



South Carolina Department of Insurance

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Making the Claims Process Easier: What Consumers Should Know When Faced With a Loss

As we work to recover from Hurricane Matthew, there are steps you can take to help make the recovery process go more smoothly. “Many areas of our coast have sustained storm surge, heavy winds and rain as Hurricane Matthew moved along our coast resulting in downed trees, electrical and water outages, flash floods and other damages. Please review the following information to help you with your recovery from the storm,” urged Ray Farmer, Director of the South Carolina Department of Insurance.

Next Steps Once You Have a Loss:

- ✓ Before removing anything, document your entire loss with photographs, videos, etc.
- ✓ Mitigate the damages. Most insurance policies require that you will take the necessary steps to prevent further damage after a loss.
 - Make temporary repairs using plywood, tarps etc. to protect the structure.
 - Be sure to keep your receipts for the costs of these temporary repairs as they may be reimbursable in the event of a covered claim.
- ✓ Contact your insurance agent or company and report all claims as soon as possible.
 - The SCDOI has a [list of company claims phone numbers](#) available on our website at doi.sc.gov/storm.
- ✓ Keep a log of your personal property loss and gather all receipts for those items that have been damaged or destroyed. Photographs and videos of the materials will also help in filing an insurance claim.
 - To download a free app to help you with your inventory, go to the iTunes® or Android® Market app stores and search “NAIC.”
 - For those without a smart phone, a Home Inventory Checklist can be downloaded from the SCDOI website at doi.sc.gov/storm.

Homeowners Insurance Coverage:

Home and property insurance generally covers loss or damage to your home, its contents (like your furniture, TV, clothes and jewelry) and detached buildings on your property (like a garage or tool shed). The extent of coverage will depend on the language of your policy. You will generally

have a deductible that applies to a claim, which is how much you agree to pay out of pocket for losses before your insurance company begins to pay. Consumers should check to determine if they have a separate deductible that applies in case of damage from a specified peril, such as a hurricane. This deductible is generally specified as a percentage of insured property. The deductible amount appears on the declarations page of your policy.

If you have sustained weather-related damage to your home and you have *replacement cost coverage*, your policy will generally cover the cost of up to the value stated in the policy to return your home to the condition it was prior to the storm. *Actual cash value* means payment is limited to the depreciated value of each item at the time it is damaged, destroyed or stolen. Depreciation is the decrease in home or property value due to age or wear and tear since the time the home was built or purchased.

If you previously established a **Catastrophe Savings Account**, you may be able to utilize the money you set aside state income tax-free to help pay for your out of pocket costs resulting from Hurricane Matthew.

Downed Trees:

Generally, homeowners insurance policies may provide up to \$500 coverage for tree removal. This limit applies to ALL of the downed trees per loss and is *not paid on a per tree basis*. If a tree falls on your home or other structure covered under the terms of your homeowners policy, your insurance policy should cover the cost of removing the tree from the damaged structure. This would be paid under the dwelling portion of your policy.

Spoiled Food Due to an Electrical Outage:

If you lose electricity and the food in your refrigerator spoils, you may or may not be covered for the value of the spoiled food. Please review your policy as the language will outline the exclusions and terms.

Damage Due to Water Intrusion:

Coverage depends upon the language of the policy. In most cases, coverage will only be available in a homeowners policy if there is an opening in the building's envelope caused by a covered peril. For example, if wind blows a hole in the structure and rain comes into the home and causes damage, depending on policy language, the damage may be covered. Contact your agent for more information and assistance as some policies may not provide coverage.

Flood Insurance Coverage:

The standard homeowners insurance policy does *not* include coverage for damage resulting from rising waters, flood, or storm surge. Some insurance companies offer endorsements for flood insurance coverage, but most flood insurance coverage is issued through the National Flood Insurance Program (NFIP). For those with flood insurance, visit doi.sc.gov/storm for tips on filing a flood insurance claim.

Please be aware that there is a thirty-day waiting period for coverage to become effective, so while coverage purchased now will not assist with recovery from this storm, please visit the NFIP at www.floodsmart.gov or call 1-888-379-9531 for information about this important coverage. You

may also contact your insurance agent for information about purchasing a flood insurance policy for future events. A flood is defined as a general and temporary condition of partial or complete inundation of two or more properties from overflow of inland or tidal waters, from unusual and rapid accumulation or runoff of surface waters from any sources or mudflow.

Water Seepage:

If water seeps into your basement or home from the ground, you are generally *not* covered for the resulting damage. Water seepage is excluded under most homeowners insurance policies. If the water seepage is not the result of a flood, you will not have coverage under your flood policy either. Problems from seepage are often considered maintenance issues and are not covered by insurance.

Automobile Insurance Coverage:

If your car sustained damage as a result of Hurricane Matthew and your automobile insurance policy includes “other than collision” (i.e., comprehensive) coverage then the damage to your car may be covered.

The South Carolina Department of Insurance Office of Consumer Services’ specially trained staff is available to assist consumers with their insurance-related questions and concerns. You may contact the Office of Consumer Services by calling our toll-free number, 1-800-768-3467 Mon. - Thurs. 8:00 a.m. - 6:00 p.m. or Friday 8:00 a.m. - 5:00 p.m. Consumers having a specific problem with an insurance company should file a complaint with our Office of Consumer Services at doi.sc.gov/complaint.

Due to the storm, we anticipate a higher call volume at this time. We appreciate your patience and please know that we will assist you as quickly as possible. For additional insurance information please visit our Hurricane Matthew webpage, doi.sc.gov/storm.

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