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Flooding Not Covered Under Regular Homeowners Insurance Policy

Federal Program Offers Flood Insurance

LANSING – Melting snow and rain may cause flooding in parts of Michigan and many residents may wonder if damages are covered by insurance. To be covered from flood damage, property owners must purchase a policy from the National Flood Insurance Program (NFIP). Regular homeowners insurance does not cover damages from flooding.

“People may think they don’t need flood insurance, but considering that even just an inch of water can require a property owner to replace carpet, drywall, floor boards, moldings, doors and other belongings, it may be a coverage that they want to purchase from the federal government program,” said Lori Conarton, communications director for the Insurance Alliance of Michigan.

Flooding can occur during any season in Michigan. NFIP estimates that 90 percent of all natural disasters involve flooding. A small amount of water can bring a tremendous amount of damage, and many property owners are unaware their properties are at risk for flooding. A home located in a floodplain has a four times greater risk of flooding than burning during a 30-year mortgage.

Also, there may be some questions about water in the basement or damage to vehicles.

Coverage for water back up in basements (drains/sewers) is excluded from the flood insurance policy. However, coverage can be obtained by purchasing an endorsement to a homeowners insurance policy. Most insurance companies offer sewer and drain back up as optional coverage. Coverage and limits vary by insurance company, so check with your agent/company about specifics. Some insurers include full coverage for sump pump failure while others specify items that are covered.

Vehicle damage from flooding is covered by the comprehensive portion of the auto policy. Comprehensive coverage is optional in Michigan, so people should check with their insurance agent to make sure they have selected that coverage.

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