

# NFIP Installment Payment Plans

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FEMA and its National Flood Insurance Program (NFIP) are dedicated to reducing disaster suffering by providing flood insurance. By Congressional mandate, FEMA now requires all NFIP insurance providers to offer policyholders the option of paying their annual flood insurance premiums in monthly installments.

## Installment Payment Plan Benefits

Installment payment plans will help reduce barriers to purchasing flood insurance by providing policyholders the option to budget NFIP premiums into their monthly expenses. For some policyholders, paying a premium in monthly installments can be more financially manageable than paying in one lump sum.

All monthly payments and communications for the installment payment plan will be processed electronically, creating a seamless and stress-free billing experience. Policyholders will need to opt into automatic payments via their flood insurer's payment portal and should contact their provider for more information.

Take Note: There will be **no additional fees** for selecting monthly installments. However, standard NFIP fees, surcharges and assessments apply and **are included** in the policyholder's first installment payment.

## Premium Payment Options & Eligibility

NFIP policyholders will have the option to pay their entire premium in one annual payment or via 12 monthly installment payments. Selection of payment frequency will be available to new policyholders at the time of application and to existing policyholders at the time of renewal.

The installment payment plan option does not change or replace the ability to pay premiums annually. Once a payment option is selected, the policyholder cannot change the selected payment schedule during the policy term. The selected payment option does not change the policy effective or expiration date. The installment payment plan follows the same cancellation guidelines as the annual payment plan.

In the event of a claim occurring prior to a policyholder completing all installment payments, the policyholder must settle the balance of the premium owed. The policyholder may settle their balance out of their claim payment(s) in agreement with the Standard Flood Insurance Policy (SFIP).



# FEMA

Some policyholders will not be eligible to pay their flood insurance premiums in monthly installments. Non-eligible policyholders include:

- Those who obtain flood insurance through a Group Flood Insurance Policy (GFIP); and
- Those who are required to escrow their premiums.

Policyholders should contact their insurance provider with questions regarding installment payment plan eligibility.

## Next Steps

FEMA is working with NFIP insurance providers to launch the installment payment plan option and will provide new information as it becomes available. Policyholders will receive further information from their insurance provider.

To learn more about GFIPs, visit [agents.floodsmart.gov/gfip-fact-sheet](https://agents.floodsmart.gov/gfip-fact-sheet). For more information on NFIP policies and coverage, visit [floodsmart.gov](https://floodsmart.gov) or contact FEMA Mapping and Insurance eXchange (FMIX) at (877) 336-2627.