

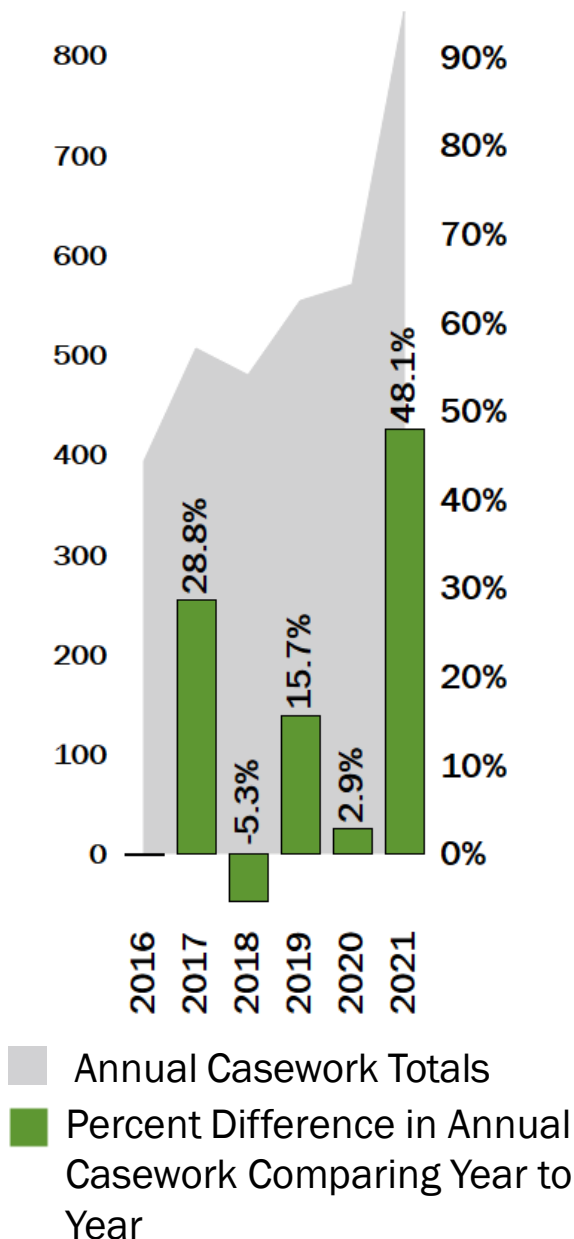
# The Office of the Flood Insurance Advocate

Reducing complexity with compassion and fairness

## Periodic Report

October – December 2021

### Casework Highlights



- Since the Office was stood up, casework has seen a substantial increase in annual totals. The graphic to the left shows the annual casework totals (in gray) behind the percent year-over-year growth (in green).
- In 2021, the Office saw a record amount of casework, showing a 48% growth from 2020. From 2020, Floodplain Management cases increased 95%, Insurance cases increased 44.9%, Mapping cases increased 61.5%, and Non-NFIP cases increased 123%. HMA Grants casework remained constant.
- From Q3 to Q4, both Floodplain Management and Mapping casework decreased by approximately 53%, while Insurance casework increased by 7%.

# Casework Highlights

In addition to increased casework, the fourth quarter saw some atypical fluctuations in inquiries. Flagged below, are some of the top highlights.



## OFIA Impact

Since 2015, the OFIA has advocated for NFIP policyholders with compassion and fairness. During this reporting period, the OFIA resolved 89% of inquiries while decreasing the time to resolve a case by 42%.

After using the available NFIP resources, if you still have questions, visit our website at [https://www.fema.gov/flood insurance advocate](https://www.fema.gov/flood-insurance-advocate) and click “**Ask the Advocate.**”

# Casework Spotlight

## Customer Issue

A policyholder from Greenwood, Indiana, had paid \$1,492 for \$145,900 building coverage with a \$10,000 deductible. They were concerned about the rising cost of flood insurance as discounts have been phasing out since the Biggert-Waters Flood Insurance Reform Act of 2012. Each year, they had been reducing coverage to match the principal of the loan, and they already had the maximum deductible.

