



# After a Flood: CLAIMS

Helpful Information For Agents



# Objectives

- Help you and your clients work through the flood insurance claims process
- Provide a forum for any questions you may have
- Provide resources for you and your clients

# Actions for Policyholders

## Step 1

- **Contact your agent or company representative to report your claim**



Photo: fema.gov

# Step 2

- ***Separate Your Property:***
  - Your policy also requires you to separate damaged property from undamaged property.
  - Don't throw anything away before an adjuster has seen it, unless local law requires you to.
  - If this is the case, take photos of the property before disposing of it and keep samples for the adjuster to see.
    - (For example, cut out a piece of wall-to-wall carpet.)  
Do all you can to protect undamaged property.

# Important:

- Prior to signing an agreement/contract with a cleaning, remediation, or maintenance contractor, policyholders should consult with their flood adjuster or flood insurer concerning coverage.



Photo: FEMA.gov

# Step 3

- ***Make a List of Damaged Contents:***
  - If policyholders purchased contents coverage, they must make a list of damaged property.
  - If a comprehensive list was prepared before the flood, this should be relatively easy.
  - List the quantity of each item, a description, brand name, where purchased, its cost, model and serial number (if appropriate) and the estimate of the loss amount.
  - Attach bills, receipts, photos and any other documents.

# Step 4

- ***List Areas of Structural Damage:***
  - Policyholders should look over their property and make a list of any areas of structural damage to point out to the insurance adjuster.



Photo: FEMA.gov

# Handling the Claim

- **Working with the adjuster**
  - Generally, the adjuster will contact the policyholder within 24-48 hours after receiving the notice of loss. However depending on local conditions and the severity of flooding, it may take more time.



Photo: FEMA.gov



# Handling the Claim

- **“Scoping the loss”**
  - During the initial visit to the property, the adjuster will take measurements and photographs and note direct flood damage. This is called “scoping” a loss.
  - After the “scope” is finished, the adjuster will give the policyholder a local contact telephone number and will tell them whether any additional visits are needed.

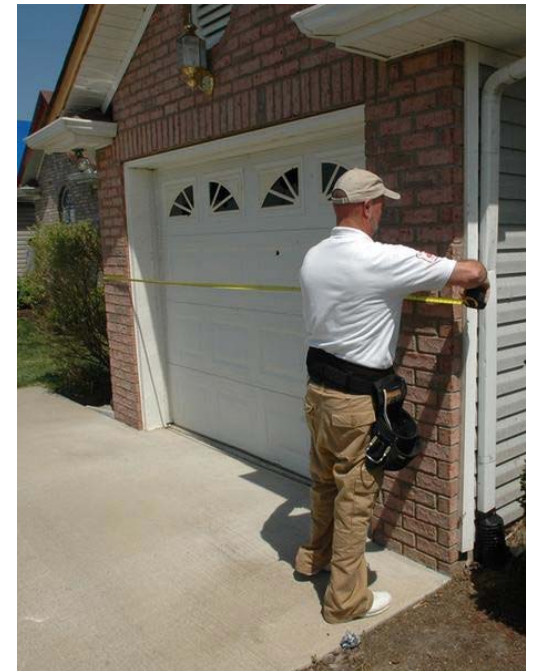
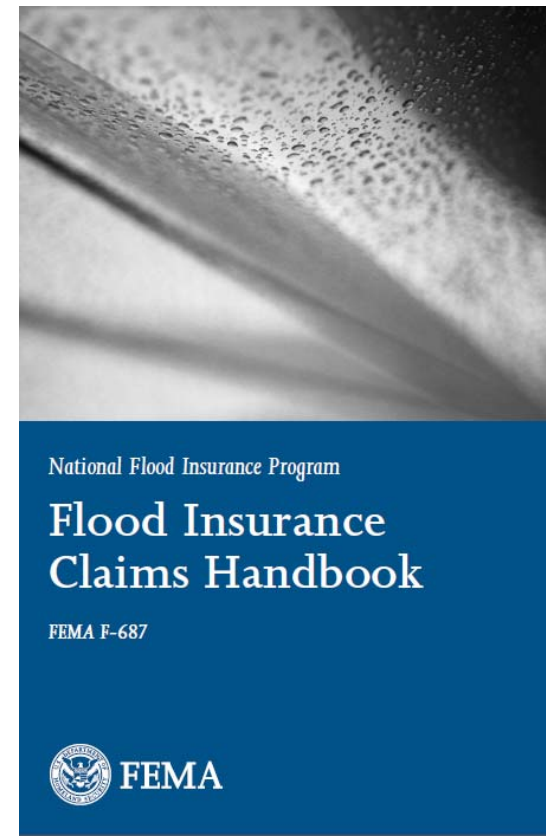


