

NATIONAL FLOOD INSURANCE PROGRAM

# RECOVERING FINANCIALLY AFTER A FLOOD



FEMA



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Recovering from a disaster can be overwhelming; however, FEMA's National Flood Insurance Program (NFIP) is here to help ease your recovery. While your flood insurance policy provides the most financial support, you may also be eligible for various types of disaster assistance.

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# Comparing Flood Insurance & Disaster Assistance

When a flood disaster strikes, it's important to know what flood insurance and disaster assistance cover. Flood insurance and disaster assistance are not mutually exclusive; as a flood insurance policyholder, you may utilize both to recover.

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## NFIP FLOOD INSURANCE

Insurance is the most powerful tool to recover financially from a disaster. As you may know, homeowners insurance policies usually do not cover flood losses. This is why your flood insurance policy is crucial to help you repair, replace and rebuild.

In the event of a flood, your NFIP policy covers physical losses to your structure and belongings (if a contents-only policy is purchased) that are directly caused by flooding. Unlike a loan, a flood insurance claim does not need to be repaid. In addition, you can start your claim immediately—a presidential disaster declaration is not required for funds to be released, unlike some forms of disaster assistance.

After your home or property is damaged by or from flood, your insurance agent can help you start your flood insurance claim. Find more information to get started at [agents.floodsmart.gov/how-start-flood-insurance-claim](https://agents.floodsmart.gov/how-start-flood-insurance-claim), and continue to **page 5** to understand your coverage.

*Note that damage experienced within the typical 30-day waiting period after a new policy is purchased is usually not covered. Visit [agents.floodsmart.gov/flood-in-progress](https://agents.floodsmart.gov/flood-in-progress) or talk with your insurance agent to learn more about the Flood-In-Progress Policy Exclusion.*

## FEDERAL DISASTER ASSISTANCE

Disaster assistance from FEMA and other agencies may provide you with resources for additional needs not traditionally covered by flood insurance or reimbursed by other organizations (learn more on **page 6**).

However, it is limited, and it is not a substitute for the coverage available through a flood insurance or homeowners insurance policy. Additionally, unlike flood insurance, federal disaster assistance usually can't be applied to property types such as second homes or businesses.

Federal disaster assistance is only available in circumstances when a state, territory or tribe requests and receives a presidential disaster declaration. The release of disaster funding is then authorized on a county-by-county basis, which means your county could not qualify even if some homes within it were damaged by the disaster. If disaster assistance is available in your area, you may also be required to meet certain conditions to be eligible.

When you have a flood insurance policy, **insurance claims must be made before FEMA determines disaster assistance eligibility**. FEMA can only provide money after you submit your insurance settlement or denial to FEMA.

For more information or to apply, visit [ready.gov](https://www.ready.gov) and [disasterassistance.gov](https://www.disasterassistance.gov).



# NFIP Flood Insurance Funding

The following NFIP options are available to help you protect against flood loss, repair or rebuild and comply with floodplain management laws or ordinances.

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## FLOOD LOSS AVOIDANCE

When flooding is imminent, up to \$1,000 of supplies and labor is covered to help avoid a loss. Qualified flood loss avoidance expenses are water pumps, plastic sheeting and lumber, sandbags, fill to create temporary levees, moving and storage expenses and labor. They must be used to protect property and/or personal belongings for a specific upcoming flood.

To learn more, visit the **Understanding Flood Loss Avoidance** flyer at [agents.floodsmart.gov/flood-loss-avoidance](https://agents.floodsmart.gov/flood-loss-avoidance).

## STANDARD FLOOD INSURANCE POLICY (SFIP)

The SFIP is your official contract of insurance. The SFIP Dwelling Form covers up to \$250,000 for a building and up to \$100,000 for personal property (purchased separately) to help you rebuild.

Please refer to your SFIP for your amount of coverage purchased, covered items, policy number, policy dates, insurance agent information and more.



### Did You Know?

From 2016 to 2022, the average NFIP claim payment was approximately \$66,000.

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## INCREASED COST OF COMPLIANCE (ICC)

For eligible recipients, the SFIP offers up to \$30,000 in ICC coverage to help mitigate against future losses. It applies to the elevation, relocation or demolition of a building deemed substantially or repetitively damaged. The assistance from an ICC claim is in addition to the amount you receive for your underlying flood claim.

For details, consult the **Increased Cost of Compliance** brochure at [agents.floodsmart.gov/ICC-brochure](https://agents.floodsmart.gov/ICC-brochure), Coverage D of your policy or your insurance agent.

