U.S. Department of Homeland Security
500 C Street SW
Washington, DC 20472

FEMA

W-08069

September 22, 2008

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

FROM: Kevin Montgomery
Project Officer
NFIP Bureau and Statistical Agent

SUBJECT: Accounting Training Assistance Bulletin (ATAB) No. 2008-3,
Financial Reporting for NFIP Adjuster Fee Schedule – 2008 Revision

According to the WYO Bulletin Number W-08052 dated August 19, 2008, FEMA has approved revisions to the Adjuster Fee Schedule affecting Allocated Loss Adjustment Expense payments for claims with dates of loss on or after September 1, 2008. For financial and statistical reporting, please use the following revised fee schedule.

Revised Fee Schedule
For Claims with Dates of Loss on or after September 1, 2008

Claim Range	Fee
Erroneous Assignment	$70.00
Closed Without Payment (CWOP)	275.00
.01 – $1,000.00	375.00
1,000.01 – 5,000.00	600.00
5,000.01 – 10,000.00	800.00
10,000.01 – 15,000.00	925.00
15,000.01 – 25,000.00	1,025.00
25,000.01 – 35,000.00	1,175.00
35,000.01 – 50,000.00	1,400.00
50,000.01 – 100,000.00	3% but not less than $1,600
100,000.01 – 250,000.00	2.3%, but not less than $3,000
250,000.01 and up	2.1%, but not less than $5,750

Note: Based on Gross Loss

There are no changes to the separate Increased Cost of Compliance (ICC) fee schedule.

- Gross loss shall mean the agreed cost to repair before application of depreciation, deductible, or other limiting clauses or conditions.

- For the purpose of this schedule, should the loss exceed the available coverage, gross loss shall mean the total amount of coverage available.

- If the claim involves salvage "buy-back," gross loss shall mean the amount of the claim before the salvage value is deducted.

- The Closed Without Payment (CWOP) fee should only be paid after an adjuster site visit, with accompanying photos, and completion of the required forms.

- The NFIP reserves the right to withhold compensation on adjustment work that is deemed:
    1) Not to comply with NFIP's standards; or
    2) Improperly prepared, thereby requiring the claim to be substantially readjusted; or
    3) Not timely adjusted, thereby requiring reassignment.

The accompanying electronic financial statement spreadsheet format has been updated with the revised fee schedule, Exhibit V-H. Please begin using the new spreadsheet format when reporting your September 2008 financial statement results. The September 2008 financial statement results are due to the NFIP Bureau no later than October 21, 2008.

The Flood Financial Management (F2M) application has been updated to support entry of the Exhibit V-H data, either through direct entry or use of the updated electronic financial statement spreadsheet format.

Please distribute this information to the appropriate personnel in your organization. If you have any questions or need additional information, please contact Evelyn Ragland of the NFIP Bureau at 301-918-1436.

Attachment

cc: Vendors, IBHS, FIPNC, Government Technical Representative

Required Routing: Accounting

Suggested Routing: Claims, Data Processing, Underwriting