Photo: FEMA.gov

# Handling the Claim (Cont'd)

- **Advance Payments**
  - Adjuster will secure a signed Advance Payment request form and submit a recommendation to the insurer.



# Preparing a Detailed Estimate

- The adjuster then uses the knowledge gained from the visit(s)—and the documentation provided—to complete a detailed estimate of damages.
- The policyholder will get a copy.
- Use it as a guide when the policyholder asks for bids for repair work from licensed professional contractors.

# Supporting the Claim

- The official claim for damages is called a **Proof of Loss**.
- This must be fully completed and signed and in the hands of the insurance company within 60 days after the loss occurs.



Photo: FloodSmart.gov

# Proof of Loss

- The Proof of Loss includes a detailed estimate to replace or repair the damaged property. In most cases, the adjuster, as a courtesy, will provide the policyholder with a suggested Proof of Loss.
- The policyholder is responsible for making sure that it is complete, accurate and filed in a timely manner.

# Proof of Loss (cont'd)

- In severe floods, FEMA may authorize Proof of Loss extension for everyone in an area.



Photo: FloodSmart.gov

# Proof of Loss (cont'd)

- The policyholder needs to keep a copy of the Proof of Loss—and copies of all supporting documents—for their records.



Photo: FloodSmart.gov

# Payment of Claims

- **The claim is payable after:**
  - Policyholder and the Insurer agree on the amount of damages.
  - The Insurer receives the complete, accurate and signed Proof of Loss.
- **More information on claims payment is in the policy.**



# Request for Additional Payment

- If the policyholder notices additional damage to their Building Property or Personal Property after filing their claim, the insured may file a request for an additional payment.
- This means, essentially, that they must repeat the documentation and filing process for their original claim, including a Proof of Loss—but only for the newly discovered damage.

# Additional Claim

- Requests for additional claims should start with immediately notifying the adjuster, agent and/or company representative.
- After completing the documentation, present it to the adjuster who may need to make another property visit to verify the loss.

# Increased Cost of Compliance (ICC)

- After a policyholder receives the community's letter stating that the cost to repair flood damage to the building is 50 percent or more of its pre-damage market value, they may file an ICC claim.
- The policyholder should contact their flood adjuster or the flood insurer's claims representative to file the ICC claim.



Photo: FEMA.gov

# Increased Cost of Compliance

- The policyholder has four (4) years from the date of loss declaring the building to be **substantially damaged** to complete the chosen mitigation activity under the terms of the Standard Flood Insurance Policy.
- FEMA Bulletin W-15038 extended the current four-year time limit to a six-year time limit for flood claims occurring after January 1, 2011.
- The insurer will provide the policyholder with additional information to assist in completing the **ICC** claim.

# NFIP DSA and Write Your Own Companies

- The NFIP uses independent adjusters authorized to handle flood claims.
- WYO companies may also use their staff adjusters.



Photo: FloodSmart.gov

# Appealing Your Claim

- The NFIP provides a process to appeal decisions regarding flood insurance claims.
- This process will assist in resolving claim issues, but it cannot give added coverage or claim limits beyond those in the NFIP policy.
- There are **four steps** in appealing a claim which must be followed.

