

Flood disaster and insurance Q&A

- My home was damaged by water when the flood entered my home. Will my homeowner's policy pay for the damages?
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- My home was damaged by water and sewer material when the sewer backed up into my basement during the flood. Will my homeowner's policy pay for the damages?
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- When the flood waters receded, it left a large amount of debris on my property. Is there coverage for removal of this debris?
- At one time I purchased "special coverage" for some of my personal property, which was added to my homeowners policy. Are these items covered for flood?
- I had to close my business because of the flood. Will insurance cover my lost income?
- My vehicle was covered by the flood water. Will the damage be covered by my auto policy?
- Are there any other types of losses and insurance coverages I should be aware of?

- Who can I call if I have more insurance coverage questions?
- If I have problems with my insurance company, agent or adjuster, where can I turn?
- Is there any other financial assistance available for me if insurance will not cover my losses?

QUESTION: My home was damaged by water when the flood entered my home. Will my homeowner's policy pay for the damages?

ANSWER:

Homeowner policy (HO)—The standard HO policy does not cover water damage due to flood for either the building or personal property. There is no endorsement available to add coverage.

Renters policy—The standard renters policy does not cover water damage due to flood for personal belongings. There is no endorsement available to add coverage.

Condominium policy—The standard condominium owners policy does not cover water damage due to flood for either building or personal property. There is no endorsement available to add coverage.

Farmowners (FO) policy—The standard FO policy does not cover water damage due to flood for the building or personal property. There is no endorsement available to add coverage.

Mobile home policy (MHO)—The basic MHO policy does not cover water damage due to flood for the structure or personal property. Some comprehensive MHO policies may provide flood coverage.

Commercial property policy (CP)—The standard CP policy does not cover water damage due to flood to the building or business personal property. However, some carriers have added limited coverage to their deluxe policies or can add this limited coverage by endorsement.

National Flood Insurance policy—The National Flood Insurance policy covers loss due to water damage resulting directly from flood. They offer a policy for buildings and a separate policy for personal belongings or contents.

QUESTION: My home was damaged by water seeping through the basement walls. Will my homeowner's policy pay for the damages?

ANSWER:

Homeowner policy (HO)—The standard HO policy does not cover water damage due to the seepage of water through the walls or floor of a basement. There is no endorsement available to add this coverage.

Renters policy—The standard renters policy does not cover water damage due to seepage for personal belongings. There is no endorsement available to add coverage.

Condominium policy—The standard condominium owners policy does not cover water damage due to seepage for either building or personal property. There is no endorsement available to add coverage.

Farmowners (FO) policy—The standard FO policy does not cover water damage due to seepage for the building or personal property. There is no endorsement available to add coverage.

Commercial property policy (CP)—The standard CP policy does not cover water damage due to seepage for the building or business personal property.

National Flood Insurance policy—The National Flood Insurance policy provides coverage for seepage even if the flood water has not touched the house if there is a general condition of flooding in the area and the flood was the proximate cause of the seepage.

QUESTION: My home was damaged by water and sewer material when the sewer backed up into my basement during the flood. Will my homeowner's policy pay for the damages?

ANSWER:

Homeowner policy (HO)—The standard HO policy does not cover water damage due to the backup of sewer. Insurance companies, however, offer endorsements to provide coverage for sewer backup. Some of these endorsements still exclude coverage if backup is due to a flood while some companies offer backup coverage even if the cause was flood.

Renters policy—The standard renters policy does not cover water damage due to sewer backup for personal belongings. There is no endorsement available to add coverage.

Condominium policy—The standard condominium owners policy does not cover water damage due to sewer backup for either building or personal property. Insurance companies, however, offer endorsements to provide coverage for sewer backup. Some of these endorsements still exclude coverage if backup is due to a flood while some companies offer backup coverage even if the cause was flood.

Farmowners (FO) policy—The standard FO policy does not cover water damage due to sewer backup for the building or personal property. Insurance companies, however, offer endorsements to provide coverage for sewer backup. Some of these endorsements still exclude coverage if backup is due to a flood while some companies offer backup coverage even if the cause was flood.

Commercial property policy (CP) —The standard CP policy does not cover water damage due to sewer backup for the building or business personal property. Some companies may offer coverage by endorsement.

