



FEMA

W-10060

May 19, 2010

MEMORANDUM FOR: Write Your Own (WYO) Company Principal Coordinators, the National Flood Insurance Program (NFIP) Servicing Agent, and Adjusting Firms

A handwritten signature in black ink, appearing to read "James A. Sadler".

FROM: James A. Sadler, CPCU, AIC
Director of Claims
National Flood Insurance Program
Federal Insurance and Mitigation Administration
DHS/FEMA-MT-RN-CA

SUBJECT: Wind vs. Water – Adjusting Practices Clarification

In previous bulletins, FEMA discussed wind and flood investigative tips and a logical approach in addressing claims that involve both perils. Please review our previous bulletins that address wind vs. water adjusting practices. They are WYO Bulletins W-08008, dated February 25, 2008 “Wind/Water Investigative Tips”; W-08070, dated September 25, 2008 “Flood Insurance Claims Guidance”; and W-10017, dated March 4, 2010 “Flood Insurance Claims Guidance.”

During the 2010 National Flood Conference the concept of flood adjusters mentioning, photographing, and providing a rationale or basis for the separation of wind and flood damage was presented. During a discussion following the workshop presentation the point was raised that the flood adjuster was not hired to recognize or document wind damage and by doing so could be seen as outside of his or her scope of engagement. While this may be overridden by our series of bulletins, it is true that the flood adjuster is not asked to closely investigate the wind damage. The cursory notice, photographing, and mentioning in a narrative report may expose the adjuster to legal difficulties if what was seen as wind damage was actually a maintenance issue or anything other than wind damage.

With this in mind, FEMA asks that WYO Companies suggest to adjusting firms that adjusters do not refer to a specific peril or condition relating to other than flood damage, i.e. maintenance. For example: in the narrative an adjuster could say, “Several singles were missing from the roof over the living room.” or “The fascia was missing from the west side of the building at the storage room.” If damage must be mentioned it could be referred to as “damage other than flood damage.”

This suggestion does not apply to an expert providing a professional opinion regarding causation, damages, or repair methods. All other provisions of the bulletins apply.

Again, we ask for your full support. Any questions regarding wind verse water adjusting practices should be directed to James A. Sadler, CPCU, AIC, Director of Claims, National Flood Insurance Program, Federal Insurance and Mitigation Administration. Mr. Sadler may be reached by email at James.Sadler@dhs.gov.

cc: Vendors, IBHS, FIPNC, Government Technical Representative

Suggested Routing: Claims, Training, Underwriting, Adjusting Firms