

# FLOOD FACTS

A newsletter for agents of American Bankers Insurance Company of Florida  
[www.abicflood.com](http://www.abicflood.com)



ASSURANT  
Specialty  
Property

July 2008

## Claims Information

American Bankers Insurance  
Company of Florida  
PO Box 6099  
Scottsdale AZ 85261-6099

8655 E Via De Ventura  
Scottsdale, AZ 85258

### Email

[claims.department@assurant.com](mailto:claims.department@assurant.com)

**Phone** 1-800-245-1505

**Fax** 1-800-224-4170

**Hours of operation: "24 Hours"**

Mon-Fri 5:30am-5:00pm PST

**Claim status, please call:**

1-800-245-1505

**If you need help to submit a claim via AccessFlood, call the Flood Service Center at 1-800-423-4403.**

[www.floodsmart.gov](http://www.floodsmart.gov)

An official site of the National Flood Insurance Program (NFIP)

**WATERMARK** is published 3 times a year by the National Flood Insurance Program (NFIP). The current issue and selected back issues of *Watermark* are available at:

[www.fema.gov/business/nfip/wm.shtm](http://www.fema.gov/business/nfip/wm.shtm)

## FLOOD SERVICE CENTER

**Phone number** 800 423-4403

**Fax number** 714 712-3842

**[flood.service.center@assurant.com](mailto:flood.service.center@assurant.com)**

## Photograph Requirements

New business applications for elevation-rated risks with a policy effective date of January 1, 2007, or later must be submitted with a least two photographs that show the front and back of the building and were taken and dated within 90 days of the mailing date (not the certification date, if that date was earlier). If the building is a split-level or has multi-level areas at ground level, at least two additional photographs showing views of both sides of the building must be submitted.

### • *Exception 1:*

When an agent moves his or her book of business from one WYO company to another, or when one WYO company acquires another's book of business, photographs are not required. FEMA will continue to consider such policies as renewals. However, when an insured changes agent and WYO company, that policy is considered new business, and photographs are required..

### • *Exception 2:*

When a Flood Insurance Application and an EC are submitted for a building in the course of construction, photographs are not required and proposed elevations will be used for rating. When the building is completed, a revised EC with required photographs and as-built elevations must be submitted for use in re-rating the policy. These requirements also apply to all renewal and endorsement transactions adding elevation rating effective on or after January 1, 2007.

All photographs must measure at least 3"×3", provide a clear image of the building's distinguishing features, and include date taken. Analog or digital photographs are acceptable. Color photographs are preferred.

An Elevation Certificate submitted without the required photographs is not considered valid for rating, unless the building is in the course of Construction, and may be re-rated using provisional rating, or the application may be rejected.

## Contact Information

### New Business Applications, Rollovers, Endorsements, Cancellations and Other Correspondence

American Bankers Insurance  
Company of Florida  
Flood Service Center  
PO Box 4337  
Scottsdale, AZ 85261-4337

### Email

flood.service.center@assurant.com

### Overnight Mail

American Bankers Insurance  
Company of Florida  
Flood Service Center  
8655 E Via De Ventura  
Scottsdale, AZ 85258

### Hours of Operation

Mon-Fri 5:30am-4:30pm MST

### Lockbox Address for Renewal Payments Only

American Bankers Insurance  
Company of Florida  
PO Box 29861  
Phoenix, AZ 85038-9861

### 2008 Holiday Schedule

9/01 Labor Day  
11/27 Thanksgiving Day  
11/28 Day after Thanksgiving  
12/25 Christmas Day  
12/26 Day after Christmas day

## Reduction of Insurance

A reduction in the amount of *building* insurance *cannot* be made unless part of the building has been removed, which reduces the building's value to less than the amount of the building insurance, or a current appraisal or cost estimate is provided which shows that the building's current coverage amount is higher than the estimated replacement cost of the building.

A reduction in the amount of *contents* insurance *cannot* be made unless some of the contents have been sold or removed, which reduces the contents' value to less than the amount of the contents insurance.

