



Office of the Flood Insurance Advocate Five Years of Advocacy

Calendar Year 2020

2017-2018 Program Progress Highlights

2015-2020 Retrospective



FEMA

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Executive Summary

The Office of the Flood Insurance Advocate (OFIA) advocates for the fair treatment of policyholders and property owners by providing education and guidance on all aspects of the National Flood Insurance Program (NFIP), identifying trends affecting the public, and making recommendations for program improvements to Federal Emergency Management Agency (FEMA) leadership. The Office seeks to reduce the complexity of the flood insurance program and to treat policyholders with compassion and fairness.

Over the past five years, Advocate Representatives resolved over 2,100 inquiries. In 2020, approximately 80% of inquiries were related to flood insurance, 10 percent were related to flood hazard mapping, and the remaining 10% were shared between floodplain management and Hazard Mitigation Assistance grants. Inquiries range in complexity with some requiring extensive research and collaboration across the Federal Insurance and Mitigation Administration (FIMA).

From the inquiries received in 2020, the OFIA identified five areas of customer concern related to NFIP insurance, flood hazard mapping, and mitigation grants. These topics of focus include:

- **Installment Plan Options:** Policyholders seek payment plan options.
- **Condominium Inquiries:** Policyholders in condominiums find it challenging to determine adequate coverage amounts.
- **Unnumbered A Zones:** Policyholders seek relief from the flood insurance costs of living in unnumbered A Zones.
- **Hazard Mitigation Assistance Grant Qualification:** Policyholders and property owners face obstacles with grant qualification.
- **Lender Requirements:** Policyholders are confused about lender-required flood insurance.



COVID-19 Update

In these unprecedented times, we are challenged by a global pandemic. While this pandemic complicates other disaster response efforts, FEMA is an agile agency. FEMA's National Response Coordination Center (NRCC), a multiagency center that coordinates the overall federal support for major incidents and emergencies, was tasked with coordinating the pandemic response, in addition to coordinating the federal responses to other disasters. FIMA and OFIA team members volunteered to support outbreak response efforts outside of their normal duties while providing uninterrupted assistance to NFIP policyholders and property owners.

History of the Office of the Flood Insurance Advocate (OFIA)

The [Homeowner Flood Insurance Affordability Act of 2014](#) directed the FEMA Administrator to designate a Flood Insurance Advocate for the National Flood Insurance Program (NFIP). FEMA established the OFIA on an interim basis in December 2014 and permanently in June 2015. The Office was formed as an independent office within the Federal Insurance and Mitigation Administration (FIMA), a component of FEMA. The OFIA reports to the FIMA Deputy Associate Administrator, with a direct line of communication to the FEMA Administrator, as needed.

Congress created the OFIA to advocate for the fair treatment of policyholders and property owners under the NFIP in the mapping of flood hazards, identification of risks from flood, and implementation of measures to minimize the risk of flood. The OFIA interprets advocating for the fair treatment of policyholders to mean reducing confusion and frustration of NFIP policyholders and property owners. The Office offers an independent perspective within the program and brings the voice of the customer to conversations within FIMA and the NFIP. From a staff of three in early 2015 to a current staff of 12, Advocate Representatives have expertise in all four components of the NFIP: flood hazard mapping, flood insurance, floodplain management, and mitigation grants (Figure 1).

