

# Natural Disasters

Your guide to insurance and financial  
preparation in the event of a natural disaster



## Are You Prepared?



**STATE OF FLORIDA**

Florida Department of Financial Services



## Are You Prepared?

*Hurricanes aren't the only disasters that Floridians need to be prepared for each year. Wildfires, floods, tornadoes and sinkholes are other reasons why it pays to make sure your homeowners' insurance is adequate, and that your financial interests are up-to-date and protected.*

*This brochure contains information that can be extremely valuable in the event of a natural disaster.*

## Planning Ahead

### **Do you need flood coverage?**

Standard homeowners' insurance policies don't cover flood damage. If you live in a flood-prone area, contact your agent about obtaining flood insurance. Depending on your home's location, you may qualify to enroll in the National Flood Insurance Program.

### **Do you need windstorm coverage?**

Some homeowners' insurance policies do not cover damage caused by windstorms, such as hurricanes. If you have trouble obtaining a policy that does, you can check with Citizens Property Insurance Corporation, a state-run pool of last resort, by logging on to [www.citizensfla.com](http://www.citizensfla.com) or calling Citizens toll-free at 1-888-685-1555. Remember that insurance companies do not accept new applications or requests to increase coverage once a hurricane nears Florida.



### **Do you need more coverage?**

The value of your home and possessions may have increased during the past several years, or you may have made improvements or purchased expensive items such as computers or major appliances. Review your insurance policy and check your coverage limits. Consider increasing your coverage if your policy doesn't cover the value of your home and its contents. If you want to make policy changes concerning wind and water damage, it's best to contact your agent before the start of hurricane season on June 1.

### **What does your policy cover and exclude?**

Standard homeowners' insurance policies usually limit coverage on valuables such as jewelry, silverware, guns, antiques or boats. Check your policy and contact your insurance agent or company with questions, or to request additional coverage.

If you live in a condominium, find out what coverage your condominium association provides. You may need your own policy for the interior of your unit. You also should check the deductible amounts contained in your policy. All policies include deductibles for perils, or causes of possible loss, such as fire, hurricane, hail, etc. In Florida, most homeowners' policies include a larger deductible for hurricane damage and a smaller deductible for other damage.

### **“Replacement Cost” vs. “Actual Cash Value”**

If you bought a television for \$700 in 1993, and it gets destroyed by lightning, a policy written to cover “actual cash value,” would pay an amount reflecting its current value, about \$300. But if your policy is for “replacement cost,” it would pay the complete amount for a new TV of a similar type and size - about \$900.

Most coverage of the contents of your home is written on a cash-value basis. Keep receipts when you buy high-value items such as televisions and computers. You might need this information to verify the age and value of your possessions.

Inflation, renovations and rising property values increase the replacement cost of your home and its contents. Actual cash value may decrease over time.

### **What about “additional living expenses”?**

Additional living expense features of most homeowners' policies pay some expenses for losses that leave homes unlivable during repairs. Such expenses could include limited motel, restaurant and storage costs. Keep all receipts during this period. This feature does not apply to flood insurance.



Civil authorities, such as law enforcement agencies and emergency management services, sometimes issue mandatory evacuation orders that affect thousands of residents. Find out whether lodging and meals are covered if you must evacuate but no damage occurs to your property. Does any deductible or coverage limit apply?

Most policies will provide additional living expense coverage when a civil authority prohibits the use of a residence due to direct damage to neighboring homes by a covered threat. Policies generally offer this coverage without any deductible, and for losses of up to two weeks. If you have any questions, call the Department of Financial Services' toll-free Consumer Helpline at 1-877-MY-FL-CFO (1-877-693-5236).

## What To Do Before a Disaster

### What can you do to prepare?

Being prepared to evacuate your home will help to prevent major financial and banking headaches down the road. Here are some steps you can take:

- Make an itemized list of your belongings, including costs, purchase dates and serial numbers. Attach receipts, especially for "big ticket" items. Your insurance company may require proof of the cost of any item

for which you make a claim. Dated photographs or videotapes of your possessions also are good ideas.

- Take copies of your legal, financial and medical documents with you, including bank statements, insurance policies, mortgage information, credit card addresses and toll-free phone numbers, wills, birth certificates, passports and medical prescriptions.

### Know Your Insurers

Write down the names of your agent and agency, your insurance company, your policy number and telephone numbers to report claims. Remember that the name of your insurance company might differ from that of your agent, agency or underwriter.

