FLOOD FAQs

QUESTIONS TO ASK YOUR INSURANCE COMPANY

- Does my homeowners insurance cover flood?
- What flood zone do I live in? What is my property's flood risk?
- What will and will not be covered?
- Will my policy provide Replacement Cost Value or Actual Cash Value? What's the difference between the two?
- Do I qualify for a Preferred Risk Policy (PRP)?
- Does my community participate in NFIP's Community Rating System (CRS)? If so, does my home qualify for a CRS discount?
- What is the deadline to file my flood damage claim?
- How long will the claims process typically take—from inspection to payout?
- Can I start cleanup or salvage work before your inspection? If so, what needs photographed first?
- Are additional living expenses covered if my home is uninhabitable, and what's the maximum coverage?
- If we disagree on coverage or scope, what are my appeal options (e.g., mediation, appraisal)?

WHAT SHOULD I KNOW ABOUT FLOODS AND FLOOD INSURANCE?

- Catastrophic floods can impact consumers anywhere in the country. Whether you live in an area that has a low or high risk of flooding, you should buy flood insurance if you own or rent property.
- Flooding, as defined by the National Flood Insurance Program (NFIP), is a general and temporary condition where two or more properties or two or more contiguous acres of normally dry land are inundated by water or mudflow.
- Not everyone faces the same level of risk of loss from flooding**.** The NFIP helps communities understand their risk with flood maps which are divided into three categories:
    a. High-risk areas have at least a 1% chance of flooding annually. All homeowners in these areas with mortgages from federally regulated or insured lenders are required to buy flood insurance.
    b. Moderate-to-low risk areas have less chance of flooding annually, but there is still a possibility of a flood. Flood insurance in these areas isn't required, but is recommended for all property owners and renters.
    c. Where flood-hazard analysis hasn't been conducted, but a flood loss still can occur.
- Your chances of being flooded are much greater than some other risks you face daily.
- Just one-inch of water can cause $20,000 or more in damages to your property.
- Your homeowners or renter's policy typically doesn't cover flood damage. No home is safe from the devastation of a flood; 25% of flood losses occur to homes outside of a high-risk area (category 1 or above).
- Standard homeowners' insurance policies and traditional flood insurance typically do not cover groundwater seepage.
- Beware of fraud. Protect yourself by getting more than one bid from contractors and requesting references. Ask for proof of necessary licenses, building permits, insurance and bonding. Record the contractor's license plate and driver's license numbers and check for complaints with the Better Business Bureau (BBB).