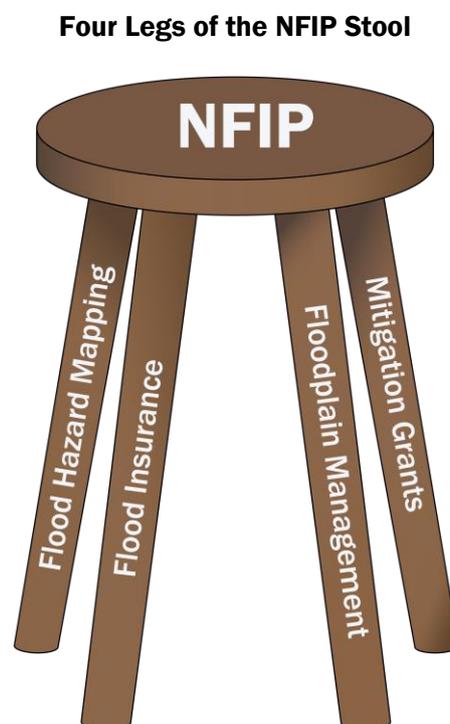
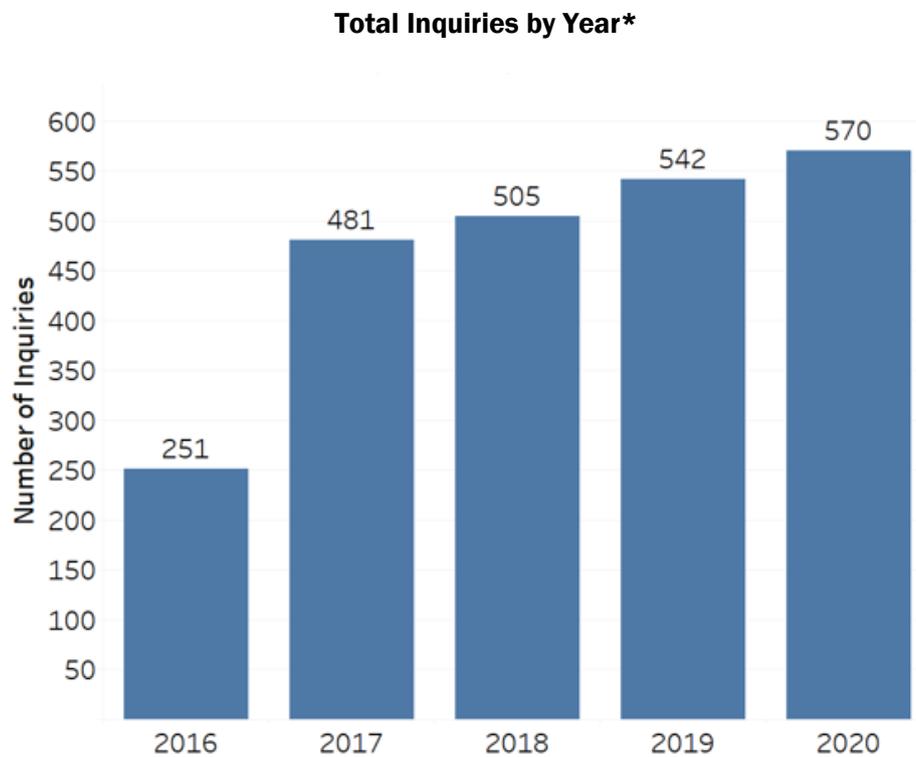


Figure 1. Four Legs of the NFIP Stool – Advocate Representatives have expertise in all four components of the NFIP: flood hazard mapping, flood insurance, floodplain management, and mitigation grants.

The OFIA’s direct interaction with NFIP customers helps to inform its recommendations. Data from these inquiries is compiled and analyzed to validate recommendations communicated to FEMA leadership through informal channels or the more formal Annual Report. The first Annual Report was delivered to the FIMA Associate Administrator and FEMA Administrator in December 2015 and every year since.



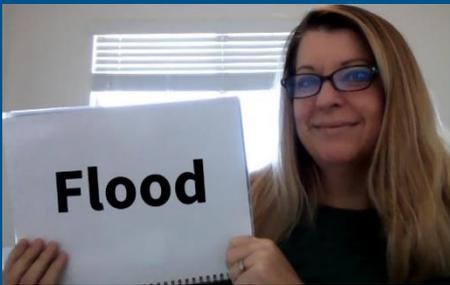
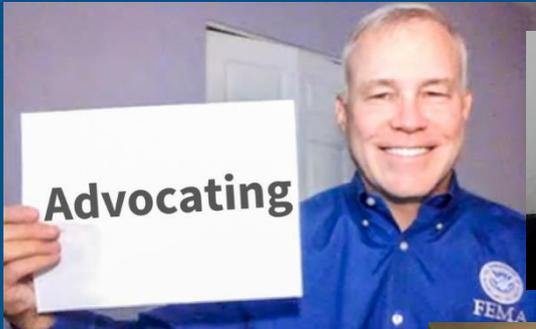
*OFIA implemented its inquiry tracking tool in mid-2016

Figure 2. Total Inquiries by Year – This figure represents the total amount of inquiries received each year (Dec. 1- Dec. 1). There has been a steady increase in inquiries from year to year.

Early in its existence, the OFIA recognized the best way to advocate for customers is to cultivate a collaborative relationship with program subject matter experts and decision makers. A positive relationship with FIMA programs builds a level of trust and increases the acceptance of recommendations to reduce program complexity and improves the NFIP customer experience. The Office continues to rely on these valuable relationships.

