



FEMA

W-04099

December 30, 2004

MEMORANDUM FOR: Write Your Own (WYO) Principal Coordinators and
the NFIP Servicing Agent

FROM: WYO Clearinghouse

SUBJECT: Hurricane Isabel – Letter to the Editor

Attached is a recent Letter to the Editor of the Fredericksburg Free-Lance Star (VA), from David Maurstad, Acting Director, FEMA Mitigation Division, on the accomplishments of FEMA regarding Hurricane Isabel.

If you have any questions, please contact your WYO Program Coordinator.

Attachment

cc: Vendors, IBHS, FIPNC, WYO Marketing Committee, Government Technical Representative

Suggested Routing: Marketing

FEMA, Insurance Partners Have Done All They Can (Fredericksburg Free-Lance Star – VA)

Fredericksburg Free-Lance Star (VA)

Letter to the Editor

By David Maurstad

December 29, 2004

Throughout the continuing discussion of FEMA's response to Hurricane Isabel in 2003, many facts have been confused, misunderstood, and misused by self-promoters. Some have been simply inaccurate. Through it all, the real news keeps getting lost ["Helping hand? FEMA gets low marks," Dec. 21].

FEMA paid out \$337.8 million for response and recovery activities during Hurricane Isabel. There have been minor adjustments to our initial recovery payments for a variety of reasons, including new information about the recipients' insurance coverage, duplication of benefits to some, and other issues.

The only reason, ever, for adjustments is to ensure that all recipients are treated fairly and in accordance with the law.

Insurance companies sell policies and handle claims for the National Flood Insurance Program, which is underwritten by FEMA. Since Hurricane Isabel swept through states from South Carolina to Delaware last year, NFIP insurance partners have settled more than 23,600 claims, with nearly \$470 million paid to policyholders.

After some concerns were raised by a small percentage of policyholders, FEMA undertook the unprecedented review of thousands of Isabel-related flood insurance claims.

We sent 24,000 letters to policyholders who claimed Isabel-related damage and held dozens of public outreach sessions in three states to ensure that those who wished to have their original claims reviewed could do so. FEMA reviewed nearly 2,250 claims and paid some 1,100 claimants an additional \$8 million.

The National Flood Insurance Program is intended to make affordable flood insurance available on a nationwide basis, to accelerate recovery from floods, mitigate future losses, save lives, and reduce the personal and national costs of flood disasters.

Without the program, flood insurance would be unaffordable or more likely unavailable to most people. Covering all losses and replacing all damaged items, or completely restoring claimants to pre-flood status, has never been the objective of the program, nor is it expressed as such in any policyholder's flood insurance policy.

FEMA and its partners in the NFIP have worked tirelessly to ensure that Hurricane Isabel victims who have insurance are treated fairly and equitably. FEMA reviewed their requests and made changes when necessary.

Where upward adjustments were warranted, additional funds were granted. I fully understand that some policyholders, without receiving checks equaling their full policy limits, whether the damage warrants it or not, will be dissatisfied with their claims adjustment. Those policyholders who still have grievances do have rights under their policy, including legal action.

The National Flood Insurance Program insures approximately 4 million policyholders nationwide. FEMA and its partners in the insurance industry have provided much-needed, affordable insurance against flood losses for more than 35 years.

I am proud of FEMA and the NFIP's record of helping people during Hurricane Isabel and the exemplary response to 2004's quadruple hurricane hit. FEMA and the NFIP will continue their outstanding work and will continue to do so in a fair, responsible, and lawful manner.

David Maurstad
Washington

David Maurstad is acting director of FEMA's Mitigation Division and acting federal insurance administrator.

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