

Mayor of Craig - Task Force for Pandemic Influenza Preparedness
January 28, 2020
Issue Brief: Maintaining Essential Business and Community Services
during a Pandemic Event

Executive Summary:

The economic impact of a pandemic will be devastating to all sectors of the community. History demonstrates that small businesses closed during disasters for longer than three weeks do not reopen. An influenza pandemic with sustained, high employee absenteeism rates has the potential to disrupt business operations and the provision of essential community services such as police, fire, corrections, gas and electric utilities, water, food, transportation, financial services, telecommunications, sanitation and healthcare.

Recommendations to be considered by the Taskforce:

- 1) Request the Division of Homeland Security conduct a comprehensive needs assessment to determine the extent of government and private sector pandemic preparedness and to identify best practices in business community preparedness.
- 2) Assign the Division of Homeland Security and the Homeland Security Coordinating Council, the Department of Technology Services, other state agencies and urban/rural local jurisdictions to define what “Essential Services” are and identify public/private actions needed to ensure that these services are maintained and workers are protected.
- 3) Support state and local governments to collaborate and assist businesses to engage in pandemic preparedness planning and to disseminate best practices and available resources.
- 4) Assign the Department of Work Force Services and Homeland Security to collaborate with local Chambers of Commerce and other business networks to establish a mechanism that facilitates the sharing of continuity of operations plans and pandemic preparedness best practices among businesses across Colorado.
- 4) Engage the Department of Workforce Services to assess the financial impact on “essential service” industries/agencies and their ability to absorb the impact of a pandemic. Consideration must be given to potential for business/agency failures:
 - Use the decision-making process previously recommended by the Task Force to study the financial impact of containment and restrictions measures, the impact of potential business closures and failures, and the need for government financial assistance to assure survival of “essential services”.
 - The Labor Commission should study and review worker’s compensation laws in relationship to a pandemic and draft any necessary legislation for consideration.
 - The Office of Education should study and draft legislation for consideration that would allow a waiver for continued funding of schools should mass closures occur during a pandemic.
- 5) Publish a public health containment/mitigation plan and provide a mechanism for businesses and communities to publicly comment on the implications for their operations and communities.

Background:

An influenza pandemic may last for 6-8 weeks in a given community, will occur in waves and last a year or more globally. Employee absenteeism rates may vary with the severity of the pandemic. The Centers for Disease Control and Prevention (CDC) project that absenteeism during a severe pandemic may reach 40% due to personal illness, the need to care for family members, and, fear. This is magnified by recent public polling data that suggests nearly 40% of the workforce will not report to work in the event of a pandemic because of fears for personal and family safety. These expected absenteeism rates, as well as possible interruptions in transportation and trade, will disrupt business operations and the provision of essential services. The effect of staffing reductions will be the inability to deliver expected services. The closure of certain businesses, schools and government services may be required in the interest of controlling the spread of illness. The financial impact of these actions is difficult to predict, but can be substantial (Meltzer, IMF, Osterholm).

Most people assume that their job or task is essential. While most tasks are necessary to everyday operations, in an emergency the standard of 'essential' shifts. This does not lessen the value of an employee's position but requires a change in tasks to meet the unusual circumstances faced in an emergency. Realistic steps must be taken to identify those tasks that must continue in order to deliver needed community services.

A pandemic will have a financial impact on both the private and public sector. Prolonged travel restrictions, business closures, and staffing reductions will result in a loss of revenue to the private sector, individuals, and governments. Two areas of concern, public health and business, must be considered and carefully balanced.

Public Health Considerations: The health of the population must be the primary concern. However, that concern should be considered with practical consideration of the overall, long-term economic impact of public health policies. There must be an effort to keep the impact of those policies from irreversibly damaging economic interests of the community as a whole. Additionally, the healthcare infrastructure will shoulder a large portion of the financial burden produced from a pandemic. Financial losses to our healthcare facilities could threaten failure of parts or all of the system.

***Public and Private Business Considerations:* A break down in cash flow in any sector impacts the entire economy of a community. If a business falters, the ripple effect is the decrease or loss of spending by its employees. This in turn impacts other business that relied on this source of revenue. Additionally, the decrease in economic activity reduces the amount of revenue to governments typically collected through sales, business, and personal income taxes.**

Employees may be encouraged to come to work if they believe that they are relatively safe and that their families are being taken care of.

Objectives:

- A. Identify measures that can be taken to identify essential services (public and private) and encourage/support those responsible for planning to minimize the potential for disruption.
- B. Identify measures that can be taken to encourage/support planning efforts by businesses to minimize the potential for disruption and negative economic impact.
- C. Assure that decisions about containment and other restrictions consider the implications for essential services and business continuity.
- D. Identify the responsibility of society and government to protect individuals asked to provide essential services during a pandemic and steps that can be taken to provide that protection.
- E. Recommend what decisions, separate from usual public health operational decisions, should be referred to a Governor's advisory process on pandemic preparedness (previously recommended by Task Force).

