

Claims Report
U.S. Army Claims Service

Affirmative Claims Note

**Personnel Claims Disaster Response:
Lessons Learned from the Fort Leonard Wood Tornado**

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Introduction

During the morning hours of New Year's Eve, Friday, 31 December 2010, a tornado tore through a privatized¹ officer housing area on Fort Leonard Wood, Missouri.² It destroyed fifty-one sets of quarters³—including the Staff Judge Advocate's—severely damaged thirty-three, and damaged another seventy-five. The tornado also damaged or destroyed approximately 200 vehicles and other personal property. Because many of the officers whose quarters were affected were students at Fort Leonard Wood military schools who were on block leave, only a few minor injuries resulted.⁴

This article will discuss the splendid efforts of judge advocates and claims professionals at Fort Leonard Wood and from other Army installations in response to this disaster. There are two types of disaster claims operations. The first is the response to disasters caused by military operations or activities, such as a range fire that burns nearby civilian property, where the primary concern is paying claims for damages occurring off the installation.⁵ The second is the response to natural or other disasters that are not caused by military activities but which cause a great deal of damage on a military installation that can be paid for

under the Personnel Claims Act (PCA).⁶ This article will focus on the second type of disaster claim response.

Disaster Claims Response at Fort Leonard Wood

The Commander, U.S. Army Claims Service (USARCS), quickly designated the storm at Fort Leonard Wood as an “unusual occurrence”⁷ under Army Regulation 27-20 to allow payment of claims arising from the storm. Additionally, he declared that the event constituted “extraordinary circumstances”⁸ to permit payment of up to \$100,000 per claim.

The author contacted the Defense Finance and Accounting Service (DFAS) and requested their help in paying the tornado claims quickly. DFAS responded superbly. After mutually agreeing that their initial offer to send a pay team to Fort Leonard Wood was impractical under the circumstances,⁹ DFAS established an expedited process that resulted in the payment of approved claims within two business days after receipt, vice their normal seven to ten days.

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¹ In the mid-1990s, the Army initiated the Residential Communities Initiative (RCI) and contracted out to private companies the responsibility for the construction, care, and management of on-post housing. *Residential Communities Initiative*, U.S. ARMY ACCESSIONS COMMAND NEWSROOM, www.armyaccessionsnewsroom.com/media-resources/fact-sheets/residential-communities-initiative-rci/ [hereinafter RCI Fact Sheet] (last visited Dec. 8, 2011).

² Tiffany Wood, *Fort Leonard Wood Demonstrates Resiliency After Tornado*, ARMY MAG., Mar. 2011, at 52.

³ See Alexandra Browning & Patrick Fallon, *Fort Leonard Wood Begins Recuperation After Tornado Disaster*, MISSOURIAN, 31 Dec 2010, available at <http://www.columbiamissourian.com/stories/2010/12/31/fort-leonard-wood-begins-recuperation-after-tornado-disaster/>.

⁴ U.S. DEP'T OF ARMY, REG. 27-20, CLAIMS para. 1-21 (8 Feb. 2008) [hereinafter AR 27-20]; U.S. DEP'T OF ARMY, PAM. 27-162, CLAIMS PROCEDURES para. 1-21 (21 Mar. 2008) [hereinafter DA PAM. 27-162].

⁵ AR 27-20, *supra* note 4, para. 1-21; DA PAM. 27-162, *supra* note 4, para. 1-21.

⁶ The Personnel Claims Act (PCA) authorizes the Government to reimburse service members and civilian employees for the incident to service loss of, damage to, or destruction of their personal property. It further authorizes the Service secretaries to publish implementing regulations. 31 U.S.C. § 3721 (2006).

⁷ AR 27-20, *supra* note 4, para. 11-5c (considering on-post loss, damage or destruction due to unusual occurrences, including tornados, hurricanes, earthquakes, etc., to be cognizable and payable as incident to service).

