



FEMA

Fact Sheet

Federal Insurance and Mitigation Administration

Claims Appeals Process Improvement

May 2016

The National Flood Insurance Program (NFIP) is redesigning the claims appeal process to better assist policyholders. The new process will: (1) engage with policyholders who file appeals; (2) make the NFIP more transparent and understandable; and (3) readjust claims and order additional payment when necessary.

Enhancing the Appeals Process

Using feedback from our policyholders and Congress, we are acting to improve the process for flood insurance appeals. To ensure a more effective process, FEMA is bringing together a team of insurance specialists, attorneys, and analysts to implement an easy-to-use process that will allow us to better engage with policyholders, guide policyholders through to resolution, and provide meaningful information to internal and external audiences.

Knowing When to Appeal

Our policyholders need FEMA to clearly communicate about their claims through the adjustment process. Policyholders must know if their NFIP insurance company is denying all or certain portions of their claim. We are delivering specific guidance to NFIP insurance companies about the form and substance of claim resolution letters. Letters must clearly list any full or partial amounts denied up front. The letters also will identify policyholder rights so policyholders know what they can do if they disagree with the claim settlement.

What's Changing: Dedicated FEMA Point of Contact

Previously, FEMA relied on the insurance companies administering flood insurance policies to maintain regular communication with their policyholders. FEMA is moving from communicating exclusively through the mail, to a customer-friendly approach that assigns a dedicated point of contact who will provide assistance throughout the entire process. This dedicated FEMA point of contact will use the policyholder's preferred methods of communication, whether it be by phone, email or mail.

"FEMA's mission is to support our citizens and first responders to ensure that as a nation we work together to build, sustain, and improve our capability to prepare for, protect against, respond to, recover from, and mitigate all hazards."

FEMA Appeals & Your Flood Insurance Policy

As part of the National Flood Insurance Act of 1968, Congress authorized FEMA to issue flood insurance policies. The insurance company that sells and administers the NFIP uses this policy, known as the Standard Flood Insurance Policy (SFIP), to insure your property.

FEMA provides guidance and oversight to the delivery of flood insurance. When you appeal to FEMA, we will work with your insurer, adjuster, and other relevant parties to get the information we need to resolve your issue. FEMA expects to resolve all appeals within 90 days, and depending on the complexity of your issue and the size of your claim file, often will resolve appeals even faster.

Transparency: Final Decision Memos

For every appeal we will provide a final decision memo that fully explains how we resolved the claim. FEMA will also publish key data points about appeals, including the volume of appeals, appeal outcomes, and turnaround time for appeals. In the long term, we will develop a resource library, empowering policyholders to research information relevant to their situation.

Ownership: Claims Open until there is a Clear Final Determination

FEMA will help every policyholder who files an appeal through the entire process, and we will work with the insurance companies who are administering the flood insurance policy to gather information about the claim. Every appeal will remain open until we collect the information necessary to reach a final decision. Once we make a decision, we will issue it as instructions to the insurance company and clearly communicate it to our policyholder.

For more information about the NFIP visit: www.floodsmart.gov