



Hurricane Preparedness FAQs

As of June 18, 2020

Can you buy a last-minute insurance policy to cover damage from a hurricane or tropical storm?

Generally, there is not a specific policy that covers damages caused by hurricanes or tropical storms in particular. Instead, policies are sold to cover damage from wind and flooding. Wind, lightning, debris removal and water/sewer backup damage is covered by most homeowners policies. Flood damage is covered by a flood insurance policy. In most instances, flood insurance has a 30-day waiting period from the purchase date until coverage will apply. Although homeowners and automobile insurance usually become effective when bound and paid, most insurers will issue a moratorium on binding new policies once a hurricane or tropical storm watch has been issued. Maryland law allows insurers to issue such a moratorium, and therefore, an insurer cannot be forced to issue a policy that you apply for once a hurricane or tropical storm watch has been issued.

How much is the deductible for hurricane damage?

Deductibles vary by policy. Most insurance policies carry a deductible, which is the amount you will be asked to pay or contribute when a claim is covered. You should refer to your policy documents to determine exactly what your deductibles are. Some homeowners policies have two different deductibles. One deductible will apply to all perils except windstorms, with a separate percentage deductible for damage caused by wind, including hurricanes and tropical storms. A percentage deductible is based on your Coverage A – Dwelling policy limit and not on the amount of your damage claim. (Example: if your home is insured for \$200,000 with a 2% wind damage deductible, your wind damage claim is subject to a \$4,000 deductible). You should read your policy and ask your insurance producer (also known as an agent), broker or insurer if there is one deductible for all covered losses, or if there is a different deductible, such as a percentage deductible, depending on the type of loss.

Should I complete a personal contents inventory?

It is advised that you complete a personal inventory of your belongings prior to a claim. There are several ways to do this. You may go through your home and take photos of the contents, use an app on your phone or computer or just go through your home and complete a written inventory. You may also want to include receipts and owner's manuals to document high ticket items. Be sure to store this somewhere other than the insured location in case you aren't able to access your home following the storm. You may read our brochure, *An Insurance Preparedness Guide to Natural Disasters*, for additional information and assistance with completing a home inventory on our website at:

<https://insurance.maryland.gov/Consumer/Documents/publications/naturaldisasters.pdf>.

If you suffer a loss and have damaged property, you will be asked to provide your insurer a list, including descriptions, of the damaged property along with proofs of purchase or ownership. If you have prepared an inventory ahead of time, it will help to make your claim go smoothly.

Will rates for my homeowners insurance go up if I file a claim?

Yes, your rate may be impacted by filing a claim. Additionally, depending on the number and type of claims filed, your insurer may refuse to renew your policy due to claim frequency.

When should I contact my insurer or insurance producer about my property damage?

If you have or suspect that you have property damage to your home, business, or automobiles, you should notify your insurer as soon as possible. If possible, keep a detailed record of any contact and information provided such as claim number, name and contact information for the adjuster or any other information provided by your insurer. Also, if your home is uninhabitable or you are not allowed to return to your home, it is advisable to let your insurer know as soon as possible so temporary housing may be arranged.

My home is uninhabitable. How can I cover temporary living expenses?

Homeowners and renters policies provide coverage for Additional Living Expenses (ALE) when you are displaced by a covered loss. ALE will provide coverage for reasonable additional expenses following a loss including housing and meals. Be sure to save any receipts you may incur. However, if your loss is due to flooding, there is

typically no ALE under a flood policy and the ALE coverage under your homeowners policy will not apply since flooding is not a covered loss.

Will my homeowners or renters insurance policy cover flooding?

Homeowners and renters insurance policies do not cover flooding. If you are interested in purchasing coverage for flooding, contact your insurance producer or the National Flood Insurance Program (NFIP) at www.floodsmart.gov for further information. If you are a renter or homeowner (residential policy), or business owner (non-residential policy) and your property is located in a NFIP-participating community, you should purchase a flood insurance policy. Damage that was caused solely by water backing up through a sewer, drain or pipe is not considered flood damage. Your homeowners insurer is required to offer you an opportunity to purchase water/sewer backup coverage as part of your homeowners policy.

How do I renew, change or pay for my flood insurance policy?

For assistance with your flood insurance policy, you may contact your insurance producer or broker, your flood insurer or the NFIP directly at www.floodsmart.gov. You may also want to speak with your mortgage company. Your flood insurance premium may be paid by your lender. A portion of your mortgage payment may go into an escrow account. If so, your lender will pay your insurance directly for you at renewal.

We had a thunderstorm at our home recently that included some high winds that caused severe damage. Following that, I noticed some leaks in my ceiling that were not there before. Am I covered?

It depends. If inspection of your roof reveals damage from wind, you may have coverage. If, on the other hand, it is determined that you simply have wear and tear, or a maintenance problem that was not caused by the windstorm, then your policy will typically exclude coverage for this type of loss.

I live in a condominium. Am I covered for wind damage to my unit?

If you have purchased a unit owners policy, you are covered for damage to your contents and any additions or alterations that have been made at your expense to your home. The master policy for the condominium owners' association will provide coverage for the structure including the floors, walls and any parts of the unit which conveyed when the condominium was initially built. A unit owner has the right to file a claim under the master policy. If you are being barred from filing a claim under the master policy,

contact the Maryland Insurance Administration or visit our website for further information or assistance at www.insurance.maryland.gov.

Does my renters insurance cover damage from wind?

A renters policy covers personal belongings that are damaged by wind but not by flood. A renter may purchase a flood insurance policy to cover his/her contents. To obtain a flood policy, speak with your insurer or insurance producer or visit www.floodsmart.gov for assistance.

What if I am dissatisfied with the claims process? What are my options?

If you are having problems with your homeowners claim, you may contact the Maryland Insurance Administration at 800-492-6116 or visit our website to obtain additional information or to file a complaint at www.insurance.maryland.gov. For issues involving a flood claim, visit <https://www.floodsmart.gov/flood/appeal-your-claim-payment>.