

Flood disaster and insurance Q&A

QUESTION: My home was damaged by water when the flood entered my home. Will my homeowner's policy pay for the damages?

ANSWER:

Homeowner (HO), renters, condominium, and farmowners policies—These standard policies do not cover water damage due to flood for either the building or personal property. There is no endorsement available to add coverage.

Mobile home policy (MHO)—The basic MHO policy does not cover water damage due to flood for the structure or personal property. Some comprehensive MHO policies may provide flood coverage.

Commercial property policy (CP)—The standard CP policy does not cover water damage due to flood to the building or business personal property. However, some carriers have added limited coverage to their deluxe policies or can add this limited coverage by endorsement.

National Flood Insurance policy—The National Flood Insurance policy covers loss due to water damage resulting directly from flood. Buildings and contents must be stated separately.

QUESTION: My home was damaged by water seeping through the basement walls. Will my homeowner's policy pay for the damages?

ANSWER:

Homeowner (HO), renters, condominium, and farmowners policies— These standard policies do not cover water damage due to the seepage of water through the walls or floor of a basement. There is no endorsement available to add this coverage.

Commercial property policy (CP)—The standard CP policy does not cover water damage due to seepage for the building or business personal property.

National Flood Insurance policy—The National Flood Insurance policy provides coverage for these losses only when they occur in conjunction with a general condition of flooding in which the insured property has been, at the same time, damaged by flood.

QUESTION: My home was damaged by water and sewer material when the sewer backed up into my basement during the flood. Will my homeowner's policy pay for the damages?

ANSWER:

Homeowner (HO), condominium, and farmowners policies—These standard policies do not cover water damage due to the backup of sewer. Insurance companies, however, offer endorsements to provide coverage for sewer backup. Some of these endorsements still exclude coverage if backup is due to a flood while some companies offer backup coverage even if the cause was flood.

Renters policy—The standard renters policy does not cover water damage due to sewer backup for personal belongings. There is no endorsement available to add coverage.

Commercial property policy (CP) —The standard CP policy does not cover water damage due to sewer backup for the building or business personal property. Some companies may offer coverage by endorsement.

National Flood Insurance policy—The National Flood Insurance policy provides coverage for sewer backup even if the flood water has not touched the house **if** there is a general condition of flooding in the area and the flood was the proximate cause of the seepage.

QUESTION: My home was damaged by water when the sump pump failed and water backed up into my basement during the flood. Will my homeowner's policy pay for the damages?

ANSWER:

Homeowner (HO), condominium, and farmowners policies—These standard policies do not cover water damage due to the failure of a sump pump for either the building or personal property. Some insurance companies, however, offer endorsements to provide coverage for sump pump failure. Some of these endorsements still exclude coverage if failure is due to a flood while some companies offer coverage even if the cause was flood.

Renters policy—The standard renters policy does not cover water damage due to failure of sump pump for personal belongings. There is no endorsement available to add coverage.

Commercial property policy (CP)—The standard CP policy does not cover water damage due to a sump pump failure for the building or business personal property. Some companies may offer coverage by endorsement.

National Flood Insurance policy—The National Flood Insurance policy does not cover sump pump failure.

QUESTION: How do I file a claim if I have purchased federal flood insurance?

ANSWER: Consumers who have purchased a flood insurance policy should contact their insurance agent for help in filling out claim forms. If you have questions on your flood insurance or you need help in locating your flood insurance company, you may call 800.427.4661.

QUESTION: During the course of fighting the flood, someone drove their vehicle across my lawn causing damage. Is there any coverage for the lawn?

ANSWER:

Homeowners policy (HO)—The standard homeowner policy provides an additional coverage for damage to the lawn caused by vehicles not owned or operated by a resident of the premises. The amount of coverage is generally five percent of the dwelling limits.

Commercial property policy (CP)—The standard commercial property policy does not provide coverage for damage to lawns caused by vehicles.

QUESTION: The power failed somewhere off of my premises and caused my refrigerator/freezer to fail resulting in food spoilage. Is there any coverage?

ANSWER:

Homeowner (HO) and farmowners policies—These standard policies do not cover food spoilage as a result of power failure off premises. Some comprehensive policies, however, have added a limited amount of coverage, i.e., \$500, while other companies will provide an endorsement to cover food spoilage.

Commercial property policy (CP)—The standard CP policy does not cover food spoilage due to power failure. Most companies offer coverage through the use of an endorsement.

National Flood Insurance policy—The National Flood Insurance policy does cover loss of refrigerated products but only if caused by flood. Power failure for other reasons would not trigger coverage under this policy.

QUESTION: I had to leave my home because of a mandatory flood evacuation. Are my additional living expenses covered?

ANSWER:

Homeowner (HO), condominium and farmowners policies—These standard policies provide loss of use and additional living expenses for any covered peril. Since flood is not a covered peril; there is no coverage under the policy.

National Flood Insurance policy—The National Flood Insurance policy does not provide coverage for loss of use or additional living expenses.

QUESTION: When the flood waters receded, it left a large amount of debris on my property. Is there coverage for removal of this debris?

ANSWER:

Homeowner policy (HO)—The standard HO policy covers debris removal if a covered peril causes the loss. Since flood is not a covered peril, there would be no coverage.

Commercial property (CP)—The standard CP policy provides coverage for debris removal if a covered peril causes the loss. If the standard CP policy provides coverage for flood, then debris removal would be covered.

National Flood Insurance policy—The National Flood Insurance policy does cover debris removal resulting from a flood within the total limits of coverage. This applies whether it is debris from off of your premises or debris from your property or premises.

QUESTION: At one time I purchased "special coverage" for some of my personal property, which was added to my homeowners policy. Are these items covered for flood?

ANSWER:

Homeowner (HO),renters, condominium, and farmowners policies—The following types of personal property can be scheduled or specifically listed in an endorsement to the standard policy: jewelry, furs, computers, cameras, musical instruments, silverware, golf equipment, fine arts, postage stamps, and rare and current coins. This endorsement does not exclude flood; therefore, those items could have coverage for flood damage.

QUESTION: I had to close my business because of the flood. Will insurance cover my lost income?

ANSWER:

Commercial property policy (CP)—The standard CP policy may provide business income protection within the policy or by endorsement. The coverage only applies to a covered cause of loss. Therefore, if the policy provides flood coverage, the coverage also applies to business income.

National Flood Insurance policy—The National Flood Insurance policy does not provide coverage for loss of use, loss of access, business interruption, additional expense, or loss of profits.

QUESTION: My vehicle was covered by the flood water. Will the damage be covered by my auto policy?

ANSWER: If you carry comprehensive coverage on your automobile policy, then you would have coverage for damage caused by a flood.

QUESTION: Are there any other types of losses and insurance coverages I should be aware of?

ANSWER:

Boats—Boats may be covered by a separate endorsement to a homeowners policy or by a separate boatowners policy.

Livestock losses—The farmowners policy may provide coverage for livestock on a blanket or schedule basis. Also, animal mortality policies provide coverage for drowning.

Farm equipment—Farm equipment is usually not covered, although some farmowners policies may provide some specific coverages.

QUESTION: Who can I call if I have more insurance coverage questions?

ANSWER: You should first try to contact your local insurance agent or your insurance company for specifics about your policy.

For general flood insurance policy questions, call the NFIP help desk at 800.427.4661.

For National Flood Insurance Program claims, call 800.638.6620.

QUESTION: If I have problems with my insurance company, agent, or adjuster, where can I turn?

ANSWER: If you believe you are being treated unfairly, you may file a complaint with the South Dakota Division of Insurance. You can call 605.773.3563 or file a complaint online.