### Do you have enough cash?

Remember to withdraw money before a pending disaster. Since carrying or keeping large amounts of cash in your home can be unsafe, take out only as much as you'll need. Financial institutions usually close for at least two days after a direct hit by a hurricane, and ATMs could be out of commission even longer. Be sure to get receipts for cash purchases right before a storm.

### Do you have enough credit?

Keep and protect a credit card with an available balance of at least \$1,000.



### **Paying bills**

If you pay bills by phone or online, try to pay them before a disaster hits, even if they are not yet due. Hurricanes and wildfires could interrupt phone service, causing you to miss payments and incur late charges. If you pay by mail, send payments as soon as possible. The U.S. Postal Service will not pick up mail within 24 hours of a hurricane strike. Keep copies of all payments mailed within three days of a natural disaster, if possible.

### **How can you safeguard your records?**

Keep insurance and financial papers in a secure and accessible place like a safe deposit box, or with a relative or friend. Include your insurance policy, inventory records, agent or company telephone numbers for reporting claims, mortgage and other loan contracts and payment records. You might need quick access to this information. If you need to evacuate, take records with you.

### **How can you get more information?**

For free copies of consumer guides and other publications, call the Department of Financial Services' toll-free Consumer Helpline at 1-877-MY-FL-CFO (1-877-693-5236). You also may download them free from the Department's Web site at [www.MyFloridaCFO.com](http://www.MyFloridaCFO.com).

### **Report property damage to your insurance agent and company**

Once you contact your insurance agent or company, you should receive claim forms and a special reference number for your claim. Be sure to write down your reference number and keep it handy. In all likelihood, a licensed insurance adjuster will visit your property to assess the damage.

Different types of adjusters handle different types of claims.

Adjusters determine the amount of any claim, loss or damage payable under an insurance contract. Adjusters often participate in claim, loss or damage settlements. An adjuster must be licensed by the Department of Financial Services to work in Florida. There are three kinds of adjusters:

- Company adjusters, who work as insurance company employees;
- Independent adjusters, who usually work as employees of independent adjusting firms that contract with insurance companies to handle claims; and
- Public adjusters, who contract with policyholders to help settle their claims with insurance companies.



All adjusters are required to adjust your claims in accordance with your insurance contract, and in compliance with the Florida Insurance Code. All adjusters must comply with the “Adjusters’ Code of Ethics” contained in the Department’s rules.

No matter which type of adjuster you use, be sure he or she is properly licensed. If you have any questions about the license status of an adjuster or the way he or she handled your claim, call the Consumer Helpline toll-free at 1-877-MY-FL-CFO (1-877-693-5236).

### Flood or Damage Assistance

If your property has been damaged by flooding or rising water, contact your insurance agent to find out if you have flood insurance. If you have flood insurance and need to file a claim, you must:

- Notify your insurance agent. If your home has been destroyed or massively damaged, tell the agent you need priority help.
- Make temporary repairs. Document all repairs with “before” and “after” photographs and keep receipts of all repair expenses for reimbursement purposes.

- Maintain copies of your household inventory, cancelled checks, invoices and other documentation. This will help the adjuster assess the value of the destroyed property.
- Be careful not to dispose of any destroyed property during the initial cleanup.
- Never give original documents or photos to anyone.

### What To Do After a Disaster

#### Flood insurance will not cover:

- Your personal automobile. To repair or replace your vehicle following flood damage, you need to file a claim against the comprehensive portion of your auto insurance, if you have this coverage in your policy.
- Accounts, bills, deeds, evidence of debt, money, coins and postage.

**Note:** If you do not have flood insurance, you may contact the Federal Emergency Management Agency (FEMA) to find out what assistance is available. If your county is declared a Major Disaster Area, FEMA can help cover some of the necessary costs to make your home safe and livable.



### **FEMA may provide assistance through the following options:**

- Low-interest loans – Most, but not all, assistance is in the form of low-interest loans to help cover expenses not covered by state or local programs, or private insurance.
- Cash grants – If you do not qualify for any loans, you may be able to apply for a cash grant. Cash grants are available for up to \$25,000.
- Housing assistance – FEMA’s Disaster Housing Program makes funds and services available to individuals whose homes are uninhabitable due to a disaster. Individuals, families and businesses may be eligible for federal assistance if they live in, own a business or work in a county declared a Major Disaster Area.

To apply for FEMA assistance, call toll-free at 1-800-621-3362 (TDD: 1-800-462-7585)

### **You also should:**

- Contact those you’ve sent payments to and confirm that they received them.
- Use credit cards to finance emergency repairs and document all transactions.

Your policy probably requires that you make emergency repairs to prevent further damage to your home or its contents. For example, you

may need to use plywood, tarp and duct tape to keep rain from entering a hole caused by a tree limb hitting your home.

