



Communicating Flood Risks: Hurricane Season and Beyond

**National Hurricane Conference,
Orlando, Florida
Thursday, March 29, 2012**

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Presentation Outline

- I. Key Messages about flood insurance**
- II. I.I.I. Insurance Pulse Findings**
- III. I.I.I. Strategies and Tactics**
- IV. Discussion on ways to communicate flood risk**



Key Messages about Flood Insurance

- The phrase “Act of God” is not in any standard property insurance policy in the U.S. Instead, home and business insurance policies list disasters which are covered and disasters which are not. The two major disasters that are not covered are flood and earthquake coverage.
- Flood coverage is *excluded* under standard residential insurance policies as well as under many commercial property insurance policies. Coverage for flood-caused damage is available from the federal government under FEMA’s [National Flood Insurance Program](#) (NFIP), and from a few private insurers

- The NFIP provides coverage for up to \$250,000 for the structure of the home and \$100,000 for personal possessions.
- Private flood insurance is available for those who need additional insurance protection, known as "excess coverage," over and above the basic policy or for people whose communities do not participate in the NFIP.
- Some insurers have introduced special policies for high-value properties. These policies may cover homes in noncoastal areas and/or provide enhancements to traditional flood coverage. The comprehensive portion of an auto insurance policy includes coverage for flood damage.

Key Messages

- Private flood in People tend to underestimate the risk of flooding.
- Ninety percent of all natural disasters in this country involve flooding.
- Since the inception of the federal program, some 25 to 30 percent of all paid losses were for damage in areas not officially designated at the time of loss as special flood hazard areas.
- There is a 30-day waiting period for flood insurance to go into effect, so consumers should not delay purchasing flood insurance.
- Flood damage to cars is covered under the optional comprehensive portion of a standard auto insurance policy



I.I.I. Insurance Pulse Survey Results

- A 2011 poll by the Insurance Information Institute found that 14 percent of American homeowners had a flood insurance policy, up from 10 percent in 2010 but still below the 17 percent who said they purchased flood insurance in 2008.
- The percentage of homeowners with flood insurance was highest in the South, at 19 percent, up from 14 percent in 2010 and back to the level of 2009.
- Thirteen percent of Midwestern homeowners had a flood insurance policy in 2011 along with 12 percent of homeowners in the West and 5 percent in the Northeast.



I.I.I. Strategies & Tactics

Disaster Section of the I.I.I. Website has consumer information on flood insurance



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- [Preparing for a Flood](#) Article
- [In Case of a Flood](#) Article
- [Recovering from a Flood](#) Article
- [Flood Insurance](#) Issue Update
- [Flood Insurance](#) Fact and Stat
- [National Flood Insurance Program](#) Article

HURRICANE

- [Hurricane Awareness](#) Article
- [Preparing for a Hurricane](#) Article
- [Hurricane Insurance Fact Sheet](#) Article
- [Hurricane and Windstorm Deductibles](#) Issue Update
- [Hurricanes](#) Fact and Stat
- [Making Your Home More Hurricane Resistant: Five Steps](#) Video
- [Preventing Property Damage from Hurricane Force Winds, b-roll/bites](#) Video
- [Hurricane Katrina: Fact File - March 2010](#) Article
- [5 Years After Hurricane Katrina: Know the Steps Every Homeowner Should Take](#) Video
- [The Game Changer: Five Years After Katrina](#) Video
- [Alabama Hurricane Insurance: Fact File](#) Article
- [Connecticut Hurricane Insurance: Fact File](#) Article



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Are there any disasters my property insurance won't cover?

Yes. Floods, earthquakes and acts of terrorism are generally not covered.

Protection against flood damage.

Property insurance policies usually exclude coverage for flood damage. Find out from your local government office or your commercial bank whether your business is located in a flood zone. Also ask around to find out whether your location has been flooded in the past. Government projects to map flood zones may be slow to keep up with new developments. Flood Insurance For Your Home

I.I.I. VIDEO



FACTS & STATISTICS



Facts & Statistics About Flood Insurance

Special Section on the I.I.I. website on flood insurance facts and statistics – useful data points for journalists

TOP TEN SIGNIFICANT FLOOD EVENTS, RANKED BY NATIONAL FLOOD INSURANCE PROGRAM PAYOUTS (1)

