

**NATIONAL FLOOD INSURANCE PROGRAM**

# Summary of Coverage



FEMA





## Congratulations!

Purchasing flood insurance is a great way to protect the life you've built. FEMA and its National Flood Insurance Program (NFIP) have prepared this document to help you understand your Standard Flood Insurance Policy (SFIP). Maintaining coverage is the most important step you can take to protect against the cost of flood damage.

This Summary of Coverage includes information about your policy's declaration page, items covered under your flood insurance policy, and details about the claims process. Please keep in mind, this document is a summary of your coverage and not your official contract of insurance. Any differences between the following information and your policy will be resolved in favor of your policy. If you have questions, call your insurance company or agent.

## About your coverage.

Your SFIP is part of your official contract of insurance, it includes:

- a. The SFIP form, found at [FloodSmart.gov/SFIP](https://www.floodsmart.gov/SFIP),
- b. The declaration page, and
- c. Any endorsement(s) that may be issued.

Please refer to your SFIP for more information. You can find complete SFIP forms and a glossary of terms and acronyms at [FEMA.gov](https://www.fema.gov).

## What is included in my declaration page?

The insurance company that issued your flood insurance policy will provide you with a declaration page which is a part of your annual policy contract. The declaration page is usually the first page and is an outline of your flood insurance policy that provides the information you'll need at the time of a loss. Each year when you receive this packet, please make sure to confirm that your policy information is accurate and up to date. Contact your insurance company or agent if any changes are required.

Your declaration page provides some or all of the following information:

### 1. Your policy number

### 2. Policy term

### 3. Billing details

- a. Premium
- b. Who pays the premium
- c. A description of fees and surcharges
- d. Any discounts for which you qualify

### 4. Insurance company and agent contact information

- a. Address
- b. Phone number

### 5. Insured property information

- a. Name of participating community (town, city, etc.) and designated community number
- b. Building occupancy type and description
- c. Property address
- d. Whether it is the policyholder's primary residence
- e. Flood zone
- f. Grandfathering information

### 6. Policyholder information

- a. Name of policyholder
- b. Mailing address
- c. Loss payees—those eligible for payment under the policy
- d. Lender

### 7. Coverage information

- a. Policy effective and expiration date
- b. Amount of coverage purchased
  - i. May include totals for building and contents depending on coverage purchased
  - ii. Deductible amounts for buildings and contents



## How does the NFIP define a flood?

Your NFIP flood insurance policy covers direct physical losses, damage, or loss caused by a flood. The NFIP defines a flood as a general and temporary condition of partial or complete inundation of two or more acres of normally dry land or two or more properties (at least one of which belongs to you). For example, water damage to your home from a river that overflowed into nearby streets and into your yard would be a direct result of flooding. Please keep in mind, any damage would need to be adjusted by your flood insurance carrier before a coverage determination could be made.

### Examples of flooding:

**Overflow:** Storm surge can cause an overflow of inland or tidal waters.



**Runoff:** Heavy rainfall in a short period of time can overwhelm the drainage or absorption capabilities of an area.



**Mudflow:** Heavy or sustained rainfall can accumulate and form a river of liquid and flowing mud down a hillside.



**Erosion:** The overflow of a body of water can cause shorelines to wear away or collapse suddenly.

# What does my flood insurance cover?

The following table provides a general overview of items covered by your flood insurance policy; it is not a comprehensive list. Review your policy for complete coverage and exclusion information. Note, there is limited coverage available for areas below the lowest elevated floor of a post-FIRM (Flood Insurance Rate Map) building or in a basement. A basement is defined as any area of a building, including any sunken room or sunken portion of a room, having its floor below ground level (subgrade) on all sides.