To improve the customer experience, the OFIA must be accessible to historically underserved communities. These populations include low-income households, seniors, people with limited English proficiency, people with disabilities, and others disproportionately impacted by disasters. The Office continues to develop an outreach strategy to reach these various groups, ensuring they have equal access to resources to successfully navigate the complexities of the NFIP. The Office contributes to closing the insurance gap, promoting affordability, championing for historically underserved populations and helping to transform FIMA into a world-class organization.

OFIA Team and Mission



Five Years of Advocacy: Highlights and Contributions



- **March 2014:** Homeowner Flood Insurance Affordability Act of 2014 established the Office of the Flood Insurance Advocate (OFIA).
- **December 2014:** The OFIA began operating on an interim basis.

- **January 2016:** The first Periodic Report was released detailing casework data analytics for a given period of time.
- **May 2016:** The OFIA implemented a case management tool to increase its capacity to perform data analytics and provide world-class customer service.
- **November 2016:** The OFIA deployed staff to North Carolina in support of Hurricane Matthew disaster recovery efforts.

2014

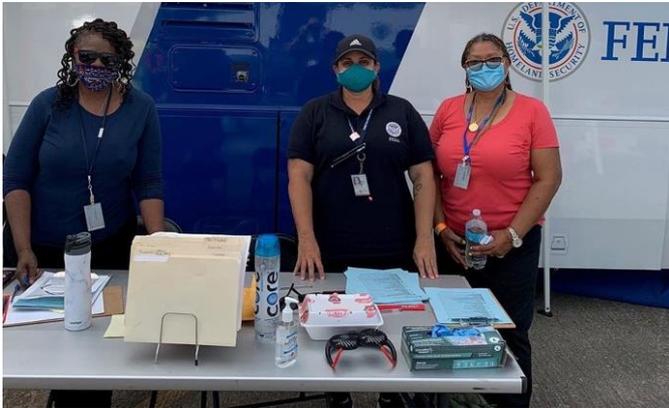
2015

2016

2017

- **April 2015:** To reach the most frustrated and confused National Flood Insurance Program (NFIP) policyholders and property owners, the OFIA launched an aggressive outreach and communication initiative to expand stakeholder awareness of its services with the goal of doubling new casework in three years (see Figure 2).
- **June 2015:** The OFIA is transformed into a permanent and independent office within the Federal Insurance and Mitigation Administration (FIMA).
- **December 2015:** The first Annual Report is delivered to the FEMA Administrator.

- **September 2017:** In response to Hurricanes Harvey, Irma, and Maria, every OFIA staff member contributed to the FEMA response to the hurricanes including supporting the NFIP Call Center and deploying staff to assist disaster survivors and raising awareness of the OFIA's services and other resources available to NFIP policyholders.



- **November 2018:** At the request of FIMA's Insurance and Mitigation Readiness Division, the OFIA spearheaded a unique six-month Floodplain Management Mentorship Program in Puerto Rico, which developed a more resilient workforce and built partnerships across the territory.

- **April 2020:** During the onset of the COVID-19 pandemic, the OFIA continued to advocate for policyholders and property owners in a remote work environment and supported the larger FEMA effort by providing support staff to the National Response Coordination Center (NRCC).

- **May 2020:** The OFIA expanded its use of data analytics to improve the customer experience and inform NFIP stakeholders of emerging concerns.



- **January 2019:** The OFIA deployed staff to Florida in support of Hurricane Michael disaster recovery efforts.
- **April 2019:** The OFIA released its first *Progress Report on the Implementation of the OFIA Annual Report Recommendations* demonstrating OFIA recommendations reduced OFIA casework on previous Annual Report topics by 75-85%.
- **July 2019:** The OFIA deployed staff to Iowa in support of the Midwest flooding disaster recovery efforts.
- **August 2019:** The OFIA deployed staff to Texas in support of Tropical Storm Imelda disaster recovery efforts.
- **October 2019:** The OFIA identified five commonly misunderstood concepts unfamiliar to the average policyholder, and is currently producing five short instructional videos on these topics.

Interview with the Advocate

Rhonda Montgomery, Deputy Flood Insurance Advocate, sat down with FEMA's Flood Insurance Advocate, Dave Stearrett, to reflect on the last five years of the Office of the Flood Insurance Advocate (OFIA). Mr. Stearrett provided a thoughtful perspective on standing up the Office, the role of the Advocate, and its impact on the National Flood Insurance Program (NFIP).



Q: This year, we celebrate a milestone anniversary. What thoughts come to mind when you reflect on the past five years?