Rank	Event	Location	Date	Number of paid losses	Amount paid (\$ millions)	Average paid loss
1	Hurricane Katrina	AL, FL, GA, LA, MS, TN	Aug. 2005	166,675	\$16,128	\$96,764
2	Hurricane Ike	AL, LA, TX	Sep. 2008	46,585	2,644	57,125
3	Hurricane Ivan	AL, DE, FL, GA, LA, MD, MS, NJ, NY, NC, OH, PA, TN, VA, WV	Sep. 2004	27,648	1,586	57,381
4	Tropical Storm Allison	FL, LA, MS, NJ, PA, TX	Jun. 2001	30,663	1,104	36,000
5	Hurricane Irene	CT, DC, DE, MA, ME, MD, NC, NH, NJ, NY, PA, PR, RI, VA, VT	Aug. 2011	36,360	928	25,511
6	Louisiana Flood	LA	May 1995	31,343	585	18,667
7	Hurricane Isabel	DE, MD, NJ, NY, NC, PA, VA, WV	Sep. 2003	19,857	493	24,806
8	Hurricane Floyd	CT, DE, FL, GA, MA, ME, MD, NH, NJ, NY, NC, PA, RI, SC, VA, VT	Sep. 1999	20,438	462	22,618
9	Hurricane Rita	AL, AR, FL, LA, MS, TN, TX	Sep. 2005	9,494	470	49,534
10	Hurricane Opal	AL, NC, PR, SC, TN	Oct. 1995	10,343	406	39,208

(1) Includes events from 1978 to December 31, 2011. Defined by the National Flood Insurance Program as an event that produces at least 1,500 paid losses. Stated in dollars when occurred.

Source: U.S. Department of Homeland Security, Federal Emergency Management Agency.

Flood insurance information is included in all home, business and disaster preparedness releases issued by the I.I.I. Many releases about flood insurance are issued on a seasonal basis.

Content Type	Result	Ranking
Press Release	<p>Many Still Lack Flood Coverage As Hurricane Season Nears Its Peak</p> <p>Information about purchasing flood insurance. POSTED: AUGUST 17, 2011</p>	★★★★★
Press Release	<p>Many Lack Flood Coverage as 2010 Hurricane Season Nears Its Peak</p> <p>With the NFIP expiring in the midst of hurricane season, homeowners should consider purchasing flood insurance to protect their property. POSTED: AUGUST 12, 2010</p>	★★★★★
Press Release	<p>Is Your Home Insured for Flood Loss? Policies Take 30 Days to Go Into Effect So Act Now Before Waters Rise, Says I.I.I.</p> <p>NFIP coverage information for Flood Safety Awareness Week 2011. POSTED: MARCH 10, 2011</p>	★★★★★
Press Release	<p>Spring Is Flood Season and a Reminder to Consider Buying a Flood Insurance Policy</p> <p>NFIP policy can protect against spring flooding. POSTED: MARCH 20, 2012</p>	★★★★★

Issue news releases on how to file a flood insurance claim



Improving public understanding of insurance—what it does and how it works.

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Claims Filing Advice for Homeowners Affected by Hurricanes, Wildfires and Other Disasters

THOROUGH DOCUMENTATION OF DAMAGES IS CRUCIAL TO CLAIMS-FILING PROCESS, SAYS I.I.I.

SEPTEMBER 7, 2010

INSURANCE INFORMATION INSTITUTE

New York Press Office: (212) 346-5500; media@iii.org

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Consumer Releases are translated into Spanish

Comunicados de Prensa

PRESS RELEASE ARCHIVE

[2001](#) | [2002](#) | [2003](#) | [2004](#) | [2005](#) | [2006](#) | [2007](#) | [2008](#) | [2009](#) | [2010](#) | [2011](#) | [2012](#)

El terremoto de México es un recordatorio que éstos suceden en cualquier momento y lugar

MARCH 21, 2012

El I.I.I. ofrece panorámica de los seguros de terremotos en México

MARCH 21, 2012

El aniversario del terremoto de Japón es un recordatorio de los muchos riesgos que afectan la cadena de producción y distribución de un negocio o de sus proveedores

MARCH 9, 2012

Rápida respuesta de las aseguradoras tras los severos tornados facilita el comienzo del proceso de reclamación y recuperación

MARCH 2, 2012

¿Tiene muchas cosas por el poco espacio en su casa? Si alquila una unidad de almacenaje, considere cómo protegerla

MARCH 1, 2012

Entender bien las coberturas del seguro de auto ¡puede ahorrarle dinero!



