



NEW YORK STATE SENATOR

Joseph P. Addabbo Jr.

## What to Do if You Lose Homeowners Insurance Coverage Due to Where You Live

JOSEPH P. ADDABBO JR September 6, 2011

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*Senator Joe Addabbo Has Some Helpful Advice  
for Constituents*

**Queens, NY, September 6, 2011** – In the aftermath of Hurricane Irene, more Atlantic tropical storms threatening the East Coast and recent record rains flooding the southern part of his district, **NYS Senator Joseph P. Addabbo, Jr.** (D-Howard Beach) wants his residents to know there are some simple things they can do after getting a non-renewal notice for homeowners coverage. In recent months, some constituents, mainly from Howard Beach, informed the Senator that many major insurance companies were dropping their homeowners policies, even though they had never filed a claim.

In making a determination whether or not to renew, insurance underwriters have taken into consideration different factors, such as proximity to water; the claims filing history for the area, the frequency of devastating storms in recent years, the spike in construction costs, the financial toll widespread destruction takes on insurers and changes in federal regulations that now require flood coverage to be provided through FEMA. FEMA is the federal response to devastating storm damage that has been occurring with increasing frequency for the past several years following Hurricane Katrina. If the region endures a very active hurricane season, many New Yorkers will find out the hard way that they are underinsured. What can they do?

Senator Addabbo's staff researched some general guidelines to homeowners facing non-renewal of coverage:

- Shop around, compare one company's coverage and payment plans with others. Contact local agents, brokers, your friends and neighbors to find out about the local insurance marketplace and terms.
- Research how the C-MAP Plan (Coastal Market Assistance Program) can help you obtain coverage. There is usually a website and phone number on how to apply for C-MAP printed on the termination of coverage notice received from your insurer: Complete and submit application online at <http://www.nypiua.com>, scroll down to the "Coastal Market Assistance Program" icon. Click and select "C-MAP Application." Or if you need a paper copy of the application, call 212-208-9898.

C-MAP is a voluntary network of insurers and insurance producers that assist New York homeowners in coastal areas with insurance coverage. C-MAP is administered by New York Property Insurance Underwriting Association (NYPIUA). The program is for owner-occupied, one-to-four family dwellings, apartment units, or condominium units located in the NYC boroughs of Brooklyn, Queens, Staten Island, Nassau, Suffolk and Westchester. For Long Island's south shore and areas along the south shore of Queens, the dwelling must be located within one mile from the coast. The term "shore" refers only to salt-water ocean, sound, bay or inlet, with distance measured from normal high-tide mark. Before applying to C-MAP, a homeowner must have received a non-renewal, a cancellation, or conditional non-renewal from their existing insurer for a reason other than non-payment of premium. Contact NYPIUA for more information about C-MAP at 212-208-9700 or log on to: <http://nypiua.com/cmap.html>.

- If you think you've been treated unfairly after your coverage has been dropped and while you're researching other insurers, contact the NYS Insurance Department at <http://www.ins.state.ny.us> to file a complaint reporting your non-renewal by your insurer with the NYS Insurance Department's Consumer

Services Bureau. They will examine the facts of the non-renewal to see if your former insurance carrier is complying with state law—free. Go online to file your written complaint as an online e-Form via a link and to receive immediate acknowledgement from them at <http://www.ins.state.ny.us/complhow.htm>. Or, you can call the Bureau’s hotline 1-800-342-3736. Be sure to include your name, current insurer’s name (carrier, broker, agent, or adjuster), policy number and effective date of non-renewal. In New York City, contact the Consumer Services Bureau, NYS Insurance Department, 25 Beaver Street, New York, NY 10004-2319. Call 212-480-6400 to talk to an Agency Services Representative for advice on your inquiry or complaint, Monday-Friday, 9 AM to 5 PM. For more information, you may also call the Public Affairs, Office of the NYS Superintendent of Insurance, James J. Wrynn, at 212-480-5262.

Addabbo offers more information his staff researched in Hurricane Irene’s aftermath: “While standard homeowners insurance generally covers damage from wind, it does not protect you in the event of flooding. If you want additional protection from flood damage, consider purchasing a separate flood insurance policy under the National Flood Insurance Plan/FEMA.” FEMA provides maximum limits of \$250,000 for the home and \$100,000 for the contents of a home. To learn more, go to <http://www.floodsmart.gov>, or call 1-888-379-9531. The Senator wants residents to be aware that there is a 30-day waiting period for the coverage to become effective, therefore the flood insurance request should be made before the notice of an impending storm. Addabbo also mentioned that the majority of insurance policies for properties in coastal areas have a special hurricane deductible, ranging from 2% to 5% of the home’s insured value.

Homeowners who do not have hurricane or flood insurance could qualify for federally subsidized loans from the U.S. Small Business Administration if their property is located in an area that has been declared by the federal government as a disaster. “A homeowner who is not sure about their insurance coverage status, yet has suffered a loss after a disaster like Irene, should apply to FEMA to see if they qualify for such a grant or loan,” added the Senator. FEMA can be contacted at 1-800-621-3362.

President Obama and FEMA have just granted New York a federal disaster declaration including Queens County, and Addabbo has also been working on obtaining additional compensation from FEMA for the heavily damaged areas of the district.

Be aware that the National Weather Service’s Atlantic region forecast for 2011 isn’t good. There is a 65% chance of an above-normal season that could have 10 hurricanes.

Consumers should contact their insurance company, agent or broker to get answers to specific questions about their policies. Consumers who need further help should feel free to contact the New York State

Insurance Department's Consumer Services bureau at 1-800-342-3736, which operates from 9 AM to 4:30 PM, Monday through Friday.

The Insurance Department's online "Homeowner's Resource Center" offers detailed information and a number of useful tools consumers may find helpful. It can be found at the following location on the Insurance Department's website: <http://www.ins.state.ny.us/hmonindx.htm>.

Senator Addabbo concluded, "When I heard from some of my people that their homeowners policies suddenly were dropped even though they never had a claim, I had to try to help them find some answers. Owning a home is a huge investment, and my people need to recover the peace of mind that comes from preparing for a 'worst case scenario' loss with an insurance plan, especially during this potentially busy hurricane season."

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