⁸ See Personnel Claims Act, 31 U.S.C. § 3721(b) (2006) (authorizing payments up to \$40,000; but the ceiling is raised to \$100,000 under “extraordinary circumstances”).

⁹ The team would have needed active security twenty-four hours per day and a highly secure location to store funds. These requirements would have placed a substantial burden on Fort Leonard Wood leadership and detracted from their primary mission of caring for the victims. Additionally, providing victims with substantial amounts of cash when they had no place to store and secure it would raise a substantial risk of loss or theft. Further, most victims had credit cards to cover immediate expenses. Finally, as all but two victims received very prompt payment from their personal renter's insurance, and all were covered in part by RCI insurance, they had the ready financial resources they needed to pay for immediate expenses while they tried to recover from the event. Telephone Conversation between the author and Mr. Ryan Busby, Div. Chief, Disbursing Operations, Def. Fin. & Accounting Serv. (DFAS) Indianapolis, Ind. (3 Jan. 2011) [hereinafter Telecon DFAS Indianapolis].

On Monday afternoon, 3 January 2011, a three-member team led by Mr. Steve Kelly, Chief, Personnel Claims Branch,¹⁰ departed from USARCS for Missouri to assist in the payment of emergency claims. On Tuesday, 4 January, two members of the Fort Leavenworth Claims Office also deployed to Fort Leonard Wood. Fort Leavenworth and USARCS responders were later joined by claims professionals from three other field offices: Fort Riley, Fort Sill, and Joint Base Lewis-McChord.¹¹

As the extent and nature of the destruction became clearer, the Commander, USARCS, authorized two additional deviations from normal practice.¹² First, USARCS agreed to pay, as an incidental expense,¹³ costs for rental vehicles for up to fourteen days for claimants during the evaluation, repair, or replacement of vehicles damaged by the storm.¹⁴ Factors in the decision included the number of vehicles damaged or destroyed, the limited number of repair shops and car dealers in the vicinity, and the overwhelming need for claimants to have access to vehicles to deal with the aftermath of the event. Second, in view of the devastation, the Commander also recognized that requiring claims staff to adhere to the usual methodology of determining whether and to what extent to pay an insurance deductible would be superfluous.¹⁵ Accordingly, he authorized direct payment of the deductibles where the claimants had filed claims with the privatized housing insurance company¹⁶ or their private insurance carriers.

¹⁰ Other team members included Ms. Brenda McCord, Claims Management Analyst, and Ms. Bobbie Guidry, Claims Examiner.

¹¹ Teams from Fort Gordon, Fort Eustis, Carlisle Barracks, and Fort Polk were alerted and ready to deploy.

¹² AR 27-20, *supra* note 4, para. 1-17 (authorizing the Commander, USARCS, to grant exceptions to AR 27-20 “except as to matters based on statute, treaties and international agreements, executive orders, controlling directives of the Attorney General or Comptroller General, or other publications that have the force and effect of law”).

¹³ *Id.* para. 11-15 (authorizing the payment, under the Personal Claims Act, of certain “(e)xpenses incident to repair or replacement”, including the cost of obtaining certain estimates of repair, the cost of developing photographs of the damage to support the claim, drayage, towing charges, and certain other charges). The regulation does not explicitly permit rental cars as incidental expenses, but the commander, USARCS has the power to grant exceptions to the regulation, as he did in this case.

¹⁴ Information Paper, USARCS Personnel Claims and Recovery Division (JACS-PCR), Payment for Rental Cars in Emergency Situation UP the Personnel Claims Act (4 Jan. 2011) [hereinafter Information Paper-Rental Cars] (on file with author). The Commander, USARCS, granted an exception to the regulation based on a new interpretation of what the Personnel Claims Act (PCA) permits under certain very limited circumstances.

¹⁵ See DA PAM. 27-162, *supra* note 4, para. 11-21a(2) for a description of the usual methodology (noting briefly, the Army determines the total amount that it would pay if no insurance had been obtained, subtracts the total amount paid by the insurance company, and pays the difference; under the streamlined procedures authorized here, the Army simply paid the amount of the insurance deductible).