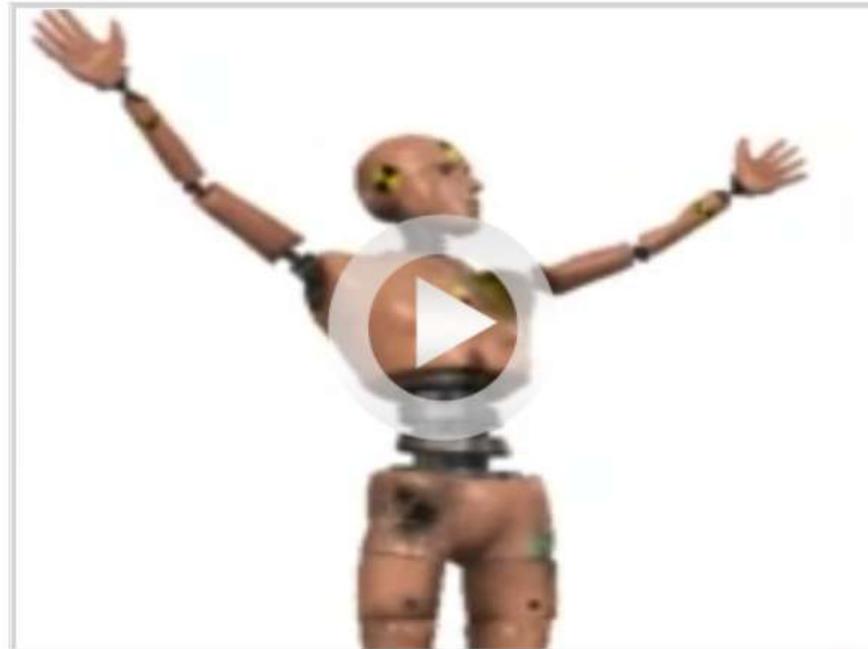
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I.I.I. BLOG / TERMS & C





DON'T BE A DUMMY ABOUT FLOOD INSURANCE

Crystal talks some sense into dummy Kirk about the importance of flood insurance.

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[YOUTUBE](#)

Explain what type of water damage is covered by a home/renters policy and what is covered by flood insurance

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Water and Flood Damage: What Is and Is Not Covered



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National Flood Insurance Program

This report provides an overview of the National Flood Insurance Program (NFIP), which was created in 1968 in response to the rising cost of taxpayer-funded disaster relief for flood victims and the increasing amount of property damage caused by floods. It explains in detail how the program operates, including its costs, types of policies offered, participation, amounts of coverage available, and the NFIP's claims-paying capacity. Another section deals with how the program's claims system works. Eleven exhibits are included. They show total NFIP policies in force 1976-2004, total NFIP coverage by calendar year 1978-2004, NFIP policies in force and total coverage (exposure) 1991 to 2004, total NFIP premiums by calendar year 1978-2004, and other statistics.

Click on the file name below to download the full document:



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Flood Insurance

THE TOPIC

JANUARY 2012

Because of frequent flooding of the Mississippi River during the 1960s and the rising cost of taxpayer-funded flood victims, in 1968 Congress created the National Flood Insurance Program (NFIP). It has three major components: residential and commercial insurance coverage for flood damage, to improve floodplain management and flood hazard zones. Flood damage to vehicles is covered under the comprehensive section of an auto insurance policy; there is no coverage for flooding in standard homeowners, renters or in most commercial property insurance policies. Coverage is available in a separate policy from the NFIP and from a few private insurers. Despite efforts to increase awareness, many people exposed to the risk of floods still fail to purchase flood insurance.

The widespread flooding associated with Hurricane Katrina in 2005 set in motion a debate about how to reform the program. Likewise, the Mississippi floods of 2011 and Hurricane Irene, both of which caused widespread economic damage, much of it uninsured, are prompting a reexamination of how the risk of flooding is handled.

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<p>I.I.I. Insurance Matters website: A site to help public policymakers better understand the unique role played by insurers in managing risk.</p>	<p>Insuring Florida website: An informative site focusing on insurance matters specific to Florida. Includes Lynne McChristian's "Straight Talk" blog.</p>	<p>Twitter: Follow one or all of the I.I.I. feeds to get timely information in your specific area of interest</p>
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