# Step One

- **Work with adjuster**

- Talk with your adjuster, who has more knowledge about the claim than anyone.
- If policyholders don't understand certain decisions, for example, application of coverage, timing of the filing of Proof of Loss, or the damage estimate, contact the adjuster first.

# Step Two

- **Ask for Supervisor**
  - If policyholders are not satisfied with the adjuster's answers, or do not agree with decisions, get contact information for the adjuster's supervisor.



# Step Three

- **Speak with the insurance company**
  - If the adjuster's supervisor can't resolve a policyholder's issues, they should contact the insurance company's claim representative.
  - Policyholders should ask their insurance agent or insurance company representative for assistance.
    - *Refer to your flood policy for more information on appeals.*
    - *See Section 7 of General Conditions, Paragraph R.*

# Step Four

- **File Appeal with FEMA**

- If policyholders still have questions or concerns after following steps one through three, they may contact the Federal Emergency Management Agency (FEMA):

**Federal Insurance & Mitigation Administration**

**Federal Insurance Administrator**

**1800 South Bell Street**

**Arlington, VA 20598-3010**

# Flood Response Office (FRO)

**NFIP Flood Response Office**  
3600 Jackson St., Suite 111B  
Alexandria, LA 71301  
(318) 704-6550 FAX (318) 704-6552

Monday through Friday 8:00 a.m. to 5:00 p.m. and  
Saturday 8:00 a.m. to 12:00 p.m. (noon)

# FRO Activities

**Activities performed by a FRO may include, but are not limited, to the following:**

- Coordinate and provide guidance to WYO Company and NFIP Direct Servicing Agent representatives regarding coverage definitions and other scope-of-coverage issues
- Facilitate and help expedite NFIP policyholder claim filings and the subsequent adjustment of their flood losses

# FRO Activities (cont'd)

- Educate and inform the public, agents, adjusters, and Federal/state officials regarding the NFIP, its mission, purpose, and products through direct communications and/or through the distribution of written materials such as pamphlets, notices, and instructional guides
- Initiate and implement claims re-inspection activities
- Provide other support such as claim troubleshooting activities

# Resources

**NFIP Helpline/FEMA Helpline - 1-800-621-FEMA (3362)**  
**Press “2” for Insurance**

**NFIP Technical Assistance Web Page**

<http://www.fema.gov/national-flood-insurance-program-technical-support-hotline>

**Flood Insurance Claims Handbook**

<http://www.fema.gov/media-library/assets/documents/6659>

**NFIP Standard Flood Insurance Policy**

<http://www.fema.gov/national-flood-insurance-program/standard-flood-insurance-policy-forms>

**Create a home inventory:** [www.knowyourstuff.org](http://www.knowyourstuff.org)

# Resources

## Information for Property Owners

<http://www.fema.gov/information-property-owners>

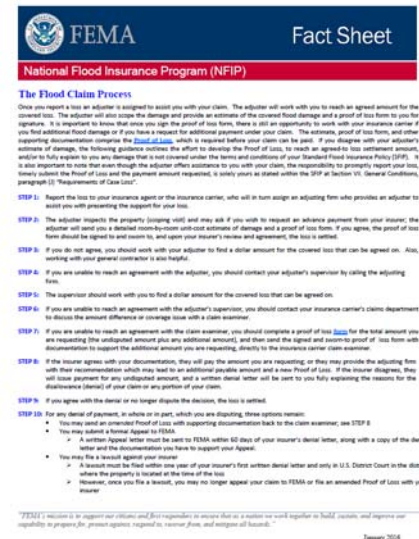
## Additional resources

[www.riskmap6.com](http://www.riskmap6.com)

including -

## The Flood Claim Process Fact Sheet -

[http://www.riskmap6.com/documents/resource/NFIP\\_Flood\\_Claim\\_Process.pdf](http://www.riskmap6.com/documents/resource/NFIP_Flood_Claim_Process.pdf)



# Questions?



# FEMA