Initially, claims were to be filed in the USARCS online claims-filing program, PCLAIMS, and adjudicated using traditional procedures. On Tuesday, 4 January, staff judge advocates at four other installations¹⁷ agreed that their claims offices would accept and adjudicate transferred claims arising from the event to allow the claims staff on-site to focus on dealing with the victims.

However, after reviewing the situation, the leadership at Fort Leonard Wood, U.S. Army Training and Doctrine Command (TRADOC),¹⁸ and USARCS determined that more on-site support was needed. Accordingly, the call for help in adjudication quickly became a request for on-site assistance. In response, eight claims personnel from other installations were mobilized and traveled to the hard-hit post. After discussions with the TRADOC staff judge advocate, the U.S. Army Installation Management Command (IMCOM) staff judge advocate agreed to fund travel and other expenses of those supporting claims operations. The claims staff at Fort Knox remained available to handle any claims that needed to be transferred.

The now-augmented Fort Leonard Wood claims staff began documenting the damage and determining what had been destroyed. They quickly realized that waiting for claimants to stop by the claims desk to discuss their losses and file their claims was not working well. More personal contact and support were needed.¹⁹ Accordingly, two-person claims teams began contacting claimants and visiting them at the destroyed or damaged quarters. The teams took pictures of the destruction, conducted in-depth interviews with claimants, helped them to recall items that had been lost or destroyed, and as much as possible tried to relieve them of the administrative burden involved in filing a claim.²⁰

¹⁶ As part of their contract, the RCI company, Balfour Beatty, provided personal property insurance for the occupants of the quarters. U.S. ARMY MANEUVER SUPPORT CTR. OF EXCELLENCE, FORT LEONARD WOOD, MO., BALFOUR BEATTY COMMUNITIES RESIDENT GUIDE 7, available at www.wood.army.mil/DPWHSG/RCO/Lease%20Signing%20Documents/BC%20Handbook.pdf.

¹⁷ Fort Leavenworth, Kansas; Fort Knox, Kentucky; Fort Riley, Kansas; and Fort Gordon, Georgia.

¹⁸ Fort Leonard Wood’s next higher headquarters.

¹⁹ Claims personnel must remember to keep to their role of assisting claimants by recording the damage and the claimant’s listing of damaged property, as permitted by AR 27-20, *supra* note 4, para. 11-21. They may not *represent* claimants, e.g., make an argument to the claims approving authority on behalf of the claimant in favor of paying a claim. This would be legal assistance, and beyond the scope of permissible legal assistance under U.S. DEP’T OF ARMY, REG. 27-3, LEGAL ASSISTANCE para. 3-8b(1) (21 Feb. 1996) (requiring legal assistance attorneys to send claims clients to claims attorneys, and limiting the scope of advice even legal assistance attorneys may give). Under AR 27-20, claims personnel may “(t)ake an active and continuing role in publicizing claims information to Soldiers and their families” and “assist in the completion of claims forms, and help with the procurement of evidence in support of the loss and the amount claimed.” AR 27-20, *supra* note 4, para. 11-2b. The temptation to go further may be especially strong in disaster situations, when all involved want to provide as much assistance as possible.

It also became evident that normal procedures and substantiation requirements²¹ for filing claims were impracticable. The disaster had often destroyed the very records that a claimant would need to substantiate the ownership, condition, and value of individual items of property.

Within a week of the tornado, USARCS announced, as an exception to the regulation, a new Catastrophic Loss Accelerated Claims Procedure (CLASP),²² which permitted claimants to recover under the PCA for the destruction of all of their household goods without having to create a detailed listing of their property with substantiating evidence.

