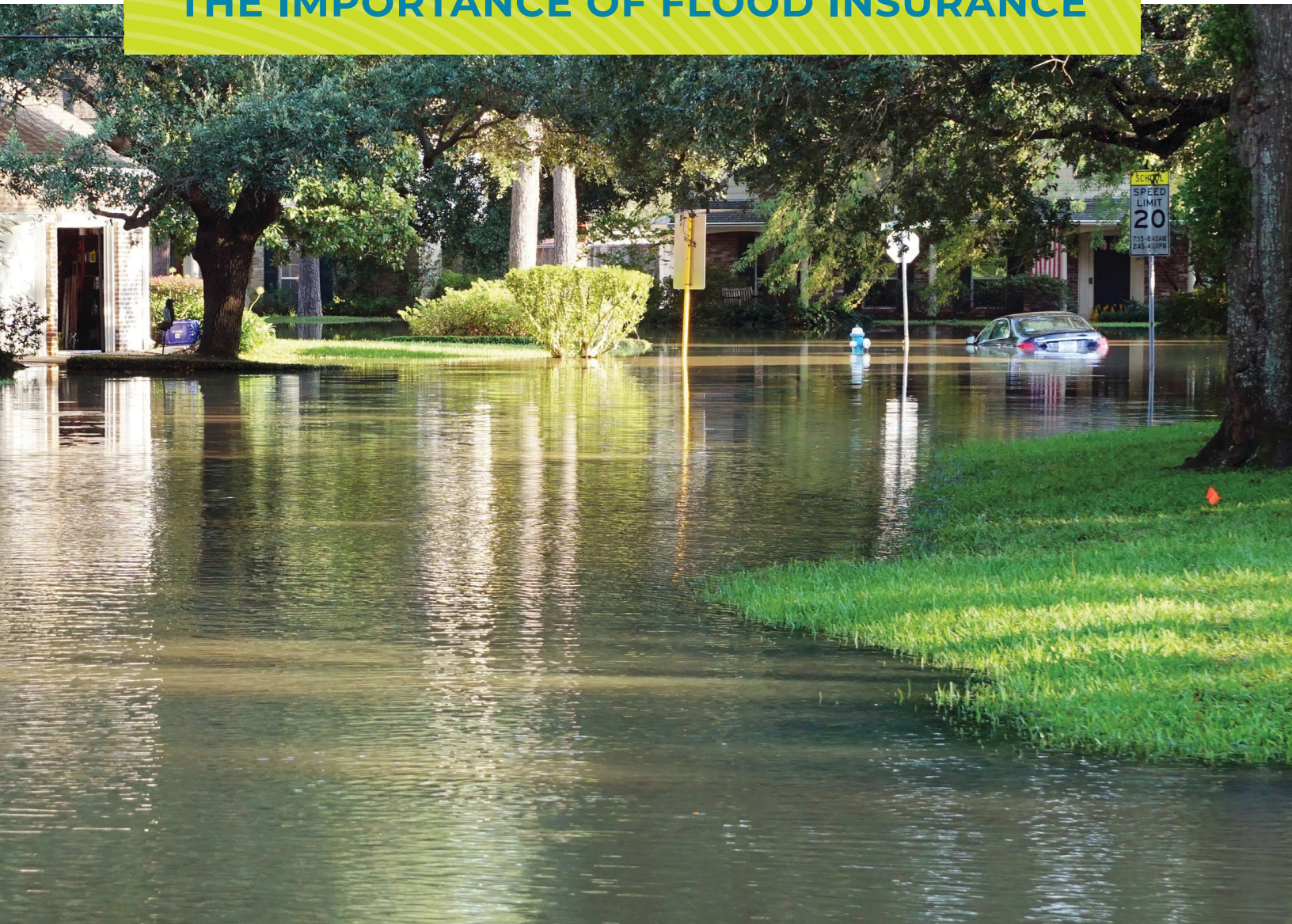


# ANYWHERE IT RAINS,



# IT CAN FLOOD

THE IMPORTANCE OF FLOOD INSURANCE







## HOW IMPORTANT IS FLOOD INSURANCE?

Flood insurance is an often overlooked and misunderstood insurance, but it is a very important insurance for all Floridians. Flooding is when large amounts of water flow over land that is normally dry. Flood insurance provides protection for your property if it is damaged by flooding.