## Removal of Building or Contents Coverage

There is no return premium for the removal of building or contents coverage unless the property is no longer at the described location or the property of the policyholder.

## May 1, 2008 Changes

Premiums increased an average of 8% for policies written or renewed on or after May 1, 2008. This premium increase varies by zone as described below.

### V Zones (coastal high-velocity zones)

Larger rate increases are being implemented again this year as a result of the Heinz Center's Erosion Zone Study, which clearly indicates that current rates significantly underestimate the increasing hazard from steadily eroding coastlines.

- Post-FIRM V Zones: Premiums will increase 10%.
- Pre-FIRM V Zones: Premiums will increase 10%.

### A Zones (non-velocity zones, which are primarily riverine zones)

There will be increases that will keep our Post-FIRM rates at actuarial levels and that will slightly decrease the amount of subsidy in our Pre-FIRM rates.

- Post-FIRM A1-A30 and AE Zones: Premiums will increase 6% as indicated by our actuarial rate model.
- Pre-FIRM AE Zones: Premiums will increase 9%.
- AO and AH Zones: Premiums will increase 10%.
- AOB and AHB Zones (shallow flooding zones): Premiums will increase 6%.
- Unnumbered A Zones (remote A Zones where elevations have not been determined): Premiums will increase 8%.
- A99 Zones (approved flood mitigation projects, e.g., levees still in the course of construction): Premiums will increase 10%.
- AR Zones: Premiums will increase 10%.

### X Zones (zones outside the Special Flood Hazard Area)

- Standard Risk Policy: Premiums will increase 10%.
- Preferred Risk Policy (PRP): Premiums will increase 8%. More Non-Residential coverage options are available, and building coverage is extended to Other Residential buildings.

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### PRP Policy - Additional Options:

1-4 Family Condominium Unit Owners: All individual residential condominium units in residential condominium buildings (high-rise and low-rise) are now eligible for the PRP (building and contents combination as well as contents only policy).

Other Residential Unit Owners: Other residential unit owners now have building/contents combination as well as contents only available.

Non-Residential Unit Owners: Non-residential now have a more diverse building contents combination available. Non-residential condominium unit owners are only eligible for the contents only PRP.

### PRP Policy – Additional Requirements:

Effective May 1, 2008, if there has been a map change during the policy term that may affect the insured property, proof of the property's continued eligibility for the PRP must be provided for the policy to be renewed.

All Preferred Risk Policy new business applications must include documentation of eligibility for the PRP. Such applications must be accompanied by one of the following:

- A Letter of Map Amendment (LOMA)
- A Letter of Map Revision (LOMR)
- A Letter of Determination Review (LODR)
- A copy of the most recent flood map marked to show the exact location and flood zone of the building
- A letter indicating the exact location and flood zone of the building, and signed and dated by a local community official
- An elevation certificate indicating the exact location and flood zone of the building, and signed and dated by a surveyor, engineer, architect, or local community official
- A flood zone determination certification that guarantees the accuracy of the information.

### Miscellaneous Items

- **Increased Cost of Compliance:** Premium will increase from \$1 to \$6 for PRP policyholders.
- **Mortgage Portfolio Protection Program (MPPP):** Premiums will increase about 15%.
- **Flood Insurance Application, PRP Application, and General Change Endorsement:** Eliminate the Social Security Number and indicate when coverage is a lender requirement without a waiting period.
- **Preferred Risk Policy:** Eligibility recertification required at renewal when there has been a map change during the policy term that may affect the insured property.
- **New Risk Rating Method:** Developed for FEMA Special Rates not provided in the Specific Rating Guidelines.

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### New Federal Policy Fee

Since the Federal Policy Fee is not a commissioned item, the failure to update them with the increase effective May 1, 2008 could keep you from balancing your accounts. The increase is as follows and should be reflected on your agency management systems:

#### Standard Flood Insurance Policy

Increased from \$30 to \$35.

