



**FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA)
FEDERAL INSURANCE MITIGATION ADMINISTRATION (FIMA)
APPEAL DECISION**

FEMA Flood Insurance Appeal Decision #C15

OVERVIEW

The policyholder filed an appeal on October 2018, alleging his flood insurance carrier (hereinafter “insurer”) improperly denied part of his claim under the Standard Flood Insurance Policy (SFIP)¹ for damages to covered property arising from a flood event dated September 2018.²

In its review, FEMA found the following facts relevant:

- At the time of loss, the policyholder had \$150,000 in building coverage and \$60,000 in personal property coverage.
- The insurer assigned an adjuster to inspect the property. On September 14, 2018, the adjuster recorded a maximum exterior flood water line at 12 inches and an interior line at 4 inches; water remained in the building for approximately 12 hours.
- The insurer issued the policyholder a payment of \$28,651.22 for building damage and \$6,687.03 for personal property damage.
- The insurer partially denied coverage for items that were paid for in a prior flood event that occurred on October 2015. The insurer denied these items because it did not receive documentation showing damage the items were repaired or replaced prior to the September 2018 flood event at issue on appeal.
- The policyholder seeks coverage for his property he contends was caused by a flood event on October 2015, subsequently repaired, and damaged by the September 2018 flood event. The items include repairs or replacements to drywall, doors, trim, paint, shower tile, water closet tile, regrouting of the tile, sauna paneling, paint, shower stall, interior doors, trim, closet cabinets, tub offset tile, workout sofa, rear bedroom dresser, and wall insulation.
- The policyholder’s appeal includes a contractor’s detailed repair estimate. The appeal also includes an invoice showing a \$10,000 payment toward a \$12,583.61 balance. This left a balance of \$2,583.61 due to the contractor.
- The policyholder submitted copies of three cashed checks payable to the contractor. One check dated January 2016 was for \$12,583.61, the second check dated February 2016 was for \$10,000, and the third check dated March 2, 2016 was for \$2,583.61.

¹ See 44 C.F.R. § 61.13 (2017); Dwelling Form available at 44 C.F.R. pt. 61 App. A(1) [hereinafter “SFIP”].

² The policyholder files this appeal under 44 C.F.R. § 62.20. The appeals process is available after the insurer issues a written denial, in whole or in part, of the policyholder’s claim. The policyholder’s appeal and related documents concerning the appeal, claim, or policy are on file with FEMA, Federal Insurance and Mitigation Administration, Federal Insurance, Policyholder Services Division, Appeals Branch [hereinafter “Appeal File”].

RULES

The insurer agrees to pay the policyholder for direct physical loss by or from flood to covered property, provided the policyholder complied with all terms and conditions of the SFIP.³

In case of a flood loss the SFIP requires the policyholder to prepare an inventory of the damaged property and attach all bills, receipts, and related documents to support to loss. The policyholder must send the insurer a signed and sworn-to proof of loss within 60 days.⁴

The insurer may request in writing that the policyholder furnish the insurer with a complete inventory of the lost, damaged or destroyed property, including: quantities and costs; actual cash values or replacement cost; amounts of loss claimed; any written plans and specifications for repair of the damaged property the policyholder can reasonably make available; and evidence that prior flood damage has been repaired.⁵

ANALYSIS

On appeal, the policyholder requests coverage for items he contends were damaged by this flood event and were also damaged during a prior flood event, paid for by the insurer, and repaired after the prior flood event and before this flood on September 2018. The items include repairs or replacements to drywall, doors, trim, paint, shower tile, water closet tile, regrouting of the tile, sauna paneling, paint, shower stall, interior doors, trim, closet cabinets, tub offset tile, workout sofa, rear bedroom dresser, and wall insulation.

FEMA's review of the detailed repair estimate, invoices, and checks finds there is enough information to support the policyholder's entire claim for additional payment. Based on this documentation, FEMA accepts the policyholder's statement regarding the similarity of items in the 2015 and 2018 flood losses. FEMA has directed the insurer to pay for the covered items denied including, but not limited to, drywall, trim, regROUT, and paint, and to work with the policyholder to identify other covered items, such as the sofa and dresser, for which additional documentation is required for coverage.

The insurer should work with the policyholder to provide additional payment for direct damage to covered items caused by the 2018 flood event less the amount already paid.

CONCLUSION

Based on the facts and analysis above, FEMA overturns the insurer's decision to deny coverage for the repairs or replacements to items that were not repaired or replaced prior to this flood event. FEMA directs the insurer to pay for the items based on the December 2015 contractor's detailed estimate and invoice provided by the policyholder. The insurer will review any additional documentation for the workout sofa and bedroom dresser that the policyholder submits.

³ See SFIP (I), (II)(B)(12).

⁴ See SFIP (VII)(J).

⁵ See SFIP (VII)(K).