

MYTHS AND FACTS OF FLOOD INSURANCE IN DES PLAINES

Flood insurance is available to any property owner located in the City of Des Plaines. Des Plaines has participated in the National Flood Insurance Program (NFIP) for nearly 30 years. It does not matter if your structure is located in or out of an identified floodplain. Flood Insurance is available everywhere in Des Plaines!

Homeowners, business owners and renters in Des Plaines can purchase flood insurance from any licensed insurance agent or directly through NFIP by calling 800-427-4661.

To clear up misconceptions about National Flood Insurance, here are some common myths and facts about flood insurance.

MYTH #1: My standard homeowners' insurance will cover me if my house is damaged or destroyed in a flood.

FACT #1: Homeowners' insurance does not cover flood damage. Federal flood insurance, purchased through your insurance agent or company, is the only guaranteed flood insurance available for your home.

MYTH #2: Federal disaster aid, available during and after a flood, will reimburse me for losses. Therefore, I don't need to buy flood insurance for my home and belongings.

FACT #2: Federal Emergency Management Agency (FEMA) disaster aid is only available during presidentially declared disasters. Federal aid is often in the form of a loan from the Small Business Administration (SBA) that you must pay back with interest. Flood insurance policies pay claims whether or not a disaster is declared.

MYTH #3: I live outside the floodplain, so I don't need to buy flood insurance.

FACT #3: Almost one third of all flood claims are paid on structures outside identified floodplains. Floods can occur anywhere. An area that is near a levee or a dam is at risk of the levee or dam breaking. People who face even moderate flood risks should get insurance, which can be purchased for as little as \$136 per year.

MYTH #4: I can't buy flood insurance because my home has been flooded previously.

FACT #4: It doesn't matter where you live in Des Plaines or if your home has been flooded before. You may still buy flood insurance.

MYTH #5: If people don't want to purchase flood insurance, it's their own business. It doesn't really affect me.

FACT #5: When people do not buy flood insurance, you pay more for federal and state disaster relief. Flood insurance is one of the best ways to keep disaster relief costs down for all taxpayers.

MYTH #6: Flood insurance is available only for homeowners.

FACT #6: Flood insurance is available to protect homes, condominiums and nonresidential buildings, including farm and commercial structures, whether in or out of the floodplain anywhere in Des Plaines. Contents coverage also is available, so renters can receive coverage as well.

MYTH #7: I can't buy insurance to cover what's in my house.

FACT #7: There are two types of flood insurance policies, one covers the building structure and another covers the building's contents. Homeowners should purchase both types of policies to afford maximum coverage and renters can purchase contents coverage to cover the loss of personal property in a flood.

MYTH #8: If a flood is forecast in the near future, it's too late for me to purchase insurance.

FACT #8: You can purchase flood insurance anytime. However, there is a 30-day waiting period after you have applied and paid the premium before the policy is in effect. The policy will not cover a loss in progress.

MYTH #9: I can only buy federal flood insurance through the federal government.

FACT #9: You can buy federal flood insurance through most major private insurance companies and property insurance agents. To find an agent in your area, call 888-FLOOD29 or TTY 800-427-5593.

MYTH #10: The NFIP does not offer any type of coverage for basements.

FACT #10: Yes it does. The NFIP defines a basement as any area of a building with a floor that is below ground level on all sides. Basement coverage under an NFIP policy includes clean-up expenses and repair or replacement of items used to service homes and buildings. These can include elevators, furnaces, water heaters, air conditioners, utility connections, circuit breaker boxes, pumps and tanks used in solar energy systems. Flood insurance will not cover the contents of a finished basement and basement improvements such as finished walls, floors, and ceilings.

In addition, those NFIP policy holders who suffer substantial damage (50% or more loss) may be eligible for \$30,000 of Increase Cost of Compliance coverage to elevate, relocate, or flood proof in order to avoid future flood losses.

For more information on flood insurance, visit the FEMA.gov web site at www.fema.gov.

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