#### RCBAP

Increased From

1 unit - \$ 30.00 per policy  
2-4 units - \$ 60.00 per policy  
5-10 units - \$ 150.00 per policy  
11-20 units - \$ 330.00 per policy  
21 or more - \$ 630.00 per policy

#### PRP

Increased from \$11 to \$13.

To:

1 unit - \$ 35.00 per policy  
2-4 units - \$ 70.00 per policy  
5-10 units - \$ 175.00 per policy  
11-20 units - \$ 385.00 per policy  
21 or more - \$ 735.00 per policy

### AccessFlood Web Training

The Flood Service Center is committed to providing the best training programs to our agents. Have you signed up to have an AccessFlood training class? It won't take more than 1.5 hours. Call to schedule a training session and let us help you write more FLOOD business. Please contact: Rebecca Burton at 800-423-4403 x353, by email: [Rebecca.Burton@Assurant.com](mailto:Rebecca.Burton@Assurant.com), Holly Lindberg at 800-423-4403 x364, by email: [Hollyrae.Lindberg@Assurant.com](mailto:Hollyrae.Lindberg@Assurant.com), or Jayne Stotts at 800-423-4403 x346, by email: [Jayne.Stotts@Assurant.com](mailto:Jayne.Stotts@Assurant.com)

#### TRAINING OPTIONS:

American Bankers Insurance Company of Florida offers two different Flood Insurance Training Classes for our agents and producers:

The Fundamentals of Flood Insurance class is 4 hours (4 CE Credits) in most states.  
Advanced Flood Insurance class that is 4 hours (4 CE Credits).

For more information on our CE Classes, please contact, Patty Latshaw @ 800-423-4403 x520 or by email: [Patricia.Latshaw@Assurant.com](mailto:Patricia.Latshaw@Assurant.com).

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## Continuing Education Requirements

The following States are **taking various actions to establish training requirements for insurance agents who sell flood insurance**, as outline in Section 207 of the Flood Insurance Reform Act of 2004. Please click on the link:

[http://www.fema.gov/business/nfip/state\\_actions.shtm](http://www.fema.gov/business/nfip/state_actions.shtm) to read exactly what your State is requiring for training:

*Alabama	*Alaska	*Arizona	*Arkansas
*California	*Colorado	*Connecticut	*Delaware
*District of Columbia	*Florida	**Georgia	*Hawaii
*Idaho	*Illinois	Indiana	*Iowa
*Kansas	*Kentucky	*Louisiana	*Maine
*Maryland	Massachusetts	Michigan	**Minnesota
*Mississippi	*Missouri	*Nebraska	*Nevada
*New Hampshire	*New Jersey	*New Mexico	*New York
*North Carolina	*North Dakota	*Ohio	*Oklahoma
*Oregon	*Pennsylvania	*Rhode Island	*South Carolina
*South Dakota	*Tennessee	*Texas	*Utah
Vermont	*Virginia	*Washington	*West Virginia
**Wisconsin	*Wyoming		

**\*FEMA On-line Training:** These States have agreed to award three (3) continuing education credits to agents who successfully complete the course. Please see below under Training Options for more information.

**\*\*States that have not implemented the requirement for Flood Training under the Section 207 of the Flood Insurance Reform Act; but will accept the FEMA On-line Training for three (3) continuing education credits.**

#### FEMA On-line Training (FREE):

To take the **free** FEMA online basic agent training, go to: <http://training@nfipstat.com> and complete the registration form. Please note, the registration page may be confusing as it asks "Please list the top 3 Companies you represent" - this is where you are to put who you write your Flood Insurance through (American Bankers).

Also, you must successfully complete the mastery test at the end (you must receive a 70 or better to pass), the certificate does not state how many CE's will be provided. Please know that the States listed above are all approved for 3 CE Credits and consider those who successfully complete the mastery test fulfilling the minimum flood training requirements of section 207 of the flood insurance reform act of 2004. There is also an affidavit form that prints with the certificate - ONLY Alabama and Arkansas agents are required to complete this form.

FEMA will directly notify the State when you successfully complete the mastery test of the 3 CE Credits.