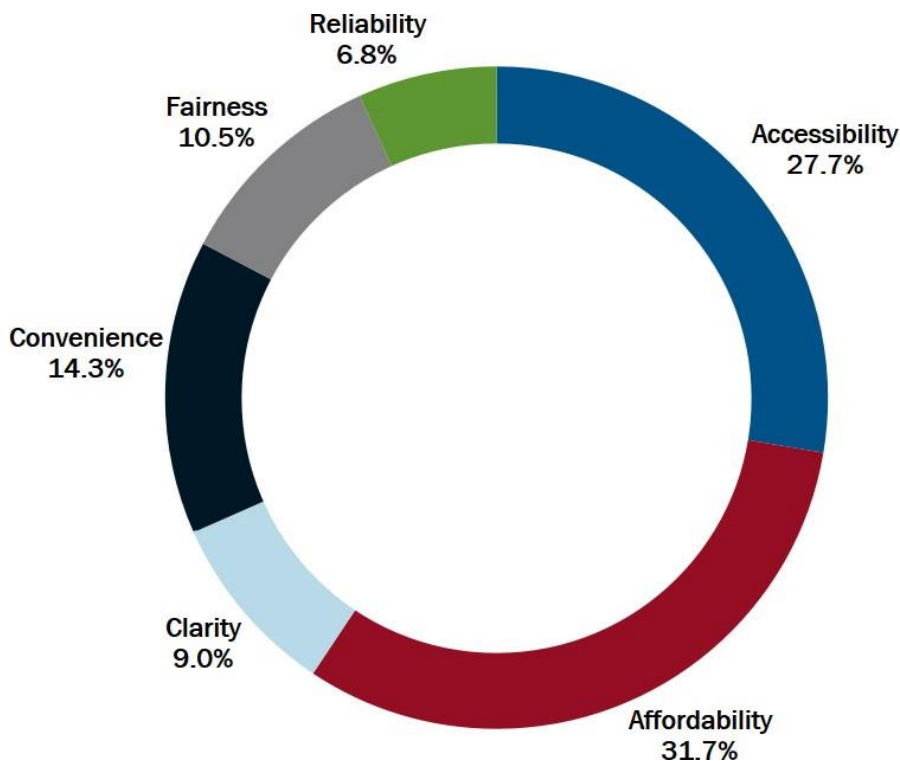
## Background

The policyholder has been in contact with OFIA on several issues related to a 2008 claim and subsequent development in the area that increases the flood risk to their property. In recent years, they had increased their deductible to \$10,000 to lower their annual premium. They stated that they were unable to afford an Elevation Certificate (EC). OFIA advised that Risk Rating 2.0 could determine elevation rates without the expense of an EC, and that better accounting of their home's replacement cost, may reduce his premium.

## Resolution

The policyholder was able to renew their coverage using Risk Rating 2.0 methodology, where they added coverage while reducing the overall price. The renewed policy has \$140,000 building coverage with a \$2,000 deductible, plus an additional \$10,000 contents with a \$1,000 deductible for an annual premium of \$925.

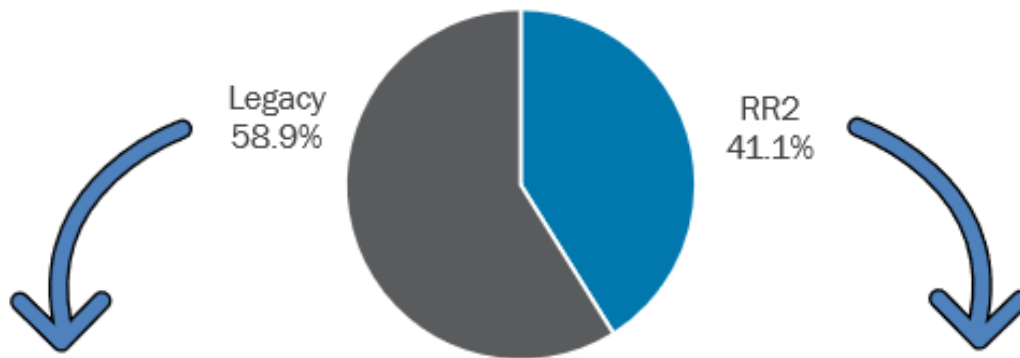
# Casework Trends



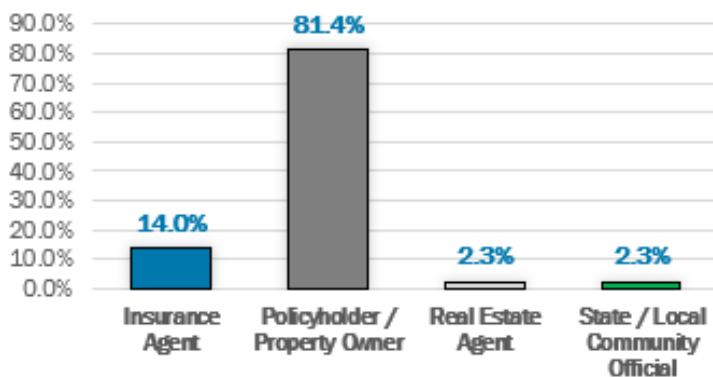
- The graphic to the left shows the results of a sentiment analysis program that uses natural language processing to determine the feeling behind customer needs.
- Customers come to the Office with a variety of requests but understanding the underlying need can inform decision-making and improve customer experience.
- Predominately, customers express needs in affordability and accessibility, specifically requesting relief from financial burdens and assistance navigating the intricacies of the policy requirements.

# Casework Closeup

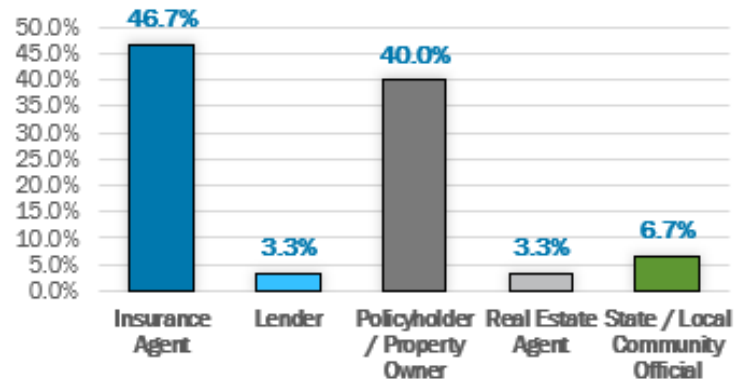
## Rate Verification: Risk Rating 2.0 vs. Legacy Since September 2021



CONTACT ROLE LEGACY



CONTACT ROLE RR2



- On October 1, 2021, Risk Rating 2.0 was launched, providing a more equitable methodology to insure customers. 71% of the incoming Risk Rating 2.0 inquiries are linked directly to the Rate Verification category.
- The makeup of the contact roles for this casework changed dramatically during the Q4 2021 period. Cases coming from Insurance Agents and State/Local Community Officials have nearly tripled, whereas cases from policyholders have been halved.
- Risk Rating 2.0 accounts for more flood risk variables. Agents and community officials are trying to understand, reconcile, and communicate to property owners and policyholders the effects of certain risks that have been revealed by the new rating methodology.

## What We Heard From NFIP Customers

*“The OFIA Representative was amazing. Answered every one of my emails very quickly and with great detail. I felt confident that my issue would get resolved, and it did! I am over the moon happy with my experience. Thank you so much!”*