# Insurance must do more than just repair the damage

Professional Provident Society

When floodwater enters a dental practice, the immediate concern is not the furniture, the walls or even the equipment. It is whether the dentis can continue caring for patients, whether staff can still be paid and whether the practice will survive the weeks or months before normal operations resume.

The recent flooding in the Western Cape has once again demonstrated how quickly extreme weather can disrupt homes, businesses and professional practices. For dentists, the consequences can extend far beyond physical damage. A practice may be forced to close, equipment may be unusable, patient records may be affected and income may stop, even while rent, salaries, loan repayments and other expenses continue.

"Imagine being a dentist who has to leave your practice because it is no longer safe or functional," says Fareedah Benjamin, Executive Distribution: Short Term Insurance at Professional Provident Society. "You should not also have to leave behind your confidence in your financial security. The question is not simply whether your building is insured. The real question is: can your practice continue, and can you continue serving your patients, if disaster strikes?"

## A practice is more than four walls

Many professionals understand the need to insure their buildings and equipment. However, the more difficult conversation is often about what happens after the initial damage has been assessed.

A dentist may need to secure temporary consulting rooms, replace specialised equipment, restore digital systems, notify patients, pay staff and maintain essential overheads while the practice is unable to operate from its usual premises. These costs can accumulate rapidly, particularly where the business interruption period is underestimated or where cover has not kept pace with the actual size and complexity of the practice.

"Insurance should be viewed as part of a practice continuity plan, not as an administrative checkbox," says Benjamin. "A policy can only respond to the cover that was selected, the limits that were agreed and the events that are included in the wording. That is why a policy review should ask practical questions: Where will I work if my rooms are inaccessible? How long could I operate without my normal income? Will my equipment be replaced at today's cost? Can my staff and suppliers be paid while I recover?"

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## Infrastructure maintenance and risk exposure

The severity of flood damage is not determined only by rainfall. It is also shaped by the condition of the surrounding infrastructure: stormwater drains, culverts, roads, embankments and other systems designed to manage water flow.

Where municipal infrastructure is poorly maintained, blocked or undersized for current conditions, the same rainfall event can cause significantly greater damage. This can translate into higher claims, longer downtime and, in some cases, disputes over whether losses were preventable or exacerbated by infrastructure failure.

Recent high-profile cases in South Africa have seen insurers pursue legal action against government entities, alleging that neglected stormwater canals and drainage systems amplified the scale of destruction during major floods. These developments underscore a broader trend: infrastructure condition is increasingly relevant to risk exposure, claims outcomes and the overall cost of doing business.

"For professionals who rely on a physical practice, this is not an abstract issue," says Benjamin. "A dentist may have excellent cover in place, but if access roads are impassable, if drainage systems fail or if essential services are disrupted for an extended period, the financial impact can be severe. Understanding the local infrastructure context is part of responsible risk management."

This does not mean that every flood-related loss can or should be attributed to infrastructure failure. Extreme weather events can overwhelm even well-maintained systems. However, it does highlight the importance of considering location-specific risks when planning for business continuity and selecting appropriate insurance cover.

## Weather risk is becoming a business risk

For too long, extreme weather has been treated as an occasional personal inconvenience. That mindset is no longer sufficient. Floods, severe storms, hail and other weather-related events can interrupt the operations of practices that communities rely on every day.

The insurance market is also responding to the increasing frequency and severity of weather-related claims. This may affect premiums, excesses, underwriting decisions and the availability of certain types of cover, particularly in areas exposed to flooding or other natural perils. The cost of insurance, however, should be considered alongside the potentially far greater cost of being unable to trade.

"Affordability matters, but so does adequacy," Benjamin says. "Choosing the lowest premium may create a false sense of security if the sum insured is too low, the indemnity period is too short or business interruption cover has not been included. The purpose of insurance is not merely to help replace what was damaged. It is to help protect the continuity and the livelihood of the employees and the patients connected to that practice."

## The questions professionals should be asking

Benjamin encourages dentists and other professionals to review their short-term insurance before the next severe weather event, rather than after it.

## Key questions include:

- Does the policy cover damage caused by the relevant natural perils, including flooding, and what exclusions or conditions apply
- Are buildings, contents, medical equipment, stock and electronic systems insured for their current replacement value?
- Is business interruption cover included, and is the indemnity period long enough for the practice to recover?
- Would the policy assist with the additional costs of operating from temporary premises?
- Are professional equipment, records and essential technology adequately protected?
- Have renovations, new equipment, additional staff or changes in turnover been disclosed to the insurer?
- Does the practice have a documented emergency plan, including alternative premises, staff communication and patient notification?
- Are policy schedules, emergency contact details and important records accessible away from the practice?
- What is the local infrastructure context: are there known flood-prone areas, drainage issues or access risks that could affect the practice?

"Good insurance advice begins with understanding how a person actually earns an income," Benjamin adds. "For a dentist, that income is closely tied to a functioning practice. If the practice is forced to close, the financial impact can continue long after the floodwater has receded."

The central lesson from recent weather catastrophes is clear: preparing for disaster is not pessimism. It is responsible professional planning.

A dentist should be able to leave an unsafe practice knowing that the immediate priority is protecting people, not wondering whether the insurance will protect the future of the practice.