A: When I think back to the last five years, I think of the progress that the program has collectively made on improving the NFIP customer experience. We certainly play a role in that experience, and I am proud of being the voice of the customer. The OFIA has been able to improve the customer experience, particularly regarding allowing more refunds to customers going back to previous years when folks feel like they have been overpaying for various reasons for their flood insurance.

Q: What has been most surprising about the Office's journey over the last five years?

A: The most exciting thing has been working with the NFIP program elements and seeing their genuine concern for the customer and wanting to improve the experience that the customer has with the program.

Q: What do you see as the OFIA's biggest accomplishment?

A: I reflect on the Office's ability to continue assisting the program areas in improving the overall customer experience and being a catalyst and driver to keep that focus. There was an initial push in 2013, 2014, and 2015 to improve the customer experience and that effort (instead of waning) has continued to expand in so many areas of the program. The OFIA has been a catalyst to help that along.

Q: What do you wish you knew when you started as the FEMA Flood Insurance Advocate five years ago that would have helped you?

A: The journey of the Office is exactly how it should be in that there was a momentum among the program offices to evaluate the customer experience, and the OFIA was one additional factor that played into this evaluation. By building an open and collaborative relationship with the program offices, we have been able to collectively continue this journey of improving the customer experience for our NFIP policyholders and property owners and making it better for the American public.

Q: What inspires you about the work that the Federal Insurance and Mitigation Administration does?

A: What we do across the mitigation and insurance sectors significantly reduces the amount of disaster suffering. We see the results when communities have implemented sound floodplain management measures. There is less damage in those communities compared to similarly situated communities that have not been as proactive. We see insured disaster survivors recover more quickly and fully compared to non-insured survivors.

Q: When you speak directly to NFIP policyholders and property owners, what do you wish they could better understand?

A: I wish they could more fully understand the true flood risk to their properties by having access to more information in addition to what is on the FEMA Flood Insurance Rate Maps.

Q: How have FEMA's core values shaped the OFIA?

A: The core values are an overall playbook on how we work with the general public. We treat our customers how we want to be treated. If you had a complicated issue related to a government program, you would want the workers to treat you with respect and compassion. That is simply part of our ethos. Our number one job is to assist customers who think they have not been treated fairly and to do that with integrity, compassion, and respect. I think the OFIA staff demonstrates that on a daily basis through their casework.

Q: Where do you see the Office in another five years?

A: I would like to continue to see increases in casework from those most frustrated customers. There is a real sense that the Office needs to continue with its outreach efforts, particularly with historically underserved populations to make sure everyone who needs access to the Office can find us and get assistance.

Q: What would be your advice to your team as they continue advocating for policyholders and property owners?

A: My advice would be to continue focusing on taking care of the individual customer who comes to our office, keeping in mind that a byproduct of this work is gathering information we can provide to the program offices so they can improve the NFIP for all customers. This is the foundation of what we do!

“The OFIA means help and hope: Giving help to people at the worst time in their life. Restoring hope at a time when it is needed the most.”

**Patricia S.
Advocate Representative**

The Office of the Flood Insurance Advocate receives inquiries from all over the country and throughout the year. Figures 3 and 4 represent the density of inquiries and inquiries over time. Unsurprisingly, more inquiries cluster in coastal communities. Figure 4 demonstrates an increase in inquiries received before a large storm event, and another peak several months after the event.