Pandemic Planning Assumptions:

- 1) *Schools, churches, mass gatherings, and businesses hosting large numbers of people may be requested or ordered to close to contain the spread of disease.*
- 2) *Travel restrictions, including inter-state commerce, may be implemented to limit spread of the infection.*
- 3) *Concerned workers will not report to work and an estimated 20 – 40% percent of the workforce will be out due to illness, care for dependents, or fear.*
- 4) *Essential services and infrastructure will be overtaxed, understaffed, and could even be interrupted.*
- 5) *Disruption of delivery of essential services during a pandemic is likely to disproportionately affect vulnerable populations, such as the poor, uninsured, ethnic and racial minorities, and those with disabilities.*
- 6) *A shortage of vaccines and insufficient availability of anti-viral medications will be inevitable.*

Concerns:

- 1) Reduced staffing will affect the operations of all businesses and services and public expectations will be difficult to meet.
- 2) The identification of Essential Services will be too broad or too narrow to fully anticipate the effects of an influenza pandemic.
- 3) Businesses and government agencies will not have effective plans in place to minimize the impact of financial loss.
- 4) Employers will not devote sufficient attention, before a pandemic, to educating employees about pandemic influenza and encouraging personal preparedness activities for their employees, missing that opportunity to reduce employee fears and concerns.
- 5) Employers will not plan in advance to protect employees, including the purchase of personal protective equipment and may be over dependent on government systems for this equipment.

Current Activities in Business Continuity Planning:

The present state of continuity planning across the spectrum of businesses and government agencies is unknown. There is concern that current efforts in the public and private sectors are not linked or coordinated and do not address issues unique to a pandemic influenza, including absenteeism, employee protection and business closure. A common obstacle to the development of plans is the reluctance to differentiate non-essential services and operations that can be postponed or delayed during a pandemic from those essential services that must be continued to sustain the community and minimize societal disruption. The tendency of individuals to ignore the unpleasant task of considering the harsh realities of an emergency is another roadblock to preparation efforts.

Suggested Approaches:

- 1 Ask the Division of Homeland Security conduct a comprehensive **needs assessment** to:
 - Determine the extent of government and private sector pandemic preparedness.
 - Identify barriers to preparedness, best practices, and effective modes of communications with different sectors of the community.
 - Assess the need for incentives to promote preparedness, and willingness to participate in preparedness exercises.
- 2 Assign the Division of Homeland Security and the Homeland Security Coordinating Council, the Division of Technology Services, and other state agencies to collaborate with local jurisdictions to **define** what “Essential Services” are and identify government actions needed to assist in ensuring services are maintained and workers are protected.
 - Personnel who deliver emergency essential services should be identified and considered for priority receipt of vaccination and other prevention measures
- 3 Ask State and local governments to be more proactive in **collaboration, communication, and assistance** to local agencies and businesses engaged in pandemic preparedness planning by:
 - Build on the knowledge and successes of ongoing efforts at the community level such as “**Ready.gov/Colorado**”. “Ready Your Business”, and READYColorado <https://www.colorado.gov/pacific/dhsem/readycolorado-0> . A good resource is the Colorado Department of Public Health and Environment’s publication titled, “Pandemic Influenza – Developing Continuity of Operations Plans – Guidelines for Residential Health Care Facilities.” https://www.colorado.gov/pacific/sites/default/files/HF_Guidance-for-residential-facilities.pdf#page=1&zoom=auto,-265,798
 - Assign the Departments of Workforce Services and Homeland Security to collaborate with local Chambers of Commerce and other business networks to establish a mechanism that facilitates the sharing of continuity of operations plans and pandemic preparedness best practices among businesses across Colorado.
 - Conduct tabletop exercises that clarify expectations and interrelationships between private/public sectors (expectations for stockpiling of equipment, supplies, PPE, etc.)
 - Assist with or provide employee education and training on emergency preparedness and pandemic influenza, specifically.

