

## Answers to Tough Questions



*Working with media, local and state officials and property owners, you need to be armed with answers to a variety of questions before and after a flood. The following frequently asked questions address the tough issues that are often asked, with preapproved responses to assist your outreach efforts.*

### **BEFORE A FLOOD**

#### **Since I don't live in a flood zone, I don't need flood insurance, right?**

Wrong. Everyone is at risk for flooding. Floods can happen anywhere, at any time. Residents who live in and outside of a high-risk area should know their risk and consider protection. Approximately 20 to 25 percent of all flood claims occur outside of high-risk areas, also known as Special Flood Hazard Areas (SFHAs).

If you live outside of the high-risk area and are eligible for the Preferred Risk Policy, your flood insurance premium may be as low as \$112 a year, including coverage for your property's contents.

#### **I have flood insurance, but after a recent flood, my personal belongings weren't covered. Why?**

A standard flood policy will cover structural, furnace, water heater and air conditioner damage; flood debris clean-up; and floor surface damage such as to carpeting and tile.

However, unless you also purchase contents coverage, items such as furniture, collectibles, clothing, jewelry and artwork will not be covered. You should talk to your insurance agent to make sure your flood policy adequately protects your home and belongings in the event of a flood.

#### **Why should I purchase a flood insurance policy since the Federal Emergency Management Agency (FEMA) makes disaster assistance available after a flood?**


Flood insurance claims are paid even if a disaster is not declared by the President.

A flood insurance claim is your money. If you receive disaster assistance funds, it will most likely be a loan that must be repaid, with interest. A flood insurance policy is also more cost-effective than relying on disaster assistance. The average cost of a \$100,000 flood policy is a little more than \$400 annually.

#### **Why can't I get flood insurance if I live in a Special Flood Hazard Area?**

You *can* and *should* get flood insurance if you live in a Special Flood Hazard Area (SFHA). These areas are considered to be at high risk for flooding, and the National Flood Insurance Program (NFIP) encourages every homeowner, business owner or renter who lives and works in an SFHA to invest in flood insurance protection. Flood coverage is available to anyone who lives in one of 20,200 NFIP participating communities across the country (to find out if you live in an NFIP participating community, visit [www.fema.gov/fema/csb.shtm](http://www.fema.gov/fema/csb.shtm)). You can call your insurance agent for more information, or visit [FloodSmart.gov](http://FloodSmart.gov) to find an agent in your area.





## **What can I do if I don't live in a participating community?**

Contact your local officials and encourage them to take the steps to become a participating community in the National Flood Insurance Program.

## **Am I eligible for flood insurance if I live in a condo or apartment?**

Most people who live in NFIP participating communities, including renters and condominium unit owners, are eligible to purchase a flood insurance policy. A maximum of \$250,000 of building coverage is available for single-family residential buildings, \$250,000 per unit for residential condominiums. The limit for contents coverage on all residential buildings is \$100,000, which is also available to renters.

## **Where can I get a flood insurance policy if my agent doesn't sell it?**

Flood insurance is sold and serviced by about 90 private insurance companies in more than 20,200 communities nationwide. The federal government sets the terms and rates.

Claims payments are funded by flood insurance premiums. To purchase a policy, first call your insurance agent. To find an agent in your area, visit [FloodSmart.gov](http://FloodSmart.gov) or call **1-800-427-2419**.

## **Why do I need flood insurance...**

### ***when my home is on a hill?***

Floods can occur in any area, although to varying degrees. If you live on a hill or in an area that has never been flooded, your risk may be significantly reduced, but it is not eliminated.

Flooding can be caused by heavy rains, melting snow, inadequate drainage systems, failed protective devices, such as levees and dams, as well as by tropical storms and hurricanes. You should make an informed decision about the flood risks you face before deciding not to purchase flood insurance. Talk to your agent for additional details – you may qualify for a Preferred Risk Policy (a lower-cost flood insurance policy).

### ***when my home is not on the coast or near a river?***

Some of the most damaging and costly floods occur hundreds of miles from coasts and river banks. Slow moving tropical systems, urban runoff and flash flooding can occur in communities across the country. You need to be aware of these flood risks and financially prepare your home and business with flood insurance protection.