Building Coverage		If Contents Coverage Has Been Purchased	
		<p><b>Contents coverage can be purchased separately from building coverage. If you have a Preferred Risk Policy (PRP), both the building and its contents are included in the coverage.</b></p>	
What's covered.	What's covered in areas below the lowest elevated floor.	What's covered.	What's covered in areas below the lowest elevated floor.
<ul style="list-style-type: none"> <li>• The insured building and its foundation</li> <li>• The electrical and plumbing systems</li> <li>• Central air-conditioning equipment, furnaces, and water heaters</li> <li>• Refrigerators, cooking stoves, and built-in appliances such as dishwashers</li> <li>• Permanently installed carpeting over an unfinished floor</li> <li>• Permanently installed paneling, wallboard, bookcases, and cabinets</li> <li>• Window blinds</li> <li>• Debris removal</li> <li>• Flood damage clean up</li> </ul>	<ul style="list-style-type: none"> <li>• Foundation walls, anchorage systems, and staircases attached to the building</li> <li>• Central air conditioners</li> <li>• Cisterns and the water in them</li> <li>• Electrical outlets, switches, and circuit-breaker boxes</li> <li>• Fuel tanks and the fuel in them, solar energy equipment, and well water tanks and pumps</li> <li>• Furnaces, water heaters, heat pumps, and sump pumps</li> </ul>	<ul style="list-style-type: none"> <li>• Personal belongings such as clothing, furniture, and electronic equipment</li> <li>• Curtains</li> <li>• Portable and window air conditioners</li> <li>• Portable microwave ovens and portable dishwashers</li> <li>• Carpeting not included in building coverage</li> <li>• Clothes washers and dryers</li> <li>• Food freezers and the food in them</li> <li>• Certain valuable items such as artwork, furs, and jewelry (up to \$2,500)</li> </ul>	<ul style="list-style-type: none"> <li>• Clothes washers and dryers</li> <li>• Food freezers and the food in them (excluding refrigerator freezer compartments)</li> <li>• Installed portable and window air conditioners</li> </ul>

## What is the area below the lowest elevated floor of a post-FIRM building?

These areas include crawlspaces under an elevated building, enclosed areas beneath buildings, and buildings elevated on full-story foundation walls (sometimes referred to as “walkout basements”). A post-FIRM building is a building for which construction or substantial improvement occurred after December 31, 1974, or on or after the effective date of an initial FIRM, whichever is later.

## What is not covered by my flood insurance?

Your policy lists specific coverage exclusions and limitations. Please refer to your policy for the complete list.

### Examples of uncovered or excluded losses:

- Damage caused by moisture, mildew, or mold that could have been avoided by the property owner,
- Additional living expenses such as temporary housing,
- Most self-propelled vehicles such as cars, including their parts,
- Property and belongings outside of a building such as trees, plants, shrubs, wells, septic systems, walks, decks, patios, fences, seawalls, hot tubs, and swimming pools,
- Financial losses caused by business interruption or loss of use of insured property,
- Any damage caused by water flow beneath the earth's surface (review the exclusions section in your flood insurance policy for specific information on damage caused by seepage or drain or sewer backup),
- The cost of complying with any ordinance of law requiring or regulating the construction, demolition, remodeling, renovation, or repair of property, including removal of any resulting debris.

**Coverage tip:** If your home is located in an area with a high risk of flooding, there may be limited coverage available for items like couches, computers, and televisions located in a basement. Refer to your flood insurance policy for a detailed list of items covered in that area, and speak to your insurance company or agent for more information.

## After a flood.

Anywhere it can rain, it can flood. After experiencing a flood, you should report your loss immediately to your insurance company or agent.

### Preparing to start a claim.

Report your loss immediately to your insurance company or agent or to the carrier's claims office and ask them about an advance payment. Then, prepare for your flood insurance adjuster visit.

1. Compile invoices from appliance repairs with appliance serial numbers included.
2. Obtain and provide receipts to verify repairs that were made following any prior flood loss.
  - a. Separate damaged and undamaged property.
  - b. Make a list of all damaged belongings if you have contents coverage.
  - c. Take pictures or videos of damaged property before removing from the location.

## Understand replacement cost value (RCV) and actual cash value (ACV).

If you make a claim and don't have 80% of the replacement cost of your home covered, you will not get the full replacement. It is important to keep this in mind and talk to your insurance agent about RCV and ACV.

## Mitigate future losses.

Most NFIP policies include Increased Cost of Compliance (ICC) coverage, which applies when flood damage is severe. If your community declares your home "substantially damaged" or a "repetitive loss property," you will be required to bring your home up to current community standards. If your damaged building qualifies for ICC coverage, you could receive up to \$30,000 to cover the cost to elevate, demolish, or relocate your home. Please refer to Coverage D of your policy and discuss with your insurance agent for further details.





**FEMA**



For more information on how to file a claim or to review the Claims Handbook, visit [FloodSmart.gov](https://www.floodsmart.gov).

Disclaimer: This document represents the current FEMA guidance on the covered topics and may assist NFIP insurers, adjusters, vendors, and policyholders with applying applicable statutory and regulatory requirements, as well as the terms and conditions of the SFIP. This document is not a substitute for the SFIP. It is not intended to place binding requirements on any party and does not replace your official contract of insurance.

This document is not a substitute for applicable legal requirements.

August 2020