- 4 Engage the Department of Workforce Services to assess the financial impact on “essential service” industries/agencies and their ability to absorb the impact of a pandemic. Consideration must be given to **potential for business/agency failures**:
 - Use the decision-making process recommended by the Task Force previously to study the financial impact of containment and restrictions measures, the impact of potential business closures and failures, and the need for government financial assistance to assure survival of “essential services”.
 - The Labor Commission should study and review worker’s compensation laws in relationship to a pandemic.
 - The Office of Education should study and draft legislation for consideration that would allow a waiver for continued funding of schools should mass closures occur during a pandemic.
 - The Insurance Commission or other appropriate group should identify ways to ensure the flow of funding to the healthcare community;
 - *Consider legislative action to compel insurance companies to continue benefits coverage during a pandemic/emergency.*
 - *Plan to subsidize the healthcare industry from state disaster funds.*
- 5 Publish a public health containment/mitigation plan and provide a mechanism for businesses and communities to publicly comment on the implications for their operations and communities.
 - Personnel who deliver emergency essential services should be identified and considered for priority receipt of vaccination and other prevention measures.

Conclusion:

The economic impact of a pandemic may be devastating to all sectors of the community. History demonstrates that small businesses that have to close their doors for longer than three weeks will not reopen. Strong community-wide partnerships and a coordinated approach to the identification of essential services, sustainability planning, and mitigation actions are needed to assure that community services will continue during a pandemic and businesses will survive and recover.

Business must be encouraged to prepare to ensure their survival, and provided with guidance and the tools to do so. Businesses and governments need to be encouraged to help their employees become more prepared. A small financial investment may make the difference between business failure and emerging from an event with little to no impact. Finally, the most important link in the chain of economic survival is personal preparedness. We must encourage a level of personal reliance among our citizens to help stave off infrastructure overload and economic collapse.

References:

State Information

Community Preparedness Program Manager

Governor's Office of Homeland Security

Cathy Prudhomme

9195 East Mineral Avenue - Suite 234

Centennial, CO 80112

(720) 852-6650 (office)
www.Colorado.gov/HomelandSecurity
[Ready Colorado](#)

Colorado Office of Preparedness, Security, and Fire Safety

690 Kipling Street
Denver, CO 80215
(303) 329-5835
[Ready Colorado](#)

Local Information

Colorado Department of Local Affairs

Division of Emergency Management
690 Kipling Street
Denver, CO 80215
(303) 329-5835
<http://dola.colorado.gov>

Denver FD/OEM

1437 Bannock St., Room 3
Denver, CO 80202
(720) 913-3481
www.denvergov.org/FireDepartment

Denver Manager of Safety's Office

1331 Cherokee - Room 302
Denver, CO 80202
(720) 913-6020
www.denvergov.org/Safety

Denver UASI - READYColorado

1437 Bannock Street - Room 3
Denver, CO 80202
(720) 865-7654
www.READYColorado.com

Citizen Corps

Get Involved in Preparing your Community. Citizen Corps, Homeland Security's grassroots effort, localizes preparedness messages and provides opportunities for citizens to get emergency response training; participate in community exercises; and volunteer to support local first responders. To learn more and to get involved, contact your nearest Citizen Corps Council by visiting www.citizencorps.gov.

Colorado State Citizen Corps

9195 East Mineral Avenue, Suite 270
Centennial, CO 80112
(720) 852-6650
www.colorado.gov/pacific/dhsem/preparedness-1

Localized Ready Programs

Colorado

[READYColorado](#) is a public awareness campaign supported by public and private partners who want to help all Coloradans protect life during disasters and emergencies.

Last Updated: 08/20/2019

Meltzer MI, Cox NJ, Fukuda KJ. The Economic Impact of Pandemic Influenza in the United States: Priorities for Intervention. EID 1999;5:659-671.

Accessed at: <http://www.cdc.gov/Ncidod/eid/vol5no5/meltzer.htm>

International Monetary Fund (IMF). The global economic and financial impact of an avian flu pandemic and the role of the IMF. February 28, 2006. Accessed at:

<http://www.imf.org/external/pubs/ft/afp/2006/eng/022806.pdf>

Osterholm MT. Preparing for the next pandemic. Foreign Affairs July/August 2005. Accessed at:

<http://www.foreignaffairs.org/20050701faessay84402/michael-t-osterholm/preparing-for-the-next-pandemic.html>

Basel Committee on Banking Supervision. High-level principles for business continuity. August 2006.

Accessed at: <http://www.bis.org/publ/joint17.htm>

The Monetary Authority of Singapore. MAS Consultation Paper: Guidelines on Business Continuity Planning. January 2003. Accessed at:

http://www.mas.gov.sg/regulations/download/BCP_Guidelines10Jan03.pdf

U.S. Department of Homeland Security. Pandemic Influenza: Preparedness, Response, and Recovery. Guide for critical infrastructure and key resources. June 2006. Accessed at:

https://www.fsscc.org/reports/2006/CI_KR_Pandemic_Guide.pdf

Contributing authors: Paul Patrick, Scott Westbroek, Colleen Conley, Patti Pavey, Susan Mottice