

Flood Claim helpful information

Insurance adjusters are there to help you settle your claim. The insurance companies provide them as a courtesy and they are trained to determine the extent of damage covered by the flood policy that they sell and service for the National Flood Insurance Program (NFIP). The adjuster is there to prepare a “GOOD FAITH” estimate on your behalf but he/she must document the damages. The adjuster does not have the power to approve or deny your claim. This is only done by the insurance company after reviewing the estimate, photos and supporting documentation. Documentation is the key to successfully settling any claim. Deductibles always apply to an NFIP claim and are never waived. This is a Federal Program versus a state program.

Coverage

The Standard Flood Insurance Policy (SFIP) covers your dwelling, condo or commercial building (the correct policy must be purchased) against damages caused by rising water from normally dry ground. This would include tidal surge, river/creek overflow, levee breaches, dam breaks, etc. Water intrusion through a roof, broken window pane or blown in through doors or windows is not covered by the SFIP but by a homeowner’s policy.

The SFIP does not cover yards, vegetation, fences, walkways, driveways, piers, bulkheads or docks. Sidewalks, decks, swimming pools and other improvements outside the footprint of the house are also not covered. Coverage is also excluded for trailers (utility), boats, ATVs or golf carts (unless used for property maintenance), and vehicles licensed for the road. Appurtenant structures such as storage sheds are not covered, however, the contents within them can be if contents coverage is purchased and the structure is a building under the policy’s definition. A detached garage is covered for building damage if it does not include living quarters or is used for commercial purposes.

The SFIP does cover air conditioner condensing units located outside the house. Attached at the bottom of this letter is page 4 of the Dwelling Form Policy from the NFIP describing what coverage is afforded for basements and areas below Post-FIRM, elevated homes. The SFIP does allow limited coverage for these areas. Your flood zone has a direct bearing on whether or not limitations apply to your claim. Policy does allow for limited coverage for these areas but there is coverage.

The flood policy is not a valued policy which means you will not automatically get replacement cost coverage like you may purchase on your homeowners policy. Claim settlements are based on an Actual Cash Value versus Replacement Cost Value. However, you may qualify for replacement cost. Discuss this with your adjuster.

Steps in the claim process

- Call your agent or insurance company to file your claim, not FEMA. A claim number is produced and it is assigned to an adjuster who will be your main point of contact throughout the process. It is imperative that you work with this adjuster and supply requested documentation. This will expedite your claim.
- Take pictures of your home/business showing what the water height is on the exterior and interior. Include some sort of reference point (i.e. tape measure, ruler, book, waist high, knee high, etc.). Also take pictures of damaged personal property/contents items prior to discarding them and make a list of all items you are claiming. You will need to provide the replacement cost of the item, the age, make, model and serial number of all appliances. This must be provided to your adjuster to help substantiate your claim. This also applies to electronics, lawnmowers, computers, etc. The adjuster will need to know the location of the damaged contents at the time of the loss, such as garage, basement, detached garage, shed, etc. If you have a basement, be sure to review the section of the policy below listing limited contents that can be covered there.
- You do not have to wait for the adjuster's arrival/inspection to get started with cleanup. As soon as reasonably possible start mitigating your damages. Keep track of your hours and what work you perform. Flood policy has an allowance for payment at Federal Minimum Wage for the work you or your family member who reside at the home do to mitigate your covered loss. Try to get any flood water pumped out and begin removing damaged materials such as carpet and pad, drywall, insulation, cabinets, doors, contents, etc. Make sure you take good pictures of anything be thrown away and please keep samples of any floors or wall covering that may have been damages. You may hire a contractor to help with any part of the repair process. You are solely responsible for hiring and paying your own contractors, however, the flood adjuster assigned to your claim can meet with him or her and help come to an agreement on the scope of covered damages. If it so happens that the original claim estimate settlement is not sufficient to repair/replace the covered damages, a supplement may be filed. You are invited to do so under the flood policy because the final cost is never truly known until repairs have been fully completed.
- The adjuster will call you and make arrangements to inspect your loss. It is best if you can meet at that time to address you questions and provide information. The adjuster will give you a Flood Claims Handbook which answers many questions about the process. The adjuster will take photos of your loss, note water heights and where the water came from. They will measure and note damages for their estimate to be prepared later. If you have contents coverage, they will take photos and offer guidance on proper application of repair or replacement. Advance payments are offered on your claim in an effort to get

some funds in your hands as quickly as possible. Advances are not payment for additional living expenses, but are made against the final payment of your contents or building loss. You may use these funds any way you choose, but it is important to remember that your final payment will be reduced by this amount. NFIP flood claims payments are made directly to the insured and must include any named mortgage company that has a financial interest in the building. The SFIP does not allow for paying contractors directly.

Policy provisions allow for replacement of like kind and quality for your damaged item(s). This means it will not cover paying for cost of matching, upgrades or code compliance. It will only for what is actually damaged directly by or from flood. For example, if there is 1 foot of water in the building and the bottom cabinets are damaged, that is what will be allowed for. Allowance for covering the upper cabinets is not allowed as they were not damaged by direct physical damage by or from flood. Allowance to reset the countertop would be required unless for some reason it was discovered that due to its installation method it could not be removed without damaging it. Your adjuster should be able to determine this.

