



FAQ: Flood Insurance and NFIP Policy Coverage

Elevated lake levels and wave hazards continue to threaten communities along the Great Lakes. As Region V states and local communities look for ways to resolve or mitigate damage to shoreline properties, many questions have been raised about FEMA's National Flood Insurance Program (NFIP) policy coverage as it relates to these high water events.

Am I eligible to purchase flood insurance?

Individual property and business owners, renters, and condo associations are eligible to purchase a NFIP standard flood insurance policy (SFIP) if the building they wish to insure is located within a participating community. A list of participating NFIP communities can be found in the community status book located at: www.fema.gov/national-flood-insurance-program-community-status-book.

Who do I contact if I want to purchase a flood insurance policy?

Flood insurance can be purchased through an insurance agent or an insurer participating in the NFIP. If your insurance agent does not sell flood insurance, you can contact the NFIP Help Center at 800-427-4661 for assistance.

How long does a SFIP take to go into effect?

In general, it takes 30 days from the day you purchase a new SFIP for it to go into effect. Any flood damage that occurs prior to the effective date of the policy would not be covered. It is not possible to buy a SFIP to cover past flood damage or flood damage that occurs from a flood event that is in progress at the time the policy goes into effect.

What is a flood-in-progress?

Flood-in-progress is an exclusion in the SFIP. The SFIP does not insure a loss caused by a flood that existed before the policy became effective or coverage is added at a policyholder's request.

Because flood conditions, and characteristics, and damages are specific to each claim, a claim should be filed even if the policyholder recently purchased

a policy to allow an adjuster to assist the insurer in determining eligibility.

What is covered by a NFIP policy?

NFIP flood insurance is a single peril insurance product. This means that the SFIP-covers only direct physical loss by or from flooding as defined in the policy. The following examples are typical items that would and would not be covered:

Examples of building coverage

- The electrical and plumbing systems
- Furnaces, water heaters, heat pumps and sump pumps
- Refrigerators, cooking stoves and built-in appliances such as dishwashers
- Permanently installed carpeting over an unfinished floor
- Permanently installed paneling, wallboard, bookcases and cabinets. The damage must be directly caused by flood water. Cabinets that were not damaged by flood water are not



Source: Port of Monroe, MI

covered, even if they match cabinets that were damaged by flood water.

- Window blinds
- Foundation walls, anchorage systems and staircases attached to the building.
- A detached garage that meets the policy definition of a building, has a garage door or opening large enough to accommodate an entire automobile within the building, and that is not used or held for residential, business, or farming purposes. Up to 10 percent of the building coverage limit can be used but will reduce the total amount of building coverage available.
- Cisterns and the water in them
- Fuel tanks and the fuel in them, solar energy equipment and well water tanks and pumps

Examples of contents coverage

- Personal belongings such as clothing, furniture and electronic equipment
- Portable and window air conditioners (easily moved or relocated)
- Portable microwave ovens and portable dishwashers
- Carpets not included in building coverage (carpet installed over wood floors, etc.)
- Laundry washers and dryers
- Certain valuable items such as original artwork and furs (up to \$2,500)
- Food freezers and the food in them

Examples of non-covered items/situations for building or personal property

- Damage caused by moisture, mildew or mold that could have been avoided by the property owner or which are not attributable to the flood
- Additional living expenses, such as temporary housing, while the building is being repaired or is unable to be occupied
- Loss of use or access to the insured property
- Financial losses caused by business interruption
- Property and belongings outside of an insured building such as trees, plants, wells, septic

systems, walks, decks, patios, fences, seawalls, hot tubs and swimming pools

- Currency, precious metals and valuable papers such as stock certificates
- Most self-propelled vehicles such as cars, including their parts and equipment (see Section IV.5 in your policy)

Does a SFIP cover erosion?

A SFIP is designed to provide coverage to buildings and their contents and therefore does not cover the loss of land. Damage caused by earth movement even when flooding directly causes the earth movement is not covered.

Examples of earth movement that are specifically excluded include land subsidence, sinkholes, destabilization or movement of land that results from accumulation of water in subsurface land area, and gradual erosion. Since the cause of damage may not always be clear, a property owner with a SFIP should file a claim with their insurer, who will assign an adjuster to inspect the property and make recommendations to the insurer in accordance with the SFIP.

What if a claim is denied?

If a policyholder has a SFIP and receives a denial letter on a claim, they have the right to file an appeal to FEMA within 60 days of the date of the letter. For additional information about the claim appeals process, visit: <https://www.fema.gov/flood-claim-appeals-and-guidance>.

Where can I find more information about NFIP flood insurance?

Visit FloodSmart.gov or call 800-427-2419 to learn how to prepare for floods, how to purchase a flood insurance policy and the benefits of protecting your home or property investment against flooding. You can also contact your insurance agent for more information.