



Maintaining Business Continuity During Catastrophic, Disruptive Events

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Disclosure Slide

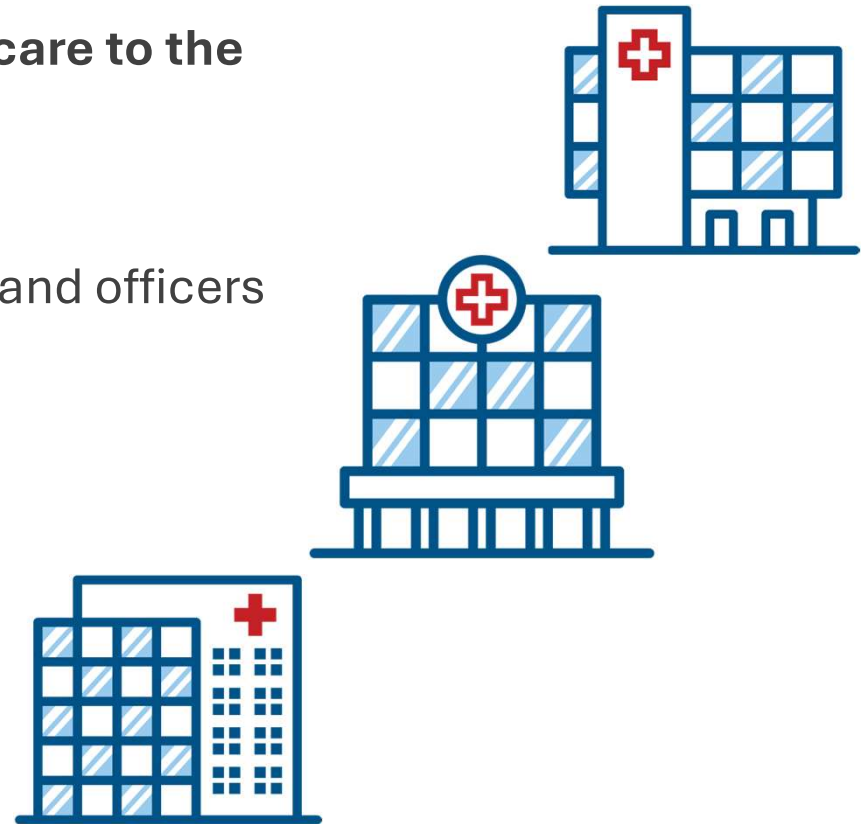
I have **NO** financial disclosures or conflicts of interest
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FHA supports the mission of over **200 hospitals and health care systems to provide the highest quality of care to the patients we serve.**

- ✔ Representing nearly 277,000 employees
- ✔ Governed by an 18-member Board of Trustees and officers elected by member institutions

Supporting our members through:

- ✔ Representation and Advocacy
- ✔ Education
- ✔ Communication
- ✔ Data and Research



FLORIDA'S HOSPITAL SYSTEM

 **320** Hospitals [**71,000** Beds]

 **228** Community Acute Care
[41 Teaching, 24 Rural, 4 Children, 36 Trauma]

 **37** Behavioral

 **28** Rehabilitation

 **27** Long-Term Acute Care

 **297,197** FTE

 **2.6 Million** Inpatient Admissions

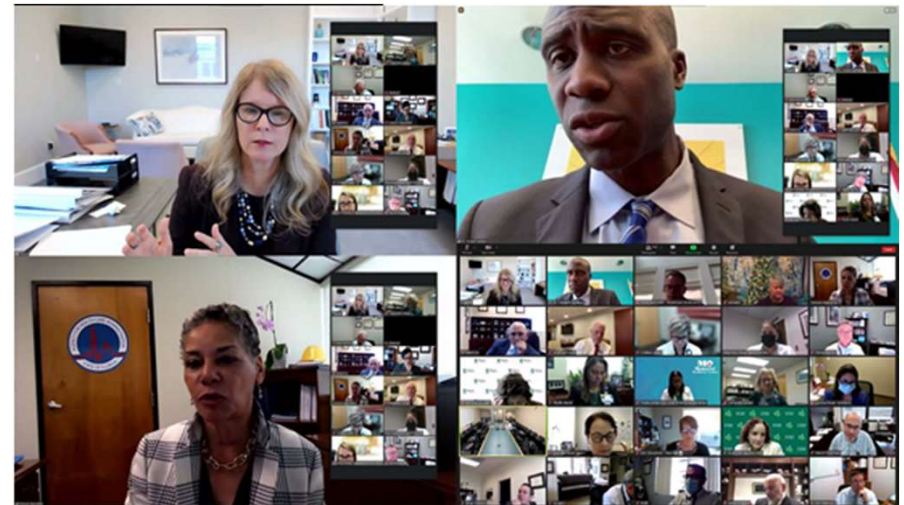
 **10.3 Million** ED Visits

 **216,550** Births

 **\$1.6 Billion** Charity Care

Support organization to the State Emergency Response Team through ESF8

- **Coordinate** the support of hospital response activities
- **Communicate** important information for decision support
- **Advocate** for issues impacting hospitals and the health system



