



FAQ Flood Insurance And Water/Sewer Backup Coverage

Imagine you're home relaxing, when you hear the local weatherman advise that your town is under a severe thunderstorm and flash flood warning – Again! You pause and wonder “Will my home and business be covered if I have flood damage?”

Q: Will my homeowners' or business policy provide coverage for flood damage?

A: NO! Neither provides any coverage for water damage due to flooding.

Q: What is flood insurance?

A: Flood insurance covers physical loss caused by floods, related erosion, severe rainstorms, flash floods, hurricanes and snow melt, and is offered under a Federal government program known as the National Flood Insurance Program.

Q: Can I purchase flood insurance directly through my own insurance agent?

A: Yes. It can be purchased directly through your agent, the very same way you purchase your home, life and car insurance.

Q: I've heard the price of flood insurance can vary widely. Is this true?

A: No. The Federal government sets flood insurance rates, so price shopping and comparison are unnecessary.

Q: My home isn't located in a high risk flood zone. Why would I need flood insurance?

A: Flooding can affect you even if you don't live near water. Almost 25% of all claims occur in “low-to-moderate risk areas”. If your home is located in such an area, you may be eligible for a low cost Preferred Risk Policy.

Q: What does a flood policy cover?

A: There are two types of flood insurance coverage: (1) building and (2) personal property. Each is sold separately (you are encouraged to purchase both types).

Building property coverage protects the structure, and generally covers:

- The insured building, foundation, furnace and water heater
- Electrical and plumbing systems and central air conditioning equipment
- Refrigerators, cooking stoves and built-in appliances, such as dishwashers
- Permanently installed carpeting over an unfinished floor
- Permanently installed paneling, wallboard, bookcases and cabinets
- Debris removal

Personal property coverage generally covers:

- Clothing, furniture and valuable items, such as original artwork and furs
- Portable and window air conditioners and washers and dryers
- Carpets not included in building property coverage
- Food freezers and their contents

Q: Are there any restrictions I should be aware of?

A: Yes. There is usually a 30 day waiting period before a flood policy becomes effective, but there are exceptions, which your independent agent can explain.

Q: Is flood insurance only available to homeowners?

A: No. It's also available to renters, and business and condo owners.

Q: Does my homeowners' or business policy cover me for a sewer/drain backup, or sump pump failure?

A: NO! However, most insurers offer endorsements or add-ons to their policies, which can cover the cost of damages and clean-up after this type of event.

Q: How do I know what I should do?

A: Making such a decision about your options is yours – and yours alone under the law. As your independent insurance agent, I can help explain these options. Our agency's job is to help provide you with information, so you can make informed decisions.