- Keep all receipts and take photographs of the damage, before and after repair, to submit with your claim.
- Take precautions if the damage requires you to leave your home.
- When evacuating, secure your property and remove any valuables. Lock all windows and doors. Let your agent or company know your temporary forwarding address and phone number (i.e., place where you will stay). Take these same precautions if you receive notice to evacuate before a storm, wildfire, etc.
- If the damage does not allow you to occupy your home, keep all receipts for temporary living facilities and notify your agent, company or adjuster.
- If you have other insurance-related problems or questions, you may call the Consumer Helpline toll-free at 1-877-MY-FL-CFO (1-877-693-5236).

### **Beware of fly-by-night repair businesses**

Hire licensed and reputable service people, preferably from your community. Beware of anyone offering to help after a storm



who wants cash only. Before you use a “fast-cash” contractor, be certain you understand exactly what the service will cost. Call the Florida Department of Business and Professional Regulation at (850) 487-1395, or browse its Web site at [www.myflorida.com/dbpr/](http://www.myflorida.com/dbpr/) to find out if a contractor is licensed, or to file a complaint.

### **Beware of fraud**

Insurance fraud costs each Florida family an additional \$1,500 a year\* in increased premiums. If you suspect insurance fraud, call the Fraud Hotline toll-free at 1-800-378-0445. Financial fraud costs Floridians more than \$40 billion annually. If you suspect financial fraud, call the Consumer Helpline toll-free at 1-877-MY-FL-CFO (1-877-693-5236).

\*Source: The Coalition Against Insurance Fraud

### **Consumer Assistance**

If you have an insurance or finance question or problem, call the Florida Department of Financial Services Consumer Helpline toll-free at 1-877-MY-FL-CFO (1-877-693-5236). The TDD number is 1-800-640-0886.

The Department sends specially trained groups called “First Responders” to stricken or impacted parts of Florida after a hurricane or major natural disaster. These volunteers can answer questions and provide additional insurance and contact information when assigned to your area.

### **Write down important claims information**

After you file a claim, you may need to take follow-up action or check on its progress.

You should complete the form below and keep it as a handy reference throughout this process.

Insurance agent’s name and address: \_\_\_\_\_

\_\_\_\_\_

Renewal date: \_\_\_\_\_

Insurance policy number: \_\_\_\_\_

Telephone number to report claims:(    ) \_\_\_\_\_

\_\_\_\_\_

Insurance claim number: \_\_\_\_\_

Claim reporting date: \_\_\_\_\_

Other relevant information: \_\_\_\_\_

Once an adjuster visits your home, you should use the space below to write down additional information.

Adjuster’s name: \_\_\_\_\_

Business address: \_\_\_\_\_

Telephone number:(    ) \_\_\_\_\_

Other: \_\_\_\_\_



You can obtain the phone number for the Department of Financial Services Consumer Service Office nearest you by calling the toll-free Consumer Services Helpline at 1-877-MY-FL-CFO (1-877-693-5236).

## Contact Information

American Red Cross  
1-800-REDCROSS (1-800-733-2767)  
[www.redcross.org](http://www.redcross.org)

Citizens Property Insurance Corporation  
1-888-685-1555  
[www.citizensfla.com](http://www.citizensfla.com)

Federal Emergency Management Agency (FEMA)  
Disaster Impact Helpline  
1-800-621-FEMA (1-800-621-3362)  
[www.fema.gov](http://www.fema.gov)

Florida Department of Financial Services  
1-877-MY-FL-CFO (1-877-693-5236)  
[www.MyFloridaCFO.com](http://www.MyFloridaCFO.com)

Florida Department of Community Affairs  
Division of Emergency Management  
(850) 413-9969  
[www.floridadisaster.org](http://www.floridadisaster.org)

Florida Department of Elder Affairs  
1-800-96-ELDER (1-800-963-5337)  
[elderaffairs.state.fl.us](http://elderaffairs.state.fl.us)

Florida Department of Business and Professional Regulation  
(850) 487-1395  
[www.myflorida.com/dbpr](http://www.myflorida.com/dbpr)

National Flood Insurance Program  
1-800-427-4661  
[www.fema.gov/business/nfip](http://www.fema.gov/business/nfip)

National Hurricane Center  
[www.nhc.noaa.gov](http://www.nhc.noaa.gov)

National Weather Service  
[www.nws.noaa.gov](http://www.nws.noaa.gov)

Small Business Administration  
1-800-827-5722  
[www.sba.gov](http://www.sba.gov)