Density of OFIA Inquiries

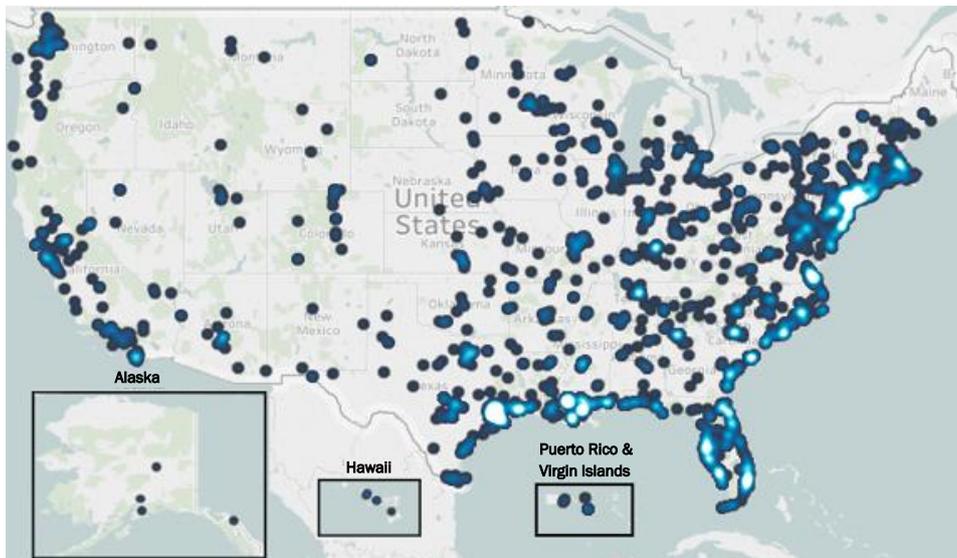


Figure 3. Density of OFIA Inquiries – This map shows the density and location of where the inquiry originated within the last five years. Where it can rain, it can flood.

OFIA Inquiries Over Time

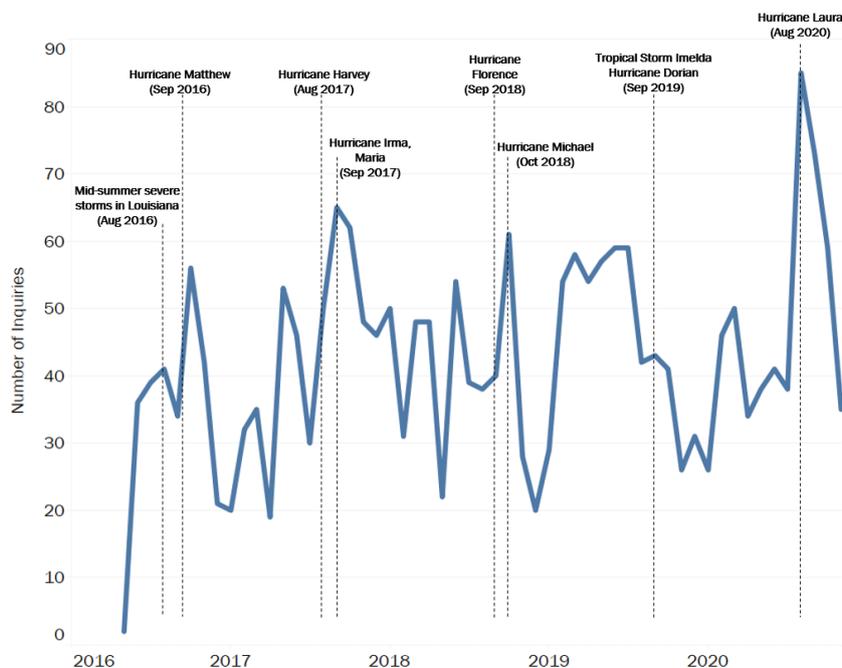


Figure 4. OFIA Inquiries Over Time – This graph shows inquiries received over the last five years. There is a clear relationship in inquiries received related to declared disasters.

Looking Forward

The Federal Insurance and Mitigation Administration's (FIMA's) mission is to reduce disaster suffering. It aspires to build a world-class organization that focuses on customer satisfaction. To support this the OFIA developed three guiding principles to carry out its mission of advocating for National Flood Insurance Program (NFIP) customers with compassion and fairness. These guiding principles are to:

1. Sustain a customer-centric culture and operation

A world-class organization prioritizes customer satisfaction. The OFIA's unique legislative mandate allows for an opportunity to recommend changes to the NFIP, making it less complex and easier for customers to navigate. The OFIA will achieve this by:

- Increasing the OFIA's capacity to advocate for NFIP policyholders facing complex situations
- Identifying areas to reduce disaster suffering among policyholders and property owners
- Advancing advocacy efforts for historically underserved populations
- Representing the voice of the customer internally within FEMA

2. Maintain collaborative relationships with other FEMA components and NFIP stakeholders

A world-class organization produces tangible results for the customer. As an independent office, this is only possible through collaboration with program areas, consistent engagement, transparent communication, and information sharing. The OFIA will maintain collaborative relationships by:

- Fulfilling its statutory mandate to enhance regional capacity by acting as an additional resource at FEMA headquarters for policyholders facing complex situations
- Strengthening relationships within FIMA and external partnerships through cooperation while representing the voice of the customer

3. Make evidence-based recommendations to reduce NFIP complexity

A world-class organization makes data-based decisions in order to improve the customer experience. The OFIA will mature its data-analytic capabilities by:

- Enhancing the use of the Customer Relationship Management tool to ensure customer service metrics are met or exceeded
- Expanding the ability to capture and analyze data from the Customer Relationship Management tool and other sources to make meaningful and actionable recommendations



“After years of working in the National Flood Insurance Program at state and regional levels, I took a job at FEMA to make a difference in the program. The Office of the Flood Insurance Advocate is advancing the evolution of the National Flood Insurance Program. It is an exciting time to be here and help the program transform into a world-class operation.”