## FEMA Disaster Assistance Support

Discover key resources and forms of assistance that may be available to qualified disaster survivors following a presidential disaster declaration.

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## MASS CARE AND EMERGENCY ASSISTANCE

FEMA deploys staff and resources to local response centers to provide Mass Care and Emergency Assistance services immediately before and in the immediate aftermath of a disaster. These support services may include shelter, food, distribution of emergency supplies and mass evacuee support. All impacted survivors are eligible to receive services.

More information about Mass Care and Emergency Assistance services can be found at [fema.gov/assistance/individual/disaster-survivors](https://fema.gov/assistance/individual/disaster-survivors). To determine if this assistance is available in your area, visit [disasterassistance.gov](https://disasterassistance.gov).

## INDIVIDUALS AND HOUSEHOLDS PROGRAM (IHP)

IHP provides financial and direct services to eligible disaster survivors who have uninsured and under-insured necessary expenses and serious needs. This assistance is intended to meet your basic needs and supplement disaster recovery efforts. It is not a substitute for insurance, and it's unlikely that the assistance will compensate for all disaster-caused losses.

IHP provides home repair assistance funds to help homeowners repair disaster-caused damage to their primary residence if the damage is not covered by insurance. Money for rental assistance is also available to homeowners and renters whose homes are not safe to live in due to a disaster.

IHP also provides financial assistance called **Other Needs Assistance (ONA)**, which covers needs such as money for damaged vehicles, funeral expenses and medical and dental expenses, as well as other losses. For a full list, visit [fema.gov/assistance/individual/housing](https://fema.gov/assistance/individual/housing).

Currently, IHP cannot provide more than \$85,000 for disaster damage and losses—\$42,500 for housing assistance and \$42,500 for ONA. Coverage limits are subject to change annually and can be found at [agents.floodsmart.gov/gfip-fact-sheet](https://agents.floodsmart.gov/gfip-fact-sheet). Some types of assistance, such as temporary housing and money for accessibility-related needs, are not included in that maximum.

For more on IHP, visit [fema.gov/assistance/individual/program](https://fema.gov/assistance/individual/program).

## GROUP FLOOD INSURANCE POLICY (GFIP)

FEMA may purchase a GFIP for individuals without flood insurance who received disaster assistance through IHP after a presidentially declared disaster. You cannot purchase a GFIP independently or have both a GFIP and SFIP.

For more information on GFIPs, review the **GFIP Fact Sheet** at [agents.floodsmart.gov/gfip-fact-sheet](https://agents.floodsmart.gov/gfip-fact-sheet) or the **Federal Disaster Assistance: Meeting the Flood Insurance Requirement** brochure at [agents.floodsmart.gov/disaster-assistance-flood-insurance-requirement](https://agents.floodsmart.gov/disaster-assistance-flood-insurance-requirement).

# Supplemental Disaster Relief

You may be able to supplement your flood insurance claim payment and FEMA disaster assistance support with these forms of disaster relief.

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## SMALL BUSINESS ADMINISTRATION (SBA) LOANS

Most disaster assistance comes in the form of the SBA's long-term, low-interest loans. For those that qualify, they help return disaster-damaged homes or businesses to their pre-disaster condition or better. These loans must be repaid with interest.

To learn more about SBA disaster loans and their eligibility requirements, visit [sba.gov/funding-programs/disaster-assistance](https://sba.gov/funding-programs/disaster-assistance).

## ADDITIONAL LIVING EXPENSES (ALE)

ALE coverage is not a separate service or insurance policy type but a standard part of many homeowners or renters insurance policies. It can provide insurance benefits for housing assistance, paying for the increased costs you incur if you are temporarily unable to live in your home due to a covered loss.

The NFIP does not cover ALE. Review your homeowners or renters insurance policy to determine if this applies, or contact your insurance company.



## CONTACT INFORMATION

Contact your insurance agent to explore the details of your flood insurance policy, start a flood insurance claim or check the status of your claim.

You may also reference the **NFIP Claims Handbook** at [agents.floodsmart.gov/claims-handbook](https://agents.floodsmart.gov/claims-handbook) or visit [floodsmart.gov](https://floodsmart.gov).

For more tools and resources to help prepare for or get support after a disaster, visit [ready.gov](https://ready.gov) and [disasterassistance.gov](https://disasterassistance.gov).

# Contact Log

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FEMA



Congress created the National Flood Insurance Program (NFIP) in 1968 to reduce future flood damage through floodplain management, and to provide people with flood insurance through individual agents and insurance companies. FEMA manages the NFIP.

If you use a relay service, such as video relay service (VRS), captioned telephone service or others, give FEMA the number for that service.