# Late-Season Hurricanes: What You Can Do to Protect Yourself—Now!

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**NEW YORK, September 9, 2013** ? Don?t be lulled into complacency by an uneventful first three months?the busiest time of the Atlantic hurricane season is just getting underway, according to the Insurance Information Institute, (I.I.I.).

Indeed, only last year, when it looked like the season was wrapping up, Hurricane Sandy struck the East Coast October 28-31, causing 72 deaths and \$18.75 billion in insured property losses in 15 states and the District of Columbia, not including National Flood Insurance Program (NFIP) losses, according to the Property Claim Services (PCS) unit of ISO. Sandy was the third costliest hurricane in U.S. history, topped only by Hurricane Katrina in 2005 and Hurricane Andrew in 1992.

Sandy was not the latest hurricane to form during the season, which ends on November 30? Hurricane Kate struck November 20-21, 1985 in the Florida Panhandle, causing \$77.6 million in insured losses (about \$165.6 million in 2012 dollars).

In its 2013 Atlantic hurricane season outlook, NOAA?s Climate Prediction Center continues to forecast an active or extremely active season this year, so it remains important to be prepared for severe weather.

### **Protect Your Home**

To prepare for a disaster, the I.I.I. suggests the following steps:

1. **Contact your insurance professional.** Make sure that you have both the right amount and type of insurance protection for your home. You need enough insurance to rebuild your home and replace all of your personal possessions in the event they are damaged or destroyed by a hurricane or other disaster. In addition, make sure you understand how much coverage you have for additional living expenses (ALE), and whether there is a time limit. ALE pays the additional costs of temporarily living away from your home if you cannot live in it due to a fire, severe storm or other insured disaster. It

covers hotel bills, restaurant meals and other living expenses incurred while your home is being rebuilt.

2. Consider flood Insurance. Standard homeowners and renters insurance policies do not cover flood damage. However, flood coverage is available in the form of a separate policy from the National Flood Insurance Program (NFIP), and from a few private insurers. Flood insurance covers your property against hurricane-caused storm surge as well as flooding generated by the torrential rains that often accompany tropical storms. The NFIP policy provides coverage for up to \$250,000 for the structure of the home and \$100,000 for personal possessions. It includes replacement cost coverage for the structure of your home, but only actual cashvalue coverage for your possessions. Replacement cost coverage pays to rebuild your home as it was before the damage occurred. Actual cash value takes into account depreciation so that the older your possessions are, the less you will get if they are damaged. There may also be limits on coverage for furniture and other belongings stored in your basement. Keep in mind, there is a 30-day waiting period for flood insurance goes into effect, so don?t wait until the last minute to buy the coverage.

Flooding can also overburden sewer systems, causing raw sewage to back up into the drains in your home. Sewer backups or the inability of sump pumps to handle runoff water from major downpours are neither covered under a typical homeowners insurance policy, nor by flood insurance. Sewer backup coverage must be purchased either as a separate policy or as an endorsement to a homeowners policy for what is usually a nominal fee.

- 3. **Inventory Your Possessions.** The I.I.I. has has information on how to conduct a home inventory, as well as software and mobile apps to make it easy and efficient. These free tools give you secure online storage so you can access the information anywhere, any time in the event of a disaster. If you have to file an insurance claim, having an inventory helps the process go smoothly as you already have a record of items, purchase prices, dates, serial numbers and receipts.
- 4. **Know Your Evacuation Route.** Get informed about where you will need to go, as well as what to take, if there is a disaster. In many communities, government websites may have useful information. You?ll want to know in advance which shelter to go to, especially if you have pets as not all shelters can accommodate animals. An evacuation order should never be ignored. If a mandatory evacuation order is given and you choose not to heed it, local rescuers will not be able to help you until the storm threat is over. Bear in mind that you may need more time to evacuate if you have a pet or are responsible for an elderly person or someone who is disabled.
- 5. **Take reasonable steps to make your home and/or business disaster-resistant**. The I.I.I. has a video outlining five key steps for Making Your Home More Hurricane Resistant. For detailed information on how to disaster-proof your home, go to the Insurance Institute for Business & Home Safety and the Federal Alliance for Safe Homes (FLASH).

#### RELATED LINKS

■ Facts & Statistics: Flood Insurance

■ Issues Update Paper: Flood Insurance

■ Video: Evacuation: The 10 Minute Challenge

■ Video: Making Your Home More Hurricane Resistant: Five Steps

■ Video: Disaster Planning with Pets

The I.I.I.?s free mobile apps can help you create a disaster plan, learn about selecting the right insurance for your needs and budget, and create and maintain a home inventory. Learn more about our suite of apps

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