As of 30 June 2011, Fort Leonard Wood tornado victims had filed 110 claims, eight of which were paid using CLASP.²³ Most of the rest were for insurance deductibles and rental cars. Those who did not file PCA claims received full or almost full reimbursement from private insurance or from the Residential Communities Initiative (RCI) privatized housing contractor.

General George W. Casey, the Army Chief of Staff, set a goal of processing all claims within forty-five days of the event. This was somewhat beyond USARCS's control, as claimants have up to two years from the date of the loss to file their claims. However, all 108 claims filed within forty-five days of the event were paid by the forty-fifth day. Two claims were filed after the forty-five-day suspense and, like the others, were processed to payment within three to five business days.

²⁰ Normally, the claimant is responsible for substantiating ownership and possession, the fact of loss or damage, and the value of property, especially for expensive items. AR 27-20, *supra* note 4, para. 11-9b. Additionally, the claimant must complete and submit a DD Form 1842 (Claim for Loss of or Damage to Personal Property Incident to Service) and DD Form 1844 (List of Property and Claims Analysis Chart) and provide necessary substantiation before a claims office can pay the claim. *Id.* para. 11-8a.

²¹ Claimants normally must complete a DD Form 1844 with detailed information about the claimed item or items, including description of item (with brand name, model, size, finish, type, style, etc.), original cost, date of acquisition, nature and extent of damage or destruction, cost of repair or replacement, information about repair person, etc., and provide substantiation, e.g., estimates, receipts, inventories, etc., of the above. AR 27-20, *supra* note 4, paras. 11-8a, 11-9a, b.

²² The unprecedented disaster at Fort Leonard Wood caused USARCS not only to revisit the PCA and its legislative history, but also to consult with the other services and the insurance industry about "best practices" to streamline the implementation while fulfilling the fundamental requirements of the PCA. This resulted in the development and implementation of CLASP. CLASP may be activated by the Commander USARCS as an exception to AR 27-20. It provides for a flat rate of depreciation to ensure payment of the fair market value (FMV) of the lost, damaged or destroyed property, and extends the period after payment during, which the claimant may seek reconsideration of the payment decision and show by full traditional substantiation that the payments received, including all insurance payments that did not cover the FMV of the subject property.

²³ All statistics are on file with the author.

Lessons Learned

Privatized Housing Is Covered by the PCA

Because the affected housing area was privatized housing managed as part of the RCI, a question arose as to whether Soldiers living in that area were proper party claimants under the provisions of the PCA. Pursuant to Department of Defense (DOD) policy,²⁴ damage to RCI housing is covered by the PCA. Claims personnel directed those who suffered losses to first recover from the insurance of the RCI housing contractor, then from their private insurance, if any, and finally to file with the Army. This enabled the Army to provide the maximum coverage possible, i.e., up to the maximum \$100,000 payable under the PCA, plus the amount paid by insurance.²⁵

Payment for Rental Cars, Lodging, and Per Diem

Another issue that arose was the extent to which the PCA could be used to pay for rental cars, lodging, and per diem expenses. The USARCS Commander designated the tornado as an unusual occurrence covered by the PCA. The "unusual occurrence," designation authorized payment for property losses at on-post quarters, including vehicle losses. That authority did not extend to payment for renting vehicles. But because of the unique circumstances existing at Fort Leonard Wood, the USARCS Commander granted an exception to the regulation to permit payment for rental vehicles for a limited period of time to permit the evaluation, repair, or replacement of damaged or destroyed privately owned vehicles.²⁶ The "unusual occurrence" designation did not authorize payment under the PCA for lodging and per diem expenses. But, under circumstances like those existing at Fort Leonard Wood, these expenses are payable by military finance sources pursuant to other authorities. These include the Joint Federal Travel Regulation (JFTR) and the Joint Travel Regulation (JTR).²⁷

²⁴ Memorandum from Dr. David S. C. Chu, Undersec'y of Def., to Sec'y of the Military Dep'ts et al, subject: Uniform Policy on Personnel Claims Act (PCA) Claims in Military Housing Privatization Initiative (MHPI) (Sept. 2, 2005).