National Flood Insurance policy—The National Flood Insurance policy provides coverage for sewer backup even if the flood water has not touched the house if there is a general condition of flooding in the area and the flood was the proximate cause of the seepage.

QUESTION: My home was damaged by water when the sump pump failed and water backed up into my basement during the flood. Will my homeowner's policy pay for the damages?

ANSWER:

Homeowner policy (HO)—The standard HO policy does not cover water damage due to the failure of a sump pump for either the building or personal property. Some insurance companies, however, offer endorsements to provide coverage for sump pump failure. Some of these endorsements still exclude coverage if failure is due to a flood while some companies offer coverage even if the cause was flood.

Renters policy—The standard renters policy does not cover water damage due to failure of sump pump for personal belongings. There is no endorsement available to add coverage.

Condominium policy—The standard condominium owners policy does not cover water damage due to failure of a sump pump for either building or personal property. Some insurance companies, however, offer endorsements to provide coverage for sump pump failure. Some of these endorsements still exclude coverage if failure is due to a flood while some companies offer coverage even if the cause was flood.

Farmowners (FO) policy—The standard FO policy does not cover water damage due to failure of a sump pump for the building or personal property. Some insurance companies, however, offer endorsements to provide coverage for sump pump failure. Some of these endorsements still exclude coverage if failure is due to a flood while some companies offer coverage even if the cause was flood.

Commercial property policy (CP)—The standard CP policy does not cover water damage due to a sump pump failure for the building or business personal property. Some companies may offer coverage by endorsement.

National Flood Insurance policy—The National Flood Insurance policy does not cover sump pump failure.

QUESTION: Can you explain the federal flood insurance program?

ANSWER: The federal government established the National Flood Insurance Program (NFIP) in 1968 to make flood insurance available to property owners in the flood plain areas. The program is administered by the Federal Insurance Administration (FIA), which is part of the Federal Emergency Management Agency (FEMA). To be eligible, the property must be within a local jurisdiction (i.e., city, township, county) that has agreed to participate in the NFIP program by enforcing flood plain management standards. You do not need to be in a flood plain to be eligible to purchase flood insurance, you need only reside in a participating jurisdiction.

Rates for insurance coverage vary based upon where the property is located relative to the 100-year flood plain. The NFIP writes this insurance directly through agents in the state and also contracts with insurance companies to write the National Flood insurance policy on their paper. The latter is known as the Write Your Own program (WYO). The WYO policies are identical to the NFIP direct-written policies and are subsidized by NFIP.

QUESTION: How do I file a claim if I have purchased federal flood insurance?

ANSWER: Consumers who have purchased a flood insurance policy should contact their insurance agent for help in filling out claim forms. If you have questions on your flood insurance or you need help in locating your flood insurance company, you may call 1-800-427-4661.

QUESTION: During the course of fighting the flood, someone drove their vehicle across my lawn causing damage. Is there any coverage for the lawn?

ANSWER:

Homeowners policy (HO)—The standard homeowner policy provides an additional coverage for damage to the lawn caused by vehicles not owned or operated by a resident of the premises. The amount of coverage is generally five percent of the dwelling limits.

Commercial property policy (CP)—The standard commercial property policy does not provide coverage for damage to lawns caused by vehicles.

QUESTION: The power failed somewhere off of my premises and caused my refrigerator/freezer to fail resulting in food spoilage. Is there any coverage?

ANSWER:

Homeowner policy (HO)—The standard HO policy does not cover food spoilage as a result of power failure off premises. Some comprehensive policies, however, have added a limited amount of coverage, i.e., \$500, while other companies will provide an endorsement to cover food spoilage.

Farmowners (FO) policy—The standard FO policy does not cover food spoilage as a result of power failure off premises. Some comprehensive policies, however, have added a limited amount of coverage, i.e., \$500, while other companies will provide an endorsement to cover food spoilage.

Commercial property policy (CP)—The standard CP policy does not cover food spoilage due to power failure. Most companies offer coverage through the use of an endorsement.

National Flood Insurance policy—The National Flood Insurance policy does cover loss of refrigerated products but only if caused by flood. Power failure for other reasons would not trigger coverage under this policy.

QUESTION: I had to leave my home because of a mandatory flood evacuation. Are my additional living expenses covered?