Annette B.
Advocate Representative

2015–2018 Program Progress Highlights

The Office of the Flood Insurance Advocate (OFIA) facilitates change by identifying areas of concern affecting policyholders and making recommendations for National Flood Insurance Program (NFIP) improvements to FEMA leadership. The Office has published five [Annual Reports](#), identifying 23 areas of concern, and making 59 recommendations. The program offices agreed with 58 of the 59 OFIA recommendations. Of the 58 they agreed with, the program offices are making progress on all of the recommendations; 39% of the recommendations have been fully implemented. Some high-impact program changes include:

- In 2015, FIMA's Federal Insurance Directorate (FID) expanded the eligibility for prior policy year refunds up to five years.
- Between 2015 and 2016, FID increased agent education and training.
- In 2016, FID and FIMA's Risk Management Directorate collaborated on and developed a common suite of outreach materials to drive consistency in communications throughout the FEMA Regions and revamped the lecture-style meetings to be more interactive.
- In 2016, FID allowed policyholder refunds on the Homeowner Flood Insurance Affordability Act of 2014 surcharge when canceling an NFIP policy.
- In 2017, eligibility for the Newly Mapped rating procedure was extended for another year after the map change (when lender required).
- In 2018, FID eased documentation requirements for establishing primary residency. Previously, an incorrect classification as a non-primary residence caused higher rate premiums and lower coverage limits at the time of loss.

As recommendations were fully implemented, there was a reduction in inquiries associated with these areas of concern. As a result, policyholders and property owners are enjoying a more customer-friendly experience navigating the NFIP.

One of the best uses of taxpayer funds! My advocate was extremely helpful and very knowledgeable. He dealt with my questions and concerns with the utmost respect. I'm so grateful that this assistance is provided. I only recommend that you make it easier for citizens to find this advocacy help. Part of my frustration that made me feel suspicious of my government is that the whole thing feels so daunting to deal with and I felt so helpless. Having someone explain things in a non-judgmental way made me feel so much better. So grateful I discovered this service on the FEMA website.

Lisa in Austin, Texas

OFIA Customer

Topics of Focus

The Office of the Flood Insurance Advocate's (OFIA's) direct interaction with the National Flood Insurance Program (NFIP) customers helps to inform its recommendations. Data from these inquiries is compiled and analyzed to validate recommendations, which are communicated to FEMA leadership through informal channels or the more formal Annual Report. The first Annual Report was delivered to the Federal Insurance and Mitigation Administration (FIMA) Associate Administrator and FEMA Administrator in December 2015 and every year since.