²⁵ The purpose of this prioritization is to ensure the Army gets what it has paid for, i.e., insurance coverage for occupants of privatized housing, and provide for the maximum coverage and reimbursement for members who have suffered catastrophic losses. In most instances, if the Army serves as the first insurer, any payment by the Army would be offset by the insurance company (whether RCI or private renter's insurance). When the insurance company pays first, the Army does not have to offset and thus can increase the potential maximum coverage to \$100,000 plus the amount of any insurance.

²⁷ The JFTR governs payment of evacuation allowances to military members and their dependents in the event of evacuation caused by unusual or emergency circumstances, U.S. DEP'T OF DEFENSE, JOINT FED. TRAVEL REG., VOL. 1: UNIFORMED SERVICE MEMBERS, ch. 6, pt. B. (Sept. 1, 2011), available at [http://www.defensetravel.dod.mil/Docs/perdiem/JFTR\(Ch1-10\).pdf](http://www.defensetravel.dod.mil/Docs/perdiem/JFTR(Ch1-10).pdf). The JTR allows advance payments (of pay and allowances) to civilian employees in the event of an evacuation. U.S. DEP'T OF DEF., JOINT TRAVEL REG., VOL. 2: DEP'T OF DEFENSE CIVILIAN PERSONNEL ch.

Notification to USARCS

Claims personnel must notify USARCS as soon as possible after a major catastrophe to ensure funds to pay claims are available.²⁸ Speedy notification also enables the Commander, USARCS, to make appropriate determinations regarding the event, such as whether it is an unusual occurrence or extraordinary circumstances; coordinate with DFAS; and swiftly deploy a claims support team, if needed. The early designation of catastrophic events as extraordinary circumstances is very useful, because it authorizes the payment of personnel claims up to \$100,000. Experience has shown that adjudicated amounts rarely exceed the normal limit of \$40,000 per claim, particularly after privatized housing (RCI) or private insurance payments are received. However, announcing that the PCA will cover claims up to \$100,000 lets victims know that the Army will take care of its own. It immediately reduces the anxiety victims feel regarding the extent to which they will be covered.

Swift On-Site Claims Support

The Army claims response must be swift and visibly on-site as soon after the event as possible. As soon as the disaster site is safe, installation claims staff should begin documenting and photographing the event. This will be especially important in the event the USARCS Commander authorizes the use of CLASP. Additionally, as soon as it appears that additional support may be necessary, USARCS should contact appropriate staff judge advocates and claims chiefs to alert those claims staff who have been designated for deployment as part of a claims disaster reaction team.

Coordination with DFAS

Early contact with DFAS to arrange for expedited payment of personnel claims arising from the incident proved to be critical. DFAS immediately offered to send a team to provide on-the-spot cash payments, but under the circumstances the offer proved unnecessary and impractical.²⁹ DFAS then immediately established a procedure to provide electronic fund transfer payment two business days after receipt of the approved voucher, vice the normal ten. As with the determination that extraordinary

6, pt. D (Sept. 1, 2011), available at [http://www.defensetravel.dod.mil/Docs/perdiem/JTR\(Ch1-7\).pdf](http://www.defensetravel.dod.mil/Docs/perdiem/JTR(Ch1-7).pdf).

²⁸ Personnel claims are paid from the Open Allotment. The funding is provided to USARCS by Operating Agency 22, the Army Budget Office sub-organization that oversees funding of USARCS as well as OTJAG. It is then managed and distributed to field claims offices by the USARCS Budget Office based on historical funding figures and immediate needs, e.g., emergencies. AR 27-20 *supra* note 4, para. 13-6.

²⁹ Telecon DFAS Indianapolis, *supra* note 9.

circumstances authorized payments up to \$100,000, the DFAS offer and action greatly reduced victim anxiety regarding the extent to which they would be covered.