*FHA hosted a COVID update call featuring special guests **Florida State Surgeon General Joseph A. Ladapo, MD, Ph.D.**, **Secretary Simone Marsteller**, **Deputy Secretary Kim Smoak** from the **Agency for Health Care Administration**, and **Commander Aaron Otis** from the **Florida Department of Health**.*

Recent Events of Concern

- Change Healthcare Ransomware Attack
- Blood culture bottle and contrast media shortages
- CrowdStrike System Outage
- OneBlood Ransomware Attack
- Catastrophic Storms
- IV Solution Shortage
- Ft. Lauderdale Flooding
- Change to government structure / funding
- Etc., Etc., Etc....

Subjective

- Cyber incidents are very disruptive to patient care.
- Hurricanes are more destructive and disrupt a community's health system.
- The supply chain is fragile!
- Business continuity, emergency, and risk management planning must align to reduce interruption of health care services.

Objective

- Cyber incidents are very disruptive to patient care.
 - OneBlood cyber attack
 - CrowdStrike cyber incident
- Hurricanes are more destructive and disrupt a community's health system.
 - 2023 Hurricane Season 4th most active in history
 - 3 major hurricanes in Big Bend region in 13 months (Idalia, Debby, Helene)
 - Helene 2nd most deadly and costly in history (>400 deaths; est. \$225-250B)
 - 2024 Florida landfall of 2 major hurricanes within 13 days of each other (Helene, Milton)

Objective

- The Supply Chain is fragile!
 - Many links in the chain (raw materials, manufacturer, shipping, distributors, etc.)
 - Labor shortages / Work stoppage
 - Other factors - port congestion, raw material shortages
- Business continuity, emergency, and risk management planning must align to reduce interruption of health care services.
 - Cost of doing business! (Local / State / Federal requirements)
 - Maintain public trust

FHA Analysis of Black Swan Events – Literature Review

- Many executives and emergency managers have an **Optimism Bias** (i.e., it won't happen to me/us) and an Illusion of Control (i.e., if it does happen to me/us, we are well prepared enough – we will be fine).
- **Incomplete or misleading data** often leads to overconfidence.
- **Groupthink** often prevents dissenting voices with critical perspectives from being heard.

FHA Analysis of Black Swan Events – Literature Review

- Internal and external pressures push teams to ignore the **risks of their decisions**.
- **Overreliance on past successes** causes organizations to underestimate emerging risks.
- Organizations generally have a **poorly developed understanding of risk analysis**, failing to account for Power Law Distributions of risk (i.e., a risk pattern where rare, high-impact events occur far more frequently than traditional statistical models (like normal distributions) would predict).

FHA Analysis of Black Swan Events – Interviews and Survey

- Calm, non-emotional leadership is critical during crises. **Leaders must be truthful, transparent, and confident** (but not arrogant).
- During unprecedented crises, the **response should be based on values and principles** because **knowledge and plans may be inadequate or not exist**.
- Genuine curiosity should be encouraged during unprecedented crises. **Leaders should ask questions** about the causes, consequences, and possible responses.

FHA Analysis of Black Swan Events – Interviews and Survey

- During crisis response, it is essential to look “**around the corner continually**” (e.g., How could this incident get worse? What are the secondary and tertiary impacts of my decisions? Is the organization appropriately prepared to respond to those? Are there ways those negative consequences can be mitigated?)
- Crisis leadership is best accomplished through the **wise council of a high-performing team of trusted partners with appropriate expertise and experience**; titles and hierarchy are much less critical.

Assessment

- Single points of failure are problematic
- Need for increased transparency and situational information
- Business continuity, emergency, and risk management plans for Florida's health system are not aligned
- Local relationships need strengthening (public and private)
- More investment is needed

Plan

- Secure **multiple vendors** for any resource need (human, material, additional services, etc.)
- Develop methods to **share essential elements of information** to all stakeholders (internally and externally)
- Increased preparedness planning **involvement with delegates of authority**
- Regular, **meaningful meetings with county / regional emergency managers and delegates of authority**
- Invest in your mess! (**time, people, money, other resources**)

Response Considerations

- There is a **need for crisis leadership training and scenario-based wargaming**
 - More complex and interactive than traditional tabletop exercises, wargaming requires participants to engage in active role-play and make critical decisions in realistic, evolving scenarios.
- **Introduce adversarial thinking** that stress-tests responses and reveals weaknesses

Semper Gumby!!





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