According to the U.S. Census, in 2020 there were more than 8.3 million homes in Florida, comparatively, according to the Insurance Information Institute, only approximately 1.8 million Florida homeowners had flood insurance policies. This means that only 22% of Florida's homes were covered by flood insurance in 2020.

Living in Florida makes flood insurance especially critical, because in Florida, there is a high risk for property to be damaged by flooding due to the many coastal areas and severe weather. With such a small percentage of Florida homes covered by flood insurance, the majority of Florida's homeowners have no coverage for their home if it is damaged by flooding.



Hurricane Michael was a devastating storm for many Floridians and it caused major flooding in Florida. The Federal Emergency Management Agency (FEMA) reported that Hurricane Michael, which was a Category 5 hurricane, dropped up to 13 inches of rain and created storm surges up to 19 feet above sea level in some Florida counties.

As a result of the damage from Hurricane Michael, the Florida Office of Insurance Regulation reported that nearly 159,000 property and casualty insurance claims were filed resulting in over \$8.5 billion in paid losses, and FEMA received more than 5,000 flood insurance claims. However, there were many Floridians who experienced flood damage but, unfortunately, did not have flood insurance.

**Flood insurance is very important when you live in Florida!**



## HOW WELL DO YOU UNDERSTAND FLOOD INSURANCE?

Are the statements below true or false?

My homeowners insurance will cover any damage to my home from flooding.

**FALSE.** Most homeowners insurance policies do NOT cover damage to your home and property from flooding.

A few inches of flooding won't cause much damage to my home.

**FALSE.** One inch of water can cause up to \$25,000 of damage to your home, and 18 inches or more of water may require repairs to your electrical system, heating/cooling system, doors, appliances, and cabinets.

I don't need flood insurance unless my home is in a flood zone.

**FALSE.** FEMA reports that recent hurricanes have caused above average flooding, and that more than 40% of flood claims submitted to the National Flood Insurance Program (NFIP) are from outside of high-risk flood areas.

Even if you are in a low or moderate risk flood zone, over the next 30 years, you are 5 times more likely to experience flooding than a fire in your home.

## HOMEOWNERS INSURANCE vs. FLOOD INSURANCE

Review these common scenarios to determine if the damage is covered by a homeowners or flood insurance policy.



A pipe in your kitchen bursts and floods your kitchen over the weekend.

A homeowners insurance policy would provide coverage for your kitchen because the water that flooded your kitchen does not meet the definition of flooding because the water was not on the ground before causing damage to your home.



Heavy rains cause a lake near your home to rise and the water from the lake floods your home.

A flood insurance policy would provide coverage for your home. A homeowners insurance policy would NOT provide coverage because the water that damaged your home was rising water that was on the ground.



# WOULD A HOMEOWNERS INSURANCE POLICY OR A FLOOD INSURANCE POLICY COVER THE DAMAGE?



Your house is built in a low-lying area. During some very heavy rains, water collects around your home and as the rain continues, the water rises and floods into your home.

A flood insurance policy would provide coverage for your home. A homeowners insurance policy would NOT provide coverage because the water that damaged your home was rising water that was on the ground.



A storm causes a tree limb to smash into a window in your home and the falling rainwater gets into your home through the smashed window and causes damage.

A homeowners insurance policy would provide coverage for your home because the water that came through the smashed window was not on the ground before causing damage to your home.



Your home is in the path of a hurricane. The storm surge and rain from the hurricane cause water to rise up around your house and the water floods into your home.

A flood insurance policy would provide coverage for your home. Even though the water was from a hurricane, a homeowners insurance policy would NOT provide coverage because the water that damaged your home was rising water that was on the ground.



A tropical storm comes through your area and drops enough rain around your home that your yard floods and the water gets high enough to come into your house causing damage.

A flood insurance policy would provide coverage for your home. A homeowners insurance policy would NOT provide coverage because the water that damaged your home was rising water that was on the ground.



## HOW TO PURCHASE FLOOD INSURANCE

**Now that you know how important flood insurance is for Floridians, how do you purchase a flood insurance policy?** You can purchase a flood insurance policy from the National Flood Insurance Program (NFIP) or from an insurance company that is licensed in Florida to sell flood insurance.