Experienced Response Team

It is vital to select experienced claims personnel to serve on the on-site response team. A few members of the team may be relatively new to claims; their deployment will provide them experience in dealing with future disasters. However, the majority of claims personnel who deploy to a disaster site as part of a claims reaction team should be highly experienced in the investigation, documentation, substantiation, and payment of claims. That experience is essential to the success of the team, both in interacting with victims, many of whom may be distraught or in shock, and in implementing CLASP, whose implementation depends in great part upon the experience and expertise of the examiners in regard to evaluating and substantiating the extent of the loss.

Resources

It also is important to ensure prospective responders have Government Travel Cards and other resources necessary to respond. Those tasked to respond to a claims disaster may not (and, hopefully, will not) be called to travel very frequently, but when they are needed, they must be able to respond quickly. Accordingly, they should be pre-issued and trained in the use of and constraints on Government Travel Cards.³⁰ Each designated responder should also maintain a "Go Kit," a carry-on travel bag with, at a minimum, the following items: digital camera, laptop, calculator, note pads, clipboards, pens, pencils, claims forms and packets, ruler, measuring tape, latex gloves and masks, first aid kit, notebook containing the Disaster SOP, CLASP Attachment and a USARCS telephone list. Many of these documents can be stored on a designated laptop computer.

Proactively Counsel Claimants

To the extent possible, the claims staff should strive to provide individual on-site counseling to prospective claimants. Proactive counseling and supportive interview techniques greatly assist claimants to accurately detail their destroyed and missing property. Additionally, while the Army Claims Program is not intended to be insurance or replace insurance,³¹ the Army claims response will be

³⁰ Defense Travel System (DTS) Training Website, www.defensetravel.dod.mil/site/training.cfm [hereinafter DTS Training website] (last visited June 15, 2011).

³¹ The PCA is a gratuitous payment statute that does not require the Secretary of the Army to pay a claim but merely permits the payment. AR 27-20, *supra* note 4, para. 11-3a; DA PAM. 27-162, *supra* note 4, para. 11-1a. The PCA is not a substitute for insurance. *Id.* para. 11-5c.

compared with that of swiftly reacting private insurers. Uniformed Services Automobile Association (USAA) adjusters were on-site at Fort Leonard Wood the evening of the event. The Army claims staff must react quickly to photograph and otherwise record the nature and extent of the damage, swiftly conduct supportive interviews with the claimants at the site of the event, and to the extent possible relieve them of the administrative burden of filing a claim. Such actions will go a long way to achieving the morale-enhancement purpose of the PCA.³²

This contrasts sharply with the standard claims procedures traditionally used in responding to large claims events, such as setting up shop in a central location, providing claims instructions and forms to prospective claimants, and expecting claimants to list in detail and provide significant substantiation of the items lost, damaged, or destroyed and the cost to repair or replace them. While having a central, easily accessed site is important, setting up and running this site should not be the only thing claims personnel do.

In addition to helping claimants file, document, and substantiate their claims, Army Claims presence soon after the event helps ensure that victims understand that the claims staff is there to assist and not to challenge them. Claims staff must be seen as an integral factor in the Army taking care of its own. The claims staff must exhibit a thoroughly customer-service-oriented approach. In that regard, empathy and compassion are as important as the settlement and can make the difference in assisting people to move forward with their lives.

Communication Plan

It also is vital to have and implement a communication plan. At Fort Leonard Wood, the claims process initially was hampered by the lack of accurate claims-related communications. Consequently, Fort Leonard Wood leadership and claims personnel spent significant effort early on responding to misunderstandings and unrealistic expectations when they should have been focused on serving the victims.³³ The USARCS and the field claims office must have a communication plan that should be implemented as soon as possible after a disaster or other major claims event.

³² See AR 27-20, *supra* note 4, para. 11-10a (describing personnel claims program as a "morale program").