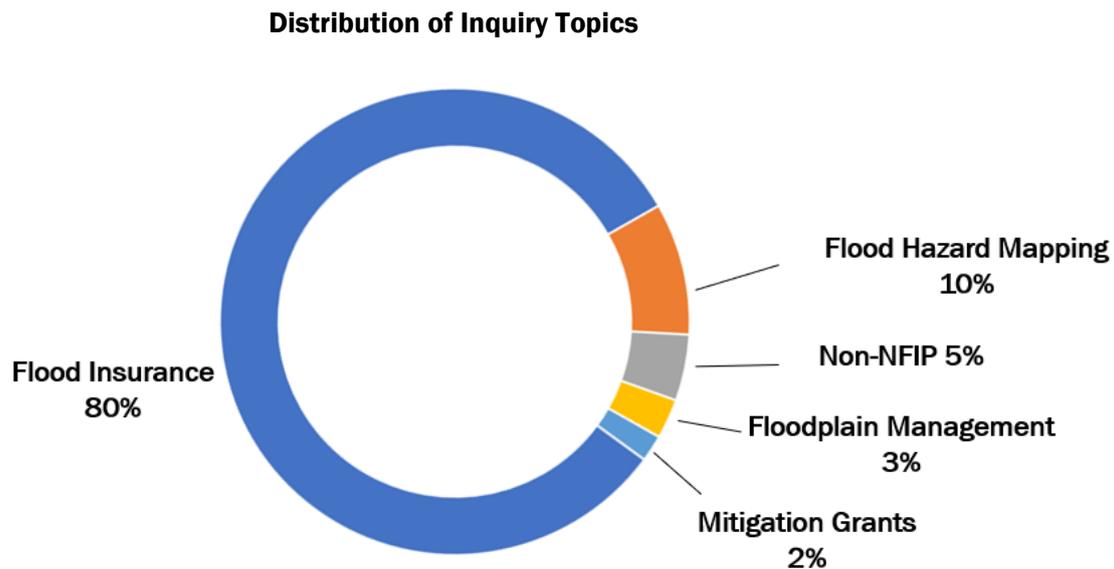


Figure 5. Distribution of Inquiry Topics – This visualization represents inquiries received broken down into the four components within the NFIP: flood hazard mapping, flood insurance, floodplain management, and mitigation grants, and topics that fall outside of the NFIP, such as disaster assistance.

This year, the areas of customer focus relate to NFIP insurance, flood hazard mapping, and Hazard Mitigation Assistance grants. These topics of focus include:

1. **Installment Plan Options:** Policyholders seek payment plan options.
2. **Condominium Coverage:** Policyholders in condominiums find it challenging to determine adequate coverage amounts.
3. **Unnumbered A Zones:** Policyholders seek relief from the flood insurance costs of living in unnumbered A Zones.
4. **Hazard Mitigation Assistance Grant Qualification:** Policyholders and property owners face obstacles with grant qualification.
5. **Lender Requirements:** Policyholders are confused about lender-required flood insurance.

1. Installment Plan Options

Policyholders often contact the OFIA seeking an installment payment plan option. The economic impacts of COVID-19 have placed some policyholders in financial distress, driving up the volume of these inquiries. Current NFIP regulations require policyholders to pay a full year's premium upfront to purchase their flood insurance policy. [The Biggert-Waters Flood Insurance Reform Act of 2012](#) required FEMA to develop a method for certain policyholders to pay their premium in installments. Additionally, the Homeowner Flood Insurance Affordability Act of 2014 required FEMA to implement an option to pay monthly. FIMA continues developing a strategy to implement installment payment plans for policyholders. The OFIA believes this effort will improve the NFIP customer experience.



My personal mission is to bring clarity and understanding to the frustrated and confused. Good news or bad I always deliver the answer as though I was delivering it to myself. What would I want? I would want to know that the person helping me understands my questions and gets my concerns and I would want the answers delivered in a way that I understand, and trust are correct. It's the best job in the world when the policyholder gets that "ah ha" moment.

Cynthia W.

Advocate Representative

2. Condominium Coverage

Insurance through the NFIP, unlike other types of insurance, allows the coverage purchased by an association and an individual unit owner to cover the same items, sometimes creating confusion. Insurance agents, lenders, property managers, and unit owners are uncertain of how to ensure each condominium member has adequate coverage without becoming over-insured. The OFIA identified this topic in its 2018 Annual Report and the program area developed additional education materials as recommended; however, there is still confusion. FIMA is reviewing the [National Flood Insurance Program Flood Insurance Manual](#) to clarify and enhance existing guidance.



“I am a victim of the Harvey flood in Texas and I just wanted to bring to your attention what an awesome employee you have working for you. He was a godsend with his concern, empathy, and thorough knowledge of the process. He is a true professional in the way he approached his role and it’s nice to know that some people really do care about their customers.”

Steven in Kingwood, Texas

OFIA Customer

3. Unnumbered A Zones

Customers in unnumbered A Zones believe floodplain determination lacks transparency. They perceive that FEMA defines flood risk without acknowledging how high the water will rise. Though not widely known, the data supporting the flood insurance study provides information about flood elevations. Policyholders seek relief associated with the costs of living in these zones, particularly flood insurance premiums. Though this topic appeared in the 2017 Annual Report, the OFIA continues to receive inquiries regarding customer frustration and confusion regarding unnumbered A Zones. FIMA is exploring methods to alleviate this issue by better accounting for each structure's unique flood risk.



“I want to thank both of my advocate representatives for their amazing help and time. When I told someone that I was going to contact FEMA, they said ‘good luck, it’s a black hole’. Well no it wasn’t. My advocate answered so quickly and then even called me. She referred me to another representative of OFIA who was so helpful and knowledgeable. Awesome to actually speak to someone who really knows your issue. This is an amazing Government agency. I am not a big government type person, but this is certainly something I feel is a great government agency. These folks help you to help yourself! Thank you for having such a resource!”

