



FACT SHEET DAP9580.2

INSURANCE RESPONSIBILITIES FOR FIELD PERSONNEL

Overview

This Fact Sheet provides information on the insurance responsibilities for Field Personnel. Additionally, this Fact Sheet supplements information listed on DAP9580.3, "[*Fact Sheet - Insurance Considerations for Applicants*](#)".

Field Personnel Responsibilities

The Public Assistance (PA) Group Supervisor and designated staff are responsible for compliance with the Insurance provisions of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended, (Stafford Act). These responsibilities include ensuring that insurance has been obtained and maintained by the Applicants who previously received disaster assistance, reducing PA funding for flood losses in the Special Flood Hazard Area, and if appropriate, making reductions from the PA grants when the loss is covered by insurance. The State is responsible for ensuring that the Applicant has purchased an insurance policy or binder for losses being covered by PA funding.

In the event that a Region does not have adequate insurance support for a Joint Field Office (JFO), the PA Group Supervisor can obtain this resource from the Disaster Assistance Employee (DAE) Cadre or through the Standby Technical Assistance Contract (PA-TAC), managed by the Disaster Assistance Directorate/Public Assistance Division at FEMA Headquarters.

The Insurance Specialist should be among those first deployed in order to assist the Public Assistance Coordinator (PAC) Crew Leader and/or PA Project Specialist. The Insurance Specialist should be included in the Applicants' Briefing and Kickoff Meetings. The Insurance Specialist's primary role is to provide technical expertise in evaluating insurance related issues.

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Frequently Asked Questions (FAQs)

1. Who is an Insurance Specialist?

The Insurance Specialist is a certified and qualified flood and/or general property insurance adjuster with experience dealing with commercial property insurance policies. An Insurance Specialist can be a FEMA employee or a TAC. He/she will address insurance issues as identified throughout the PA Program process.

2. Why should the Insurance Specialist be deployed to a JFO during the initial stages of a disaster?

Deploying an Insurance Specialist early in the disaster process will expedite funding of the Project Worksheets and reduce the chance of duplication of benefits, which is prohibited by the Stafford Act. The Insurance Specialist can minimize the duplication of benefits problem by readily evaluating the Applicant's insurance policy to determine if a loss is covered.

3. When should an insurance review be initiated?

An insurance review is initiated when any of the following questions are answered "Yes" or "Unsure" on the applicable FEMA forms:

- "Is there insurance coverage on this facility?" - Project Worksheet - FEMA Form 90-91, Feb 06.
- "Does the damaged facility or item of work have insurance coverage and/or is it an insurable risk (e.g., buildings, equipment, vehicles, or contents)?" - Question #1, on the Special Considerations Questions Form - FEMA Form 90-120, Feb 06.
- "Is the damaged facility located within a floodplain or coastal high hazard area, or does it have an impact on a floodplain or wetland?" - Question #2, Special Consideration Questions Form - FEMA Form 90-120, Feb 06.

All three questions must be answered when the Applicant or the PA Project Specialist develops the Project Worksheet. When the answer is "Yes" or "Unsure", the PAC Crew Leader must require an insurance review for that Project Worksheet. This is accomplished by the PAC Crew Leader prompting the Insurance Review in NEMIS' Reviews queue.

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4. What types of assignments can the Insurance Specialist expect at a JFO?

The Insurance Specialist's assignment will typically fall into one of four general categories. These categories are briefly described below:

- a. *Technical Support to the PAC Crew Leader:* After reviewing the Applicant information, a PAC Crew Leader may request an Insurance Specialist to attend Applicants' Briefing(s) and/or Kickoff Meeting(s). The PAC Crew Leader may ask for assistance regarding what type of insurance information the Applicant should bring to the Kickoff Meeting. The Insurance Specialist should be prepared to answer general questions about insurance.
- b. *Reviewing Insurance Settlement Information:* If a project, large or small, has received an insurance settlement payment, the Insurance Specialist will review the settlement and policy documents to assess whether the loss was settled to the maximum amount available under the Applicant's insurance policy. The Insurance Specialist will review the insurance settlement to ensure that it is compatible with the eligible scope of work found on the Project Worksheet. An insurance settlement payment should never be entered as a line item on the Project Worksheet without prior review by the Insurance Specialist. The Insurance Specialist should also look for unusual coverage: debris, roads, bridges etc.
- c. *Insurance Adjustment DURING Project Worksheet Development:* Each project is to be assessed for insurance coverage. For small projects, if the insurance issues are identified during the Kickoff Meeting, or, if a Project Worksheet is submitted and an insurance issue is then identified, an Insurance Specialist can be assigned to work with the Applicant as they develop their Project Worksheets. For large projects that require an insurance adjustment, the Insurance Specialist may work directly with the PA Project Specialist while the scope of work is being prepared. It may be that the Insurance Specialist has both the insurance background and the PA programmatic background; in these cases, the Insurance Specialist may be assigned the task of developing both the Project Worksheet and completing the insurance review process.
- d. *Insurance Adjustment AFTER Project Worksheet Development:* In some cases, a Project Worksheet will be completed before an insurance review can take place. If this is the case, the Insurance Specialist will review the Project Worksheet and the accompanying documentation. If questions occur, the Insurance Specialist will coordinate with the PAC Crew Leader prior to contacting the Applicant. When the Project Worksheet is completed and all insurance issues have been addressed, the PAC Crew Leader must ensure that necessary insurance purchase and maintenance requirements have been met prior to approving the Project Worksheet.

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5. What NEMIS queues require insurance related comments? And who is responsible for entering this information?

The Insurance Specialist is responsible for making appropriate entries in NEMIS. Specifically, entries are made in the following queues: Special Considerations (Question 1 - Comments), Insurance Information, General Comments, and Reviews.

6. Are there special insurance cost codes that need to be entered in Project Worksheets?

Yes, one of the following cost codes should be used when making an insurance reduction on Project Worksheets:

- 5900 - Deduct Actual Insurance Proceeds;
- 5901 - Deduct Anticipated Insurance Proceeds;
- 5902 - Mandatory NFIP Reduction - Maximum Proceeds Available;
- 5903 - Previous Disaster Insurance Purchase Requirement;
- 5904 - Deduct Actual Flood Insurance Proceeds; and
- 5905 - Deduct Anticipated Flood Insurance Proceeds.

7. Who is responsible for making sure the Applicant has obtained and maintains insurance?

The State has the lead responsibility for ensuring that the Applicant has obtained and/or maintains insurance for insurable facilities (i.e., buildings, contents, vehicles, and equipment) that received PA funding. Project Worksheets will be approved after receiving either the insurance binder or a policy for the insurable loss from the Applicant.



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Date