

III. NFIP DISASTER RESPONSE

A. DISASTER RESPONSE FIELD OFFICES

1. Adjuster Control Office

The Adjuster Control Office (ACO) is a temporary catastrophe office established by the NFIP Direct to assign losses to adjusters.

2. Claims Coordinating Office

The Claims Coordinating Office (CCO) is a central clearinghouse for receiving notices of loss involving hurricane, wind, and flood damage. This is accomplished by the systematic identification of wind and flood losses at the same property address followed by assignment of the loss to a single adjuster who represents both insurers. Adjuster assignments are made for the NFIP Direct, the Write Your Own (WYO) companies, and the Coastal Plans. This measure avoids duplicate assignments of losses and better deploys the available adjuster resources in a major hurricane event. (See Subsection III.B. of this manual, Single Adjuster Program and Claims Coordinating Office, following.)

3. Flood Insurance Claims Office

The Flood Insurance Claims Office (FICO) is a functioning flood insurance claim office established by the NFIP Direct to efficiently handle losses generated by major flooding events for the NFIP Direct only.

4. Flood Response Office

The Flood Response Office (FRO) is established to efficiently coordinate with private sector windpool associations, WYO companies, FEMA's Disaster Field Office (DFO) and Disaster Assistance Centers, and FEMA's regional staff engaged in mitigation and floodplain management compliance activities in local communities.

Major activities of the FRO include the following:

- a.** Coordination with WYO companies to provide guidance, define the scope of coverage, and facilitate the adjustment of losses sustained by policyholders of the NFIP who are insured by WYO companies.
- b.** Coordination with WYO companies, the NFIP Servicing Agent, and state windpool associations under the Single Adjuster Program (SAP) and NFIP Claims Coordinating Office (CCO).
- c.** Support and coordination with the DFOs to advise the Federal Coordinating Officer on flood insurance activities, help avoid duplication of benefits, provide information and assistance to NFIP policyholders, and speed the delivery of flood insurance claim payments.

- d. Distribution and utilization at the FRO and Disaster Assistance Centers of a series of education and information posters, notices, and instructions to provide guidance to the flood-insured public, agents, adjusters, and federal and state officials in matters related to the NFIP's overall catastrophe response procedures.
- e. Implementation of support services such as the reinspection program, special adjuster meetings, and claim troubleshooting activities. Additional activities include surveying flood disaster areas, assessing the extent of damage, and advising FEMA of the findings.

B. SINGLE ADJUSTER PROGRAM AND CLAIMS COORDINATING OFFICE

1. Objective

In conjunction with the Claims Coordinating Office (CCO), the Single Adjuster Program (SAP) provides the most efficient use of adjusting resources in a catastrophic hurricane situation to improve service to the mutual policyholders of both wind damage and flood damage insurers.

2. Background

There are currently over a million coastal flood insurance policies at risk, many of which could be subject to a combined wind/flood loss.

Through the establishment of a CCO at the time of a catastrophe, many of these potential combined losses can be identified and assigned to loss adjusting companies jointly representing the WYO companies and the Coastal Plans (e.g., Windpool Associations, Fair Plans, Beach Plans, and Joint Underwriting Associations).

The purpose of the CCO is to provide a central clearinghouse for receiving notices of loss involving hurricane, wind, and flood damage. This is accomplished by the systematic identification of wind and flood losses at the same property address followed by assignment of the loss to a single adjuster who represents both insurers. Adjuster assignments are made for the NFIP Direct, WYO companies, and Coastal Plans. The CCO, in cooperation with the WYO companies, Coastal Plans, and other property insurers, oversees the SAP. This measure avoids duplicate assignments of losses and better deploys the available adjuster resources in a major hurricane event.

3. Implementation

FEMA and the various Coastal Plans determine whether a catastrophic event will necessitate an SAP response. The National Weather Service's declaration of a tropical storm or hurricane event begins the watch for possible single adjuster response. In general, FEMA approves the SAP response when the storm is 48 hours from landfall.

The NFIP Bureau and Statistical Agent deploys one or more General Adjusters to the affected area no later than 24 hours after landfall. The WYO companies are advised by telephone or fax, through their designated Single Adjuster Liaison, as to the areas and states that will be subject to the SAP response. At that point, the WYO companies are asked to immediately notify their agents of the SAP procedures for reporting the losses.

The telephone call or facsimile to the WYO companies is followed by a written notice directing all WYO companies to have their agency force submit all flood losses that are reasonably believed to involve wind and flood damage to the CCO.

Telephone contact also is made and a written notice is simultaneously sent to the participating State Coastal Plan, Joint Underwriting Association, etc., advising them of the opening of the CCO, which is co-located with or near the State Coastal Plan at a predetermined site. The on-site CCO becomes fully operational within 24 hours after the storm's landfall.

When the CCO is operational, the WYO companies are notified of all of their assigned claims. Reports reflecting the assigned claims are faxed each day. Once the assignment is made and communicated to each company, the WYO company manages its own loss adjustment. However, the CCO personnel ensure that the adjuster receives the loss assignment containing all the relevant information.

4. Training

The NFIP Bureau and Statistical Agent General Adjusters and FEMA conduct educational workshops before and after major storms. These educational programs address regional problems, construction issues, adjuster certification, and community and state ordinances, etc. Contact information is provided for all of the single adjuster firms, as well as the WYO companies.