- Once the adjuster has obtained most documentation for your claim, he or she will provide you a detailed estimate and Proof of Loss. The Proof of Loss must be signed and returned to the insurance company within 60 days or the claim will require a special waiver from FEMA to allow payment. Signing a Proof of Loss does not close the door on obtaining further funds for damages not known at the time the estimate was prepared. The supplement process comes into play for later damages. The estimate may be used as a guide on what repairs should be made.
- Expenses for **sandbagging** is covered. There is no deductible for this coverage. It is, however, an incurred cost. You must have receipts for the expense in order to be reimbursed.

2. Loss Avoidance Measures

a. Sandbags, Supplies, and Labor

(1) We will pay up to \$1,000 for costs you incur to protect the insured building from a flood or imminent danger of flood, for the following:

(a) Your reasonable expenses to buy:

(i) Sandbags, including sand to fill them;

(ii) Fill for temporary levees;

(iii) Pumps; and

(iv) Plastic sheeting and lumber used in connection with these items.

(b) The value of work, at the Federal minimum wage, that you or a member of your household perform.

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7. The following items of property which are covered under Coverage **A** only:

- a. Awnings and canopies;
 - b. Blinds;
 - c. Built-in dishwashers;
 - d. Built-in microwave ovens;
 - e. Carpet permanently installed over unfinished flooring;
 - f. Central air conditioners;
 - g. Elevator equipment;
 - h. Fire sprinkler systems;
 - i. Walk-in freezers;
 - j. Furnaces and radiators;
 - k. Garbage disposal units;
 - l. Hot water heaters, including solar water heaters;
 - m. Light fixtures;
 - n. Outdoor antennas and aerials fastened to **buildings**;
 - o. Permanently installed cupboards, bookcases, cabinets, paneling, and wallpaper;
 - p. Plumbing fixtures;
 - q. Pumps and machinery for operating pumps;
 - r. Ranges, cooking stoves, and ovens;
 - s. Refrigerators; and
 - t. Wall mirrors, permanently installed.
8. Items of property in a **building** enclosure below the lowest elevated floor of an **elevated post-FIRM building** located in Zones A1-A30, AE, AH, AR, AR/A, AR/AE, AR/AH, AR/A1-A30, V1-V30, or VE, or in a **basement**, regardless of the zone. Coverage is limited to the following:
- a. Any of the following items, if installed in their functioning locations and, if necessary for operation, connected to a power source:
 - (1) Central air conditioners;
 - (2) Cisterns and the water in them;
 - (3) Drywall for walls and ceilings in a **basement** and the cost of labor to nail it, unfinished and unfloats and not taped, to the framing;
 - (4) Electrical junction and circuit breaker boxes;
 - (5) Electrical outlets and switches;
 - (6) Elevators, dumbwaiters, and related equipment, except for related equipment installed below the **base flood** elevation after September 30, 1987;
 - (7) Fuel tanks and the fuel in them;
 - (8) Furnaces and hot water heaters;
 - (9) Heat pumps;
 - (10) Nonflammable insulation in a **basement**;
 - (11) Pumps and tanks used in solar energy systems;
 - (12) Stairways and staircases attached to the **building**, not separated from it by elevated walkways;
 - (13) Sump pumps;
 - (14) Water softeners and the chemicals in them, water filters, and faucets installed as an integral part of the plumbing system;
 - (15) Well water tanks and pumps;
 - (16) Required utility connections for any item in this list; and

(17) Footings, foundations, posts, pilings, piers, or other foundation walls and anchorage systems required to support a **building**.

b. Clean-up.

B. COVERAGE B - PERSONAL PROPERTY

1. If you have purchased personal property coverage, we insure against **direct physical loss by or from flood** to personal property inside a **building** at the **described location**, if:

- a. The property is owned by you or your household family members; and
- b. At your option, the property is owned by guests or servants.

Personal property is also covered for a period of 45 days at another location as set forth in **III.C.2.b.**, Property Removed to Safety.

Personal property in a **building** that is not fully enclosed must be secured to prevent flotation out of the **building**. If the personal property does float out during a **flood**, it will be conclusively presumed that it was not reasonably secured. In that case there is no coverage for such property.

2. Coverage for personal property includes the following

property, subject to **B.1.** above, which is covered under Coverage **B** only:

- a. Air conditioning units, portable or window type;
- b. Carpets, not permanently installed, over unfinished flooring;
- c. Carpets over finished flooring;
- d. Clothes washers and dryers;
- e. "Cook-out" grills;
- f. Food freezers, other than walk-in, and food in any freezer; and
- g. Portable microwave ovens and portable dishwashers.

3. Coverage for items of property in a **building** enclosure below the lowest elevated floor of an **elevated post-FIRM building** located in Zones A1-A30, AE, AH, AR, AR/A, AR/AE, AR/AH, AR/A1-A30, V1-V30, or VE, or in a **basement**, regardless of the zone, is limited to the following items, if installed in their functioning locations and, if necessary for operation, connected to a power source:

- a. Air conditioning units, portable or window type;
- b. Clothes washers and dryers; and
- c. Food freezers, other than walk-in, and food in any freezer.