

IN THE WAKE OF THE STORM:

Five Reminders about Your Insurance Coverage

Following the stress of watching a disastrous weather system move across West Virginia, filing an insurance claim for damage caused by the storm can be challenging and emotionally draining. In the wake of Superstorm Sandy, here are five important reminders about your insurance policies from the West Virginia Offices of the Insurance Commissioner (WVOIC) and the National Association of Insurance Commissioners (NAIC) that will help you navigate the immediate situation.

1. Key Coverages to Know

Flood Insurance: Flooding—or an excess of water (or mud) on normally dry land—is not covered by a typical homeowners or renter’s insurance policy. Consumers who have purchased for a flood policy from the National Flood Insurance Program (NFIP) should contact the insurance agent or company that wrote their policy to begin the claims process.

Sewer Backup Coverage: Ask your insurance agent or carrier if an endorsement for sewer backup coverage was added to your homeowner’s policy. If so, your losses may be covered if the water damage was caused by sewer lines backing up through your home’s drain pipes.

Loss of Use Coverage: If your loss was caused by a covered peril and the home is not fit to live in, you may be entitled to additional living expenses to maintain your normal standard of living.

Debris Removal: Most policies do not cover damage to trees or landscaping, but many policies have debris clean-up allowances. Check your policy and talk with your agent to see if your policy has this coverage.

Coverage for Other Structures: Damage to structures other than your house may be covered if connected to your house by a fence or utility line and the loss was caused by a covered peril, such as wind.

Deductible: Your deductible is the amount of the damage that you are responsible to pay. This amount could be different following a hurricane than it would be following another covered loss. If the cause of the loss is a named storm, it is likely you will be responsible for a percentage of the loss, based on the replacement cost. This percentage should be stated on your homeowners or renter’s declarations page. State laws differ on what designations trigger a hurricane deductible. If you question the deductible amount your insurance company expects you to pay, call the WVOIC at 888-TRY-WVIC.

Business Interruption Coverage: It could be days before businesses in the most heavily affected areas can open again. Business interruption insurance covers lost earnings due to circumstances stated in your policy—such as fire or hail—that shut down your business for an extended period. Business interruption/continuation insurance covers expenses associated with running your business, like your payroll and utility bills, based on your company’s financial records. Business interruption/continuation may also help pay for the extra expenses to keep your business in operation until you recover. This coverage generally includes a waiting period that serves as the deductible.

You may have several different policies that cover all of the damages from the storm (a flood policy, a homeowners policy, an auto policy that may cover damage to your car from flooding), and it is likely you will have to file separate claims for each loss.

2. Protecting Your Damaged Property

If your home has damage, once it is safe, it is your responsibility to make sure that the damage is not made worse because you did not take action. That means if you have a part of your roof missing, it is your responsibility to make the effort to cover the hole. As part of your claim, your insurance company will typically reimburse the expense of these temporary repairs—

assuming the loss was caused by a covered peril—so keep all of your receipts. Before making any repairs, take photos of the damage. If you remove personal property from the home, do not dispose of it until an adjuster from your insurance company has reviewed it for your claim. Many policies include reimbursement for storage costs.

3. Contacting Your Insurance Company or Agent

If your area has storm damage, it is likely your local agent is dealing with the same issues. You should have a copy of your policy or insurance card with your disaster preparation materials, but if you do not, an insurance company representative should be able to help you find this information. Often insurance companies will mobilize disaster response teams to come to you following large-scale disasters. A disaster response team that comes to your area can help you figure out what damages are covered, can start your insurance claim and will often cut you a check toward that claim to help you start the recovery process.

The WVOIC will also help you find contact information for your insurance company following a widespread disaster. We can also help answer questions about your coverage or assist if you are having problems with your claim.

4. Power Outage

There are a couple things to know if you lose power. First, if a fallen tree is to blame for the power outage, it is possible that the cost to clean up the tree may be covered by your homeowners insurance. Additionally, you may have heard that the stockpile of food going bad in your refrigerator or freezer is covered by your insurance. It is true that a homeowners or renter's policy does often allow for compensation for food losses up to a certain amount. However, this is generally a fairly low dollar value like \$500.00. If your deductible (the amount of the claim you are responsible to pay) is equal to or greater than this, unless you have other losses, you probably cannot claim just the loss of the food.

5. Home Inventory

When you file a claim you will be asked to make a list of everything damaged or destroyed. This process can be easier with a good home inventory. If you do not have a home inventory, sit down as a family and make the list room by room. If you forget something in your initial list, you can add to it at a later date.

As you purchase new belongings, either update your home inventory if you already have one, or start an inventory. You can download the free NAIC myHOME Scr.APP.book app for [iPhone®](#) or [Android](#) smart phones to get you started. The app [guides](#) you through capturing images, descriptions, bar codes and serial numbers, and storing them electronically for safekeeping. The app even creates a back-up file for e-mail sharing. If you would rather do it by hand, you can download a home inventory spreadsheet [here](#) for help getting started. Once you have completed the home inventory, talk with your agent to make sure your homeowners or renter's policy is adequate to cover your new investments.

More Information

Contact the WVOIC with any questions or concerns you may have by calling 888-TRY-WVIC

You can also find more information about what to expect when filing a claim following a disaster [here](#).

For more information about the National Flood Insurance Program, including guidance on filing a claim, go to <http://www.floodsmart.gov/floodsmart/>.