

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

FEMA Flood Insurance Appeal Decision #C24

OVERVIEW

The policyholders filed an appeal on December 2019, alleging their flood insurance carrier (hereinafter “insurer”) improperly denied part of their claim under the Standard Flood Insurance Policy (SFIP)¹ for damages to covered property arising from a flood event dated September 2019.²

In its review, FEMA found the following facts relevant:

- At the time of loss, the policyholders had \$235,600 of building coverage and \$57,900 of personal property coverage.
- On September 2018, the policyholders notified the insurer of the flood loss and the insurer assigned an adjuster to inspect the property.
- The adjuster inspected the building on September 2018 and recorded an exterior water line at 54 inches and an interior water line at 32 inches. Water remained in the building for approximately 24 hours.
- The insurer accepted the adjuster’s repair recommendation and issued payments of \$156,601.34 for covered building damages and \$57,900, the policy limit of for covered personal property damages.
- In a letter dated October 2019, the insurer denied coverage for the upper kitchen cabinets and drywall to the ceiling.
- The policyholders appeal the denial for the upper cabinets and full replacement of the drywall.
- Following the submission of the policyholder’s appeal, the insurer allowed coverage for the upper cabinetry due to the community evacuation orders, which did not allow the policyholders to mitigate immediately after the flood event. On March 2020, the insurer made an additional payment of \$12,408.88.
- The policyholders have not submitted any substantive documentation that would support the drywall damage above four feet; therefore, FEMA’s decision is based on the documentation in the claim file.

¹ See 44 C.F.R. § 61.13 (2018); Dwelling Form available at 44 C.F.R. pt. 61 App. A(1)[hereinafter “SFIP”].

² The policyholders file 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 policyholders’ claim. The policyholders’ 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

ANALYSIS

On appeal, the policyholders request coverage for drywall above four feet.

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. Here, the adjuster noted a 33-inch interior waterline, which stayed in the home for approximately 24 hours. The policyholders have not submitted evidence to support that the drywall above the four-foot cut line sustained any direct damage by or from the flood.

FEMA's review finds the insurer properly denied coverage for payment for the replacement of drywall above the four-foot cut line, as there is no evidence to support that it was damaged by the flood event. Because the policyholders have not provided substantive information in support of the appeal, FEMA finds no reason to overturn the insurer's decision.

CONCLUSION

Based on the facts and analysis above, FEMA concurs with the insurer's decision to deny coverage for drywall above four feet.

³ See SFIP (I), (II)(B)(12).