Karen in Red Bank, New Jersey

OFIA Customer

4. Hazard Mitigation Assistance Grant Qualification

FEMA's mitigation grant programs are targeted to assist owners of flood-prone structures by providing funding for eligible mitigation measures to reduce disaster impacts. Some property owners are unable to qualify for these grants because it appears their property does not meet Benefit-Cost Analysis requirements set by the Office of Management and Budget. However, FEMA's Hazard Mitigation Assistance Division has developed pre-calculated benefits where the required benefit-cost analysis documentation is not needed. For property owners whose structures do not fall within the pre-calculated benefits criteria, the OFIA encourages contacting their state and local officials about grant and mitigation opportunities.



“The response of the Advocate Office was extraordinary. The Advocate Representative did an amazing job through the entire process. She was very willing to answer all my questions and concerns and demonstrated a high level of empathy in solving my situation.”

Ivette in Albonito, Puerto Rico

OFIA Customer

5. Lender Requirements

A portion of inquiries are related to confusion regarding lender requirements for flood insurance. Federal agencies other than FEMA are responsible for enforcing lender requirements. Since FEMA has no statutory authority to regulate lenders, navigating these cases is difficult. Common areas of confusion include:

- Timing of purchasing a flood insurance policy to secure a construction loan in relation to when construction begins
- Lenders not accepting a Residential Condominium Building Association Policy for a unit owner
- Lenders requiring flood insurance where a claim would not be paid because the building's value is below the minimum deductible
- Lenders requiring coverage on detached structures that are exempt under recent legislation

The OFIA encourages FIMA to continue strengthening relationships with lending regulators to help alleviate customer concerns about their flood insurance requirements.



Conclusion

In past reports, the OFIA has highlighted changes to reduce complexity, improve communication to customers, and expand agent education and training. The OFIA has also expressed support for the transformation of NFIP rating to make flood insurance pricing more fair, transparent, and easier to understand. The transformation of NFIP rating has the potential to alleviate the financial burden on property owners who must hire a surveyor in order to obtain a flood insurance quote and ensure fair pricing. The Office also advocated for potential home buyers frustrated by the lack of flood risk disclosure. Moving forward, the OFIA continues to champion for historically underserved populations and more affordable flood insurance options. The OFIA will continue contributing to the ongoing transformation of FIMA into a world-class organization that prioritizes customer satisfaction.

Though the OFIA primarily serves policyholders and property owners, there are a number of different inquirers who seek assistance from the OFIA.

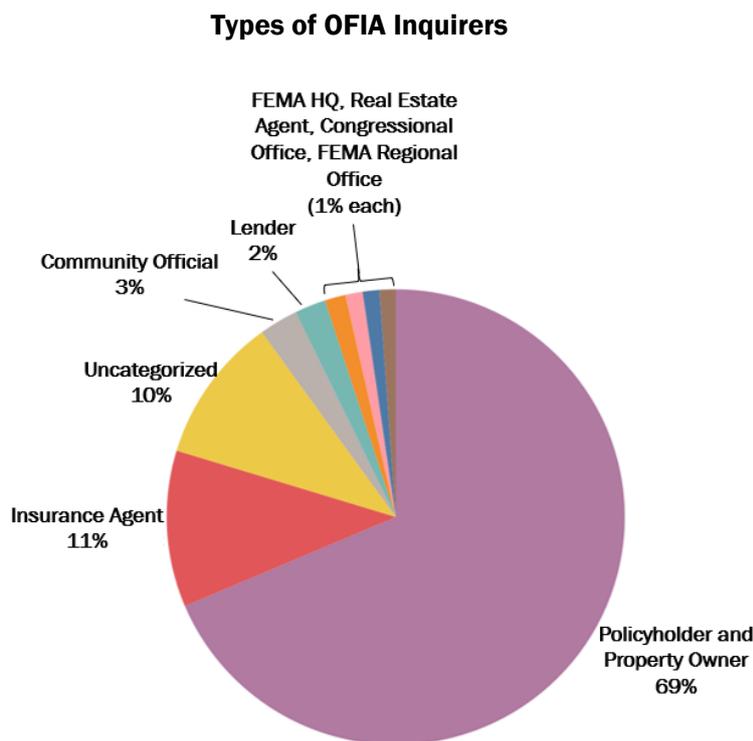


Figure 6. Types of OFIA Inquirers – Inquiries are received from a variety of NFIP stakeholders including policyholders, property owners, insurance agents, and state/community officials.



FEMA