



**National Flood**  
INSURANCE

# Better Understand Your Flood Insurance Policy

# Understanding Flood Insurance

## Insurance Agent\*

You can only purchase flood insurance through an insurance agent; you cannot buy it directly from the National Flood Insurance Program (NFIP) or private carriers\*.

As a managing general agent (MGA), National Flood Insurance, LLC is able to write your flood insurance policy, nationwide through both the NFIP and private A+ rated carriers.

## Coverage\*

As with any other type of insurance, it's important to know what your policy does and does not cover. For example, damage caused by a sewer backup is only covered by flood insurance if it's a direct result of flooding; the damage is not covered if the backup is caused by some other problem.

For a complete summary of coverage, contact your National Flood Insurance agent at (888)900.0404.

## Deductibles\*

Deductibles apply separately to building and contents with different amounts to choose. As with other insurance plans, a higher deductible will lower the premium you pay but will also reduce your claim payment, meaning you will need to cover the difference out of your own pocket. Sometimes a mortgage lender will set a maximum amount for your deductible.

## Mandatory Requirements\*

Homes and businesses in high-risk flood areas with mortgages from federally regulated or insured lenders are required to have flood insurance. While flood insurance is not federally required if you live in a moderate- to low-risk flood area, your lender may still require you to have insurance.

\*content source: FEMA (last updated 04/2017)

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## Rates\*

Rates do not differ from company to company or agent to agent. The rates depend on several factors, including the date and type of construction of your home, along with your area's level of risk.

Most premiums include a Federal Policy Fee, a fee to help defray any increased cost of compliance with higher standards after a flood, and a Homeowner Flood Insurance Affordability Act of 2014 Surcharge. If your community participates in the Community Rating System (CRS), you may qualify for an insurance premium discount. The discount is calculated based on the community's efforts to reduce the risk of flooding.

## 30-day Waiting Period\*

Typically, there's a 30-day waiting period from date of purchase until your policy goes into effect. Here are the exceptions:

- If a building is newly designated in the high-risk Special Flood Hazard Area (SFHA) and you purchase flood insurance within the 13-month period following a map revision, there is a 1-day waiting period.
- If you purchase flood insurance in connection with making, increasing, extending, or renewing your mortgage loan, there is no waiting period.
- If you select additional insurance as an option on your insurance policy renewal bill, there is no waiting period.
- If a property is affected by flooding on burned Federal land and the policy is purchased within 60 days of the fire-containment date, there may be no waiting period. Waiving of the waiting period is determined at the time of claim.

## Payment\*

You must pay for the full year's premium.

\*content source: FEMA (last updated 04/2017)