## **Why does the map say I'm in a high-risk area when my home is built on high ground?**

Flood Insurance Rate Maps (FIRMs) cannot reflect every variation in the physical geography of an area. Therefore, a FIRM occasionally will show a property as being in a Special Flood Hazard Area (SFHA), even though the building may be above the Base Flood Elevation (BFE).

However, there is a mechanism for resolving such a situation. A property owner can submit property and elevation materials in support of a request for a Letter of Map Amendment (LOMA) to remove the property from the SFHA. This process involves the property owner and the Federal Emergency Management Agency (FEMA). If the property is removed from the high-risk area, it is still at risk of flooding and flood insurance is highly recommended.

For detailed information regarding the LOMA process, call 1-877-336-2627 toll-free.



**I've been approached by a company that says for a fee I can be removed from the Special Flood Hazard Area. How does this work?**

Property owners who have reason to believe their flood zone designation is in error should work with their lender or FEMA to try and have their property and/or structure officially removed from the high-risk area. To remove a structure from a Special Flood Hazard Area (SFHA) if it is at or above the one-percent-annual-chance flood elevation, property owners can apply for a Letter of Map Amendment (LOMA). An application and step-by-step instructions can be found at [www.fema.gov/plan/prevent/fhm/dl\\_mt-ez.shtm](http://www.fema.gov/plan/prevent/fhm/dl_mt-ez.shtm).

There is no fee for FEMA to review a request; however, the requester is responsible for any costs involved in collecting the supporting data necessary to submit an application.

To remove a structure from an SFHA if it has been elevated by fill and is at or above the one-percent-annual-chance flood elevation, property owners can apply for a Letter of Map Revision based on fill (LOMR-F). An application and step-by-step instructions can be found at [www.fema.gov/plan/prevent/fhm/dl\\_mt-1.shtm](http://www.fema.gov/plan/prevent/fhm/dl_mt-1.shtm). FEMA does charge a fee for the engineering review of a structure.

## **AFTER A FLOOD**

### **Why did my insurance agent tell me I didn't need flood insurance and my home just flooded?**

Property owners are required by law to purchase flood insurance if their structure is located in a high-risk flood area, or Special Flood Hazard Area (SFHA), and they have a loan from a federally regulated lender. However, everyone is at risk for flooding and needs to consider flood insurance protection. Property owners who live in an SFHA are at high risk for flooding and are strongly encouraged to purchase a flood policy.

Those with properties in low- to moderate-risk areas need to understand that floodwaters do not stop at a line on a flood map. Twenty to 25 percent of all flood insurance claims come from low- to moderate-risk areas.

You can take control of your financial security and ensure your property is flood protected. If your agent doesn't tell you about your flood insurance options, ask him/her to explain your flood risks and how the coverage works. You can also visit [FloodSmart.gov](http://FloodSmart.gov) or call **1-800-427-2419** to learn more about your flood risk and how to protect your property.

### **Will my flood insurance policy cover debris removal?**


Yes. Debris removal is covered under building property flood insurance coverage.

### **Why does the National Flood Insurance Program (NFIP) provide flood coverage to repetitive loss properties?**

FEMA is working to address repetitive loss properties (properties with two or more \$1,000 flood insurance claims within a 10-year period). The NFIP works with states, local governments, and Community Rating System (CRS) communities to mitigate these properties through elevation, relocation, floodproofing, local flood control, and acquisition/demolition.

### **Will policyholders in noncoastal states be paying more for flood insurance to support losses along the coast?**

Premiums are based on risk, not location. Policyholders with similar flood risk pay the same rate regardless of where they live. For example, if a property has a one percent chance of flooding in a given year, it doesn't matter whether it's located on the coast or someplace else – the chance of flooding is the same, 1 percent. The NFIP does not increase premiums to make up for past losses. Premiums are set in order to pay for future expected losses.



It is important to remember that flooding is a risk across the country. Every region of the United States has suffered historical flooding and is just as susceptible to future flood damage.

**Does the NFIP encourage development in coastal areas that are particularly susceptible to hurricane-induced flooding?**

Many factors, including community development pressures and the desirability of beachfront property, contribute to development in coastal areas.

Although the NFIP doesn't encourage development, the program does offer flood insurance protection for property owners in these areas, if that community adopts and rigorously enforces floodplain management regulations. The NFIP's stringent building requirements save the country more than \$1.1 billion every year in losses from flood damage.