³³ Areas of confusion and unrealistic expectations included, *inter alia*, extent of PCA coverage, whether PCA would cover privatized housing, and ability of USARCS to pay per diem and lodging. For example, Fort Leonard Wood OTJAG and USARCS personnel spent valuable time discussing whether the PCA covered evacuated victims' lodging and per diem. A prepared communication plan could have announced the authorities available to pay those expenses and immediately focused all concerned on the correct path to follow.

Among other things, the plan should include ready-to-publish information sheets, radio, TV, and internet and social media notices to let prospective claimants know about the Army Claims Program. The plan should be coordinated with local leadership, public affairs, and claims officials and tailored to the circumstances surrounding the event.

Subjects to address include the Army Claims Program, legal limits of the PCA, the potential presence of other insurance and the importance of claimants filing first with their insurance companies in order to maximize their reimbursement; the locations of claims personnel; and the non-claims related authorities that will allow the payment of temporary lodging and per-diem for claimants displaced from quarters by the event.

Coordinate and Co-locate with Private Insurers

Initially, claims processing sites at separate locations were established for the Fort Leonard Wood claims operation, USAA, and the RCI insurance company. While well intentioned, this proved problematic. As previously noted, in an effort to maximize the victims' recovery, USARCS guidance and insurance contract considerations dictated that claimants file and settle first with the RCI insurance, then with private insurance, if any, and finally with the Army. As the sites were not co-located, victims found themselves going from one site to the other to complete the claims process. This was exacerbated by the damage to or destruction of their vehicles.³⁴ Co-locating insurance company claims intake sites with the Army's claims operations not only assists claimants, but facilitates the exchange and dissemination of accurate information and helps avoid misunderstandings.³⁵

Be Flexible

Initially, as noted above, claims personnel expected claims would be filed, substantiated, and adjudicated using traditional procedures. However, the circumstances required a different approach. Waiting for claimants to stop by the claims desk to discuss their losses and file their claims did not work very well. It also became evident that the normal procedures and substantiation requirements for filing claims would not work. In response, both the claims personnel on-site and at USARCS demonstrated commendable flexibility.

Two-person teams of claims professionals began contacting claimants and visiting them at quarters that were

³⁴ By 6 January, claims sites were consolidated in the Army Community Service building.

³⁵ Post-event conversation between author and Ms. Bobbie Guidry, USARCS Claims Examiner and member of the USARCS team that deployed to Fort Leonard Wood in reaction to the tornado (on or about 18 January 2011).

totally destroyed or heavily damaged. The teams took pictures of the destruction, conducted in-depth interviews with claimants, took detailed notes of those interviews, and tried to help claimants remember their personal items that had been lost or destroyed. In general, they tried to relieve the traumatized victims of much of the administrative burden involved in filing a claim.

Within a week of the tornadoes, USARCS announced the development and implementation of a new expedited procedure, CLASP, to permit recovery under the PCA without requiring a detailed listing and itemized substantiation of the property lost, damaged and destroyed. Among other factors, CLASP relied heavily on the active support that the claims teams were providing the victims and the expertise of the claims examiners in evaluating and substantiating the damage.

CLASP Is Not Appropriate for All Disasters

CLASP is designed to be used when the disaster causes a total or substantially total loss, and where the nature and extent of the loss renders impracticable or impossible a claimant's ability to substantiate the loss in the traditional manner.

Disasters such as the October 2010 warehouse fire in Stuttgart, Germany,³⁶ for example, do not lend themselves to the use of CLASP. While the destruction of the warehouse contents may have been total, the Servicemembers and other shippers still retained inventories of the contents of the shipments. Neither did they suffer the shock and disorientation common to the Fort Leonard Wood tornado victims. The claimants who suffered loss from a warehouse fire must file detailed claims with the transportation service providers (TSP) in order to receive full replacement value for their destroyed items.³⁷ Past disasters in which the application of CLASP might have been appropriate, had it existed, include Hurricane Andrew³⁸ and Hurricane Katrina.³⁹

³⁶ The fire resulted in the destruction of more than 100 sets of household goods and unaccompanied baggage in temporary storage awaiting delivery to the owners. E-mail from Mr. Joseph Dunn, Transp. Branch, Logistics Div., IMCOM-European Region, to Mr. Jim Eaves, Acting Chief, Logistics Div., IMCOM-European Region, subject: "Andreas Christ GmbH Warehouse Fire Heilbronn, Germany" (1 Nov. 2011) (on file with author).

