

## NATIONAL FLOOD INSURANCE PROGRAM

# Recovering Financially After a Flood

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Recovering from a disaster can be overwhelming—which is why FEMA’s National Flood Insurance Program (NFIP) is ready to help ease your recovery. While your flood insurance policy provides the best protection against the financial impacts of flooding, you may also be eligible for various types of disaster assistance.

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## FLOOD INSURANCE & DISASTER ASSISTANCE

When a flood disaster strikes, it's important to know that flood insurance and disaster assistance are not mutually exclusive. As a flood insurance policyholder, you may be eligible for both. Learn more about each option—and their benefits and limitations—on the following pages.

### NFIP FLOOD INSURANCE

Insurance is the most powerful tool to recover financially from a disaster. In the event of a flood, your NFIP policy covers physical losses to your structure and belongings (if you purchased contents coverage) that are directly caused by flooding.

Flood, as used in your NFIP flood insurance policy, means:

1. "A general and temporary condition of partial or complete inundation of two or more acres of normally dry land area or of two or more properties (one of which is your property) from:
  - A. Overflow of inland or tidal waters;
  - B. Unusual and rapid accumulation or runoff of surface waters from any source;
  - C. Mudflow.\*
2. Collapse or subsidence of land along the shore of a lake or similar body of water as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels that result in a flood as defined above."

*\*Mudflow is defined as, "A river of liquid and flowing mud on the surface of normally dry land areas, as when earth is carried by a current of water. Other earth movements, such as landslide, slope failure or a saturated soil mass moving by liquidity down a slope, are not mudflows."*

Keep in mind that a policy does not cover losses caused by a flood that occurred prior to the policy becoming effective. To learn more about the Flood-In-Progress Policy Exclusion, visit [agents.floodsmart.gov/flood-in-progress](https://agents.floodsmart.gov/flood-in-progress) or talk to your flood insurance agent.

### FEDERAL DISASTER ASSISTANCE

FEMA disaster assistance offers flexible funding directly to survivors when they need it the most. Funds and other services are provided to eligible individuals and households affected by a disaster, who have uninsured or under-insured necessary expenses and serious needs. Assistance can include grants for temporary housing and home repairs, low-cost loans to cover uninsured property losses and other programs to help individuals and business owners recover from the effects of the disaster.

Disaster assistance is not a substitute for insurance and cannot compensate for all losses caused by a disaster. It is intended to meet your basic needs and supplement disaster

recovery efforts. Unlike flood insurance, FEMA disaster assistance is typically not available for property types such as second homes or businesses.

FEMA disaster assistance is only available in circumstances when a state, territory or tribe requests and receives a presidential disaster declaration. Disaster assistance is available only in the designated counties, parishes, municipalities or tribal nations for the disaster declaration—which means your area may not be included in the declaration, even if homes within it were damaged by a disaster. If disaster assistance is available in your area, you must meet the general conditions of eligibility, which can be found at [fema.gov/assistance/individual/program/eligibility](https://www.fema.gov/assistance/individual/program/eligibility).

If you have insurance (including but not limited to flood, homeowners, renters and auto), **start a claim with your insurance provider as soon as possible**. You do not have to begin your claim prior to applying for FEMA disaster assistance, but you will be required to provide FEMA with your insurance settlement or denial before being considered for certain types of assistance.

For more information, visit [fema.gov/assistance/individual](https://www.fema.gov/assistance/individual) or [ready.gov](https://www.ready.gov).

To apply for disaster assistance, visit [disasterassistance.gov](https://www.disasterassistance.gov), use the [FEMA App](https://www.fema.gov/app) or contact FEMA's Helpline at **(800) 621-3362**.

## NFIP FLOOD INSURANCE BENEFITS

**Most property and renters insurance policies don't cover flooding. If a flood were to occur, only a separate flood insurance policy would cover the cost of damage and help you get back to your routine quickly.**

Valid flood insurance claims also **never have to be repaid**, offering critical financial assistance. From 2019 to 2023, the average claim payment was \$52,000.

In addition, you can start your claim immediately—a presidential disaster declaration is not required for funds to be released, like it is for some forms of disaster assistance.

The NFIP provides coverage up to the amount(s) selected on your policy and has coverage options to help you protect against flood loss and comply with floodplain management laws or ordinances.

### 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.

After your home or property is damaged by or from a flood, your insurance agent can help you start your flood insurance claim. Refer to your SFIP for your amount of coverage purchased, covered items, policy number, policy dates, insurance agent information and more. You can also find more information on getting started at [agents.floodsmart.gov/how-start-flood-insurance-claim](https://agents.floodsmart.gov/how-start-flood-insurance-claim).

### FLOOD LOSS AVOIDANCE

When flooding is imminent, up to \$1,000 of supplies and labor is covered to help avoid a flood loss. Qualified flood loss avoidance expenses include 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).

### **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, unless you have received your maximum payment.

For details, consult page 24 of the NFIP Claims Handbook at [agents.floodsmart.gov/claims-handbook](https://agents.floodsmart.gov/claims-handbook), review Coverage D of your policy or speak with your insurance agent.

## **FEMA DISASTER ASSISTANCE PROGRAMS**

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

### **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 money and other 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 the assistance is not intended to compensate for all disaster-caused losses.

IHP provides Housing Assistance, such as 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 Other Needs Assistance (ONA), such as money for damaged personal property, vehicles, funeral, medical and dental expenses and other losses. For a full list of what this assistance covers, visit [fema.gov/assistance/individual/housing](https://fema.gov/assistance/individual/housing).

Effective for disasters declared on or after October 1, 2024, FEMA can provide up to \$43,600 in Housing Assistance and up to \$43,600 for ONA. Coverage limits are adjusted

annually based on the U.S. Department of Labor's Consumer Price Index. Certain types of assistance are not included in that maximum.

For more information 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 Options**

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

### **U.S. SMALL BUSINESS ADMINISTRATION (SBA) LOANS**

The SBA offers long-term, low-interest disaster loans to businesses of all sizes, private nonprofit organizations, homeowners and renters. SBA disaster loans are the largest source of federal disaster recovery funds for survivors. For those who qualify, SBA disaster loans 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 may provide money to cover lodging costs when you are unable to live in your home due to a disaster.

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 get a quote, explore the details of your flood insurance policy, start a flood insurance claim or check the status of your claim. You may also contact FEMA Mapping and Insurance eXchange (FMIX) at **(877) 336-2627**, 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 additional questions.

NFIP policies are available to those who live in an NFIP participating community. For a full list of participating communities, visit the Community Status Book at [fema.gov/community-status-book](https://fema.gov/community-status-book).

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).

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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.

To download the designed version of this resource, [click here](#).

January 2025 | P-2338