

# A Consumer Guide to Insurance and Natural Disasters

Natural disasters can occur at any time and can greatly impact our lives. Understanding the insurance coverage you have for your property and what you should do following a disaster can help you recover if disaster strikes.

## Preparing before a Disaster

- Review your coverage to be sure you are adequately protected.
- Read your policy and know what is and isn't covered.
- Understand your policy deductibles, the portion of each covered claim you are responsible for paying.



## If Disaster Strikes

- Once it is safe to return home, make temporary repairs to protect your property. Save receipts for any temporary repairs.

- Contact your agent or insurance company as soon as possible to report your claim. Some companies set up mobile claim centers following a disaster. Visit the department's website at [www.dobi.nj.gov](http://www.dobi.nj.gov) to learn more about mobile claim site locations.

- Make a list of damaged property and take pictures.



- Check with your agent or insurance company before disposing of damaged items or starting repairs. Many companies want to inspect the damage first.
- If you need to find other lodging, keep records of expenses and all receipts. Many policies provide certain Additional Living Expense coverage if the reason you must leave your home is due to a covered loss, but if the loss is not covered, you will not be reimbursed.

- Be aware that most homeowners insurance policies **do not cover flood damage**. The National Flood Insurance Program (NFIP) provides this coverage separately. Visit [www.floodsmart.gov](http://www.floodsmart.gov) for more information on flood insurance.



- Try to be present when the company adjuster inspects your property and have a contractor review the company's appraisal.

## Repairing the Damage

- Fraudsters often take advantage of the chaos following a disaster. When choosing a contractor to make repairs, check licensing and references before hiring. Always insist on a written estimate before repairs begin and do not sign any contracts before the adjuster has examined the damage. In some cases the adjuster will want to see the estimate before you begin making repairs.

- Do not pay a contractor the full amount up front or sign over your insurance settlement payment. A contractor should expect to be paid a percentage when the contract is signed and the remainder when the work is completed.



- If the contractor finds hidden damage that was not discovered in the original assessment by the adjuster, contact your insurance company to resolve the difference.

## How DOBI Can Help

If you have any questions about the coverage in your policy, or if you need help with a problem regarding your claim following a disaster at your home, contact the Department at **609-292-7272** or **1-800-446-7467**.



You can find more information about insurance coverage or file a complaint on our website, **www.dobi.nj.gov**

For emergency preparedness information go to: **www.ready.nj.gov**

For more information on flood insurance availability through the NFIP, go to: **www.floodsmart.gov**

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