

# Fema's National Flood Insurance Program Enhances the Flood Claims Process for Louisiana Following Tropical Storm Harvey

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**WASHINGTON DC** — To support the ongoing disaster recovery in Louisiana, the Federal Emergency Management Agency's (FEMA) National Flood Insurance Program (NFIP) is temporarily enhancing the flood insurance claims process for insured survivors affected by Tropical Storm Harvey.

Due to damages caused by Tropical Storm Harvey, FEMA implemented temporary changes to rush recovery money into the hands of NFIP policyholders in Louisiana, for repair and replacement of flood-damaged properties. As of September 4, FEMA directed all NFIP private insurance partners to:

- Provide advance payments on flood claims, even before visits by an adjuster;
- Increase the advance payment allowable for policyholders who provide photographs or video depicting flood damage and expenses, or a contractor's itemized estimate; and,
- Waive use of the initial Proof of Loss (POL) form.

## **Advance Payments**

The NFIP is making it easier for policyholders to receive an advance payment for their flood claim to help them begin the process of recovery as quickly as possible. After filing a flood insurance claim, the policyholder can discuss an advance payment with the insurer:

- When a policyholder contacts the insurance company and has his/her identity verified, the policyholder can receive an advance payment for up to \$5,000 on a flood claim without an adjuster visit or additional documentation. When the advance payment is issued, the policyholder receives a letter which explains



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that by accepting this payment, the policyholder is certifying the damage.

- Policyholders who provide the following: photos or videos which depict flood-damaged property; receipts for related out-of-pocket expenses; or a contractor's itemized estimate, may receive up to \$20,000 in an advance payment.

Advance payments are deducted from a policyholder's final claim settlement amount and may only be used according to the terms of the policy. For example, when a policy is for building coverage, the advance payment must be used to repair or rebuild the structure. In another example, when the policy is for personal property, the advance payment must be used to repair or replace the contents that were within the structure at the time of the flood. Advance payments may not be used for temporary housing and living expenses.

If a policyholder's property is mortgaged and they have building/structure coverage, both the lender and the policyholder will be named on the check and both signatures will be required.

### **Proof of Loss Waiver**

To expedite processing of NFIP claims for Tropical Storm Harvey, the NFIP is waiving the requirement for a policyholder to submit an initial Proof of Loss (POL) document. Here's how the enhanced process works:

- After a policyholder files a claim, a time is set up for the adjuster to inspect the flood damaged property. The adjuster will document the damage and submit a report to the policyholder's insurance company.
- If additional damage is discovered or a policyholder does not agree with the payment amount, a policyholder can seek additional payment if the policy's coverage limits have not been met. A POL will be required to seek supplemental payment on the claim. If payment is issued based upon the adjuster's initial report and the policyholder does not seek additional payment (using a POL), the insurer will close the file.

If a policyholder requests an additional payment, he/she must complete a POL and submit it to the insurance company within one year of the date of the flood loss. FEMA has informed all of its NFIP insurance partners about this process.



The enhanced flood claims process was developed for Louisiana policyholders affected by Tropical Storm Harvey due to the extent and magnitude of the event. These enhancements do not apply to claims filed as a result of flooding during previous events, including claims for the March and August floods in 2016.

NFIP policyholders are encouraged to contact their [insurance company](#) and report a flood claim as soon as possible. If someone is unsure if he/she has flood insurance with the National Flood Insurance Program; does not know how to contact his/her agent or company; or has an NFIP Direct policy, call **1-800-621-3362**, select option 2, and speak with the NFIP call center. The TTY number is **1-800-462-7585**.

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