively resilient.
- NHS Resilience working with the British Standards Institution (BSI) to develop BS 25999 to incorporate the Healthcare sector.
- PAS 2015 (publicly available specification) was to be published in spring 2010 to provide an NHS Standard for business continuity – currently under development with the BSI.

## Some key clinical resources and services with specific BCM considerations:

- Operating Theatres
- Radiology (X-ray, magnetic resonance imaging and computerised tomography scanners)
- Pathology
- Pharmacy
- IT services
- Medical records and admissions
- Sterilisation and specialist cleaning (e.g. Endoscopy)

## Some Key BCM Considerations?

If a serious incident impacts an NHS organisation

- Clinical priority will inevitably be for acute patients rather than elective.
- Speed of recovery of key clinical resources and services will have a significant impact on the resumption of elective services (and the consequent income for the Trust).
- The sheer size of some hospital sites mean that BCM plans should take into account incidents that could impact large parts of the site but leave the rest of the site capable of use (as well as the whole site).
- Why might fast IT recovery be needed and is it planned for?
  - Admissions/patient contacts
  - Clinical (e.g. patient X-Ray distribution and use)
  - Pharmacy dispensing
  - Others?

**Current potential issues**



## BCM - Possible issues?

- Insurers demanding proof of BCM plans or threatening an excess.
- Compliance requirement, aligned to BS25999.
- Any others?

**Questions / Discussion**

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