

## Preparing for Natural Disasters

- Review your existing coverage to determine whether you have adequate coverage.
  - Read your insurance policy carefully, and understand what is and what is not covered.
  - Purchase renters insurance if you rent a home.
  - Consider purchasing a “replacement cost” homeowners policy to cover your home and adding an endorsement to cover your home’s contents on a “replacement cost” basis as well. Replacement cost coverage will pay to repair or replace damaged items without deducting for depreciation.
  - Review your homeowners policy periodically to ensure at least 80% of its replacement cost is covered. This will protect you from a coinsurance penalty which will result in a reduced claim payout.
  - Contact your insurance agent or company to learn more about the National Flood Insurance Program.
  - Keep a copy of your insurance policy in a safe place.
  - Create a list of your personal property, including items such as sofas, tables, beds, TVs, refrigerators and any large appliance or piece of furniture.
  - Maintain copies of invoices and receipts to help establish an accurate value of your personal property. Photo or video records can help to provide faster claim settlement.
- In the event of loss, notify your insurance company or its agent as soon as possible. It is best to follow up a telephone call with a written notice. Keep a copy for your reference.
  - Flood coverage is usually excluded but is available through the National Flood Insurance Program (NFIP) administered by the federal government. For more information, please visit NFIP’s website at [www.floodsmart.gov](http://www.floodsmart.gov), or call (1-888-379-9531).
  - If you need assistance with your claim you should contact your agent, broker, the insurer, or the New York State Department of Financial Services Consumer Services Bureau.
  - Remember, you are responsible for protecting your property from further damage after a loss. However, it is a good idea to photograph the damages before any emergency or temporary repairs are done.
  - Visit the New York Financial Services Department’s website at [www.dfs.ny.gov](http://www.dfs.ny.gov) to learn more about insurance and natural disasters.



## A Consumer Guide to Insurance for Natural Disasters



### NYS Department of Financial Services

One State Street  
New York, NY 10004  
(212) 480-6400

One Commerce Plaza  
Albany, NY 12257  
(800) 342-3736

[www.dfs.ny.gov](http://www.dfs.ny.gov)

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Andrew M. Cuomo, Governor*

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## Introduction

Natural disasters affect the lives of many people in the United States every year. The hazardous effects can be local, impacting a neighborhood or community; or very large, affecting an entire city or county. People who understand disasters and know what to do before and after a disaster can significantly reduce the time and cost to return to normalcy. The purpose of this guide is to provide an understanding of the types of natural disasters and the insurance available to cover the losses resulting from them.

## Insurance for Your Residence

Depending on your type of dwelling, you will need to consider your insurance options to determine the most appropriate coverage. It makes good sense to purchase the type and amount of coverage that is adequate to protect your home and your family.

Owning a Home – There are various types of policies available to homeowners. In general, the homeowners policy combines property coverage with liability coverage. Dwelling policies only provide property coverage.

Rental – This policy covers the personal property owned by renters. It can also cover liabilities arising from accidents and injuries for guests..

Owning a Condominium – Condominium policies primarily provide content coverage to condominium owners. In addition, there are special provisions to cover the portions of the dwelling for which you are responsible as defined by the governing rules of the condominium.

Owning a Home on a Farm – If your home is on a farm, a farm owners policy may be appropriate to protect against loss. In general, a farm owners policy provides coverage for farm business exposures, and both property and liability coverages.



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## Insurance Available for Your Property

Before buying an insurance policy, you should check for the types of coverages and products available in New York State. You also need to know the types and limits of coverage you want to purchase. Coverage is available for:

Dwelling – This is the structure of the house. (That is considered a covered property.)

Other Structures – These are other structures that are separate from the house. Examples are detached garages or tool sheds.

Personal Property – The contents in your home are considered personal property. This includes furniture, appliances, clothing and computer equipment. Some personal properties are specifically excluded and are either not covered under the policy or have limited coverage. Examples are: money, jewelry and firearms.

Loss of Use – This is the cost of additional living expenses incurred, when the dwelling becomes uninhabitable, and the cause is due to a covered loss. Reimbursement, such as the cost of a hotel room, will be made to the insured to maintain a normal standard of living.

Automobile – Generally, comprehensive insurance provides coverage for losses resulting from natural disasters such as: fire, windstorm, hail, flood and earthquake.