ANSWER:

Homeowner policy (HO)—The standard HO policy provides loss of use and additional living expenses for any covered peril. Since flood is not a covered peril; there is no coverage under the policy.

Condominium policy—The standard Condominium Owners policy provides loss of use and additional living expenses for any covered peril. Since flood is not a covered peril; there is no coverage under the policy.

Farmowners (FO) policy—The standard FO policy provides loss of use and additional living expenses for any covered peril. Since flood is not a covered peril; there is no coverage under the policy.

National Flood Insurance policy—The National Flood Insurance policy does not provide coverage for loss of use or additional living expenses.

QUESTION: When the flood waters receded, it left a large amount of debris on my property. Is there coverage for removal of this debris?

ANSWER:

Homeowner policy (HO)—The standard HO policy covers debris removal if a covered peril causes the loss. Since flood is not a covered peril, there would be no coverage.

Commercial property (CP)—The standard CP policy provides coverage for debris removal if a covered peril causes the loss. If the standard CP policy provides coverage for flood, then debris removal would be covered.

National Flood Insurance policy—The National Flood Insurance policy does cover debris removal resulting from a flood within the total limits of coverage. This applies whether it is debris from off of your premises or debris from your property or premises.

QUESTION: At one time I purchased "special coverage" for some of my personal property, which was added to my homeowners policy. Are these items covered for flood?

ANSWER:

Homeowner (HO),renters, condominium and farmowners policies—The following types of personal property can be scheduled or specifically listed in an endorsement to the standard policy : jewelry, furs, computer, cameras, musical instruments, silverware, golf equipment, fine arts, postage stamps and rare and current coins. This endorsement does not exclude flood; therefore, those items would have coverage for flood damage.

QUESTION: I had to close my business because of the flood. Will insurance cover my lost income?

ANSWER:

Commercial property policy (CP)—The standard CP policy may provide business income protection within the policy or by endorsement. The coverage only applies to a covered cause of loss. Therefore, if the policy provides flood coverage, the coverage also applies to business income.

National Flood Insurance policy—The National Flood Insurance policy does not provide coverage for loss of use, loss of access, business interruption, additional expense or loss of profits.

QUESTION: My vehicle was covered by the flood water. Will the damage be covered by my auto policy?

ANSWER: If you carry comprehensive coverage on your automobile policy, then you would have coverage for damage caused by a flood.

QUESTION: Are there any other types of losses and insurance coverages I should be aware of?

ANSWER:

Boats—Boats may be covered by a separate endorsement to a homeowners policy or by a separate boat owners policy.

Livestock losses—The farmowners policy may provide coverage for livestock on a blanket or schedule basis. Also, animal mortality policies provide coverage for drowning.

Farm equipment—Farm equipment is usually not covered, although some farmowners policies may provide some specific coverages.

QUESTION: Who can I call if I have more insurance coverage questions?

ANSWER: You should first try to contact your local insurance agent or your insurance company for specifics about your policy.

For general flood insurance policy questions, call FEMA at 1-800-427-4661.

For National Flood Insurance Program claims, call 1-800-638-6620.

The North Dakota Insurance Department is also available to help consumers with insurance-related questions. You may call the consumer hotline at 1-800-247-0560 or locally at 701-328-2440.

QUESTION: If I have problems with my insurance company, agent, or adjuster, where can I turn?

ANSWER: If you believe you are being treated unfairly, you may file a complaint with the North Dakota Insurance Department. You may call the Department's consumer hotline at **1-800-247-0560** or locally at **701-328-2440** for assistance.

QUESTION: Is there any other financial assistance available for me if insurance will not cover my losses?

ANSWER: Yes. Several public and private programs have been established to aid flood victims.

American Red Cross

Minn-Kota Chapter
2602 12th ST N
Fargo, ND 58102
1-800-252-6746 or 701-364-1800

Grand Forks: 218-773-9565
Fergus Falls: 218-736-3481

County Social Services

Cass County: 701-241-5761
Richland County: 701-642-7751
Grand Forks County: 701-787-8535

Church organizations

Lutheran Disaster Recovery: 800-950-2901 or 701-271-3288

State agencies

North Dakota Job Service: 701-328-4995