### PURCHASING A FLOOD POLICY THROUGH THE NATIONAL FLOOD INSURANCE PROGRAM

The National Flood Insurance Program (NFIP) is a program that provides flood insurance for homeowners, renters and businesses and is managed by the Federal Emergency Management Agency (FEMA).



In order to purchase an NFIP policy, you will need to contact an insurance agent or an insurance company that participates in the NFIP. If you need assistance finding an NFIP agent, you can contact the **NFIP Referral Call Center at 1-800-427-4661** to request an NFIP agent referral or at [www.FloodSmart.gov/Flood-Insurance/Providers](http://www.FloodSmart.gov/Flood-Insurance/Providers).

FOR HOMEOWNERS	FOR BUSINESSES	FOR RENTERS
NFIP policies provide up to \$250,000 of coverage for your home and a maximum of \$100,000 of coverage for your personal property.	NFIP policies provide up to \$500,000 of coverage for your building property and a maximum of \$500,000 of coverage for your personal property.	NFIP policies provide a maximum of \$100,000 of coverage for your personal property.

If you want coverage for your property in excess of the amounts provided by the NFIP policies, you will need to reach out to an insurance company licensed in Florida that offers “excess flood insurance policies.”

Excess flood insurance policies are flood insurance policies that provide additional coverage over the maximum amounts of your NFIP policy. To purchase an excess flood insurance policy, you must already have an NFIP policy.



It is very important to note that once you purchase a flood insurance policy, there is typically a **30-day waiting period** from the date of purchase for the policy to go into effect. There are a few exceptions to this, so be sure to discuss the 30-day waiting period with your insurance agent.

The NFIP will not cancel your policy for multiple claims nor will they decide to not renew your policy.

To learn more about the NFIP, you can visit their website at: [www.FEMA.gov/Flood-Insurance](http://www.FEMA.gov/Flood-Insurance).

### IMPORTANT NATIONAL FLOOD INSURANCE PROGRAM CONTACTS

NFIP Website	<a href="http://www.FEMA.gov/Flood-Insurance">www.FEMA.gov/Flood-Insurance</a>
NFIP Email Address	<a href="mailto:FloodSmart@FEMA.DHS.gov">FloodSmart@FEMA.DHS.gov</a>
NFIP Help Center	1-877-336-2627
Find an NFIP Agent	1-800-427-4661 <a href="http://www.FloodSmart.gov/Flood-Insurance/Providers">www.FloodSmart.gov/Flood-Insurance/Providers</a>
File an NFIP Claim	Contact your insurance agent or company
Office of the Flood Insurance Consumer Advocate	<a href="http://www.FEMA.gov/Flood-Insurance/Advocate">www.FEMA.gov/Flood-Insurance/Advocate</a>

## PURCHASING A FLOOD POLICY THROUGH AN INSURANCE COMPANY

Flood policies can also be purchased from insurance companies that have been licensed to sell flood insurance in Florida.

You can also purchase a flood policy that has higher coverage limits, than an NFIP policy, from an insurance company. You can contact an insurance company directly to discuss their flood insurance options.

A list of licensed insurance companies provided by the Florida Office of Insurance Regulation can be found at <https://floir.com/Sections/PandC/FloodInsurance/FloodInsuranceWriter.aspx>.

# Test Your Knowledge- True or False

I SHOULD CONSIDER PURCHASING FLOOD INSURANCE,  
EVEN IF MY HOME IS NOT IN A HIGH-RISK FLOOD ZONE.

**TRUE.**



FEMA reports that more than 40% of flood claims submitted to the NFIP are from outside of high-risk flood areas.



Because of Florida's many coastal areas and severe weather, flood insurance is an important protection to have for your home.



One inch of water can cause up to \$25,000 of damage to your home, and 18 inches or more of water could require major repairs.



Most homeowners insurance policies will not cover damage to your home from flooding.

## FOR MORE INFORMATION OR ASSISTANCE

For assistance with any questions or concerns regarding your flood insurance options, you may contact:

Florida Department of Financial Services'  
Division of Consumer Services'  
Toll-Free Insurance Consumer Helpline  
1-877-MY-FL-CFO (693-5236)

The National Flood Insurance Program  
1-877-336-2627

FLORIDA'S INSURANCE CONSUMER  
**ADVOCATE**  
FLORIDA DEPARTMENT OF FINANCIAL SERVICES

*Tasha Carter*