³⁷ Effective, 1 October 2007 (international shipments) and 1 November 2007 (domestic shipments), DoD transportation contracts for the shipment of household goods must provide for full replacement value (FRV) reimbursement for items lost or destroyed in the move. To obtain FRV reimbursement, the shipper (military member or civilian employee whose property it is) must first file a claim with the TSP. Only if the TSP does not satisfactorily settle the claim may the shipper then file with the military claims office. 10 U.S.C. § 2636a (2006); Colonel R. Peter Masterton, *Claims Office Management*, ARMY LAW., Sept. 2011 at 48, 50-51.

³⁸ In 1992, Hurricane Andrew struck Florida and largely destroyed Homestead Air Force Base, which later was rebuilt as an Air Reserve Base. *History of Homestead Air Reserve Base*, HOMESTEAD AIR RESERVE BASE,

Establish a Formal Disaster Claims Program

The response of USARCS and other organizations to the Fort Leonard Wood tornado was highly commendable, reflected the ability of experienced professionals to rise to the occasion, and resulted in some innovative responses to issues that arose. The response was *ad hoc* in nature, however, and its success depended on the flexibility and mission focus of the leadership and claims personnel from Fort Leonard Wood, TRADOC, USARCS, and supporting installations, and was not without some avoidable confusion.

To minimize confusion, USARCS, in conjunction with the TRADOC staff judge advocate is developing a coordinated Disaster Claims Program to institutionalize claims actions for disasters. This program will likely require USARCS to identify and prepare appropriate claims professionals to be part of a claims reaction team, decide in advance the funding source for reaction team travel and expenses, detail how procedures for disaster claims may differ from those used in normal circumstances, and prepare pre-packaged claims information that can be disseminated in the event of a disaster.⁴⁰

Conclusion

Claims professionals from Fort Leonard Wood, USARCS, and several field claims offices reacted to the Fort Leonard Wood tornado in a flexible and highly professional

<http://www.homestead.afrc.af.mil/library/factsheets/factsheet.asp?id=3401> (Jun. 10, 2008).

³⁹ In 2005, Hurricane Katrina devastated substantial parts of Louisiana and Mississippi and caused substantial damage to Keesler Air Force Base near Biloxi, Mississippi. Damage was especially extensive in the housing areas. *History of Keesler Air Force Base*, KEESLER AIR FORCE BASE, <http://www.keesler.af.mil/library/factsheets/factsheet.asp?id=4881> (Oct. 11, 2006).

⁴⁰ These include, but are not limited to, events such as:

- (a) Emergency evacuations ordered as a result of local unrest, riots, combat operations, natural disasters, or
- (b) Loss, destruction, or damage to personal property caused by natural events such as hurricanes, tornados, wildfires, ice or hail storms, blizzards, floods.

Factors justifying disaster personnel claims response include one or more of the following:

- (a) Event causes significant damage, destruction, or loss of Service members', employees and family members' personal property;
- (b) Event affects large number of victims beyond the capability of the local field claims office to handle within a reasonable period of time.
- (c) Nature of event calls for extraordinary response measures.

Mr. Henry Nolan, U.S. Army Claims Service Disaster Claims SOP (Draft), (Mar. 29, 2011) (on file with author).

manner. They responded to this unusually destructive event quickly and enthusiastically, and addressed many issues in new and innovative ways. This article is a first step in

capturing and institutionalizing their responses to ensure that the knowledge gained will be available for use in future catastrophic events.