



FEMA

June 29, 2018

William "Chip" F. Merlin  
Merlin Law Group  
515 Post Oak Blvd, Suite 705  
Houston, Texas 77027

Dear Mr. Merlin:

I received your letter dated June 20, 2018, requesting that the National Flood Insurance Program (NFIP) extend the deadline to submit a proof of loss by an additional six months. While the Standard Flood Insurance Policy normally requires policyholders to submit a proof of loss within 60 days of a flood loss, FEMA extended this deadline to one year after the date of loss for claims arising from Hurricanes Harvey, Irma, and Maria. If FEMA granted your requested extension, policyholders would have a total of 18 months after the date of loss to request additional payments under their NFIP flood insurance policy. With NFIP insurers showing a claims closure rate of 99%, I believe that such extension would be unnecessary and not helpful to policyholders.

Your letter shows that we have a common interest in supporting policyholder's efforts to recover from the severe flooding caused by Hurricanes Harvey, Irma, and Maria. However, I am concerned that your letter unreasonably depicts the NFIP's claims handling process as complex and burdensome. In reality, the NFIP took aggressive steps to streamline the claims handling process after the 2017 hurricanes. For instance, FEMA authorized NFIP insurers to issue advance payments of up to \$20,000 prior to an adjuster inspecting the flooded property and to pay claims without waiting for a signed proof of loss. FEMA also streamlined the claim adjusting process by decreasing the amount of documentation necessary for residential contents claims and claims for damage to buildings with a history of prior flood losses. These policies helped the NFIP pay policyholders more than \$1 billion within the first 30 days of the floods.

In addition to these innovative policies, FEMA has also taken unprecedented steps to ensure that policyholders are treated fairly and know the requirements of their flood insurance policy. For instance, FEMA recently conducted a series of claims open houses in the Houston area designed to help policyholders finalize their claims and connect them with free claims assistances resources, such as the NFIP's policyholder-friendly appeals process, the Office of the Flood Insurance Advocate, and local legal aid organizations. FEMA will continue to inform policyholders about these resources and upcoming NFIP deadlines across multiple platforms, including open house events, partnerships with local community organizations, local media, social media, and direct mail.

FEMA is committed to ensuring that policyholders have every reasonable opportunity to finalize their claims and receive all payments for which they are eligible. While we recognize that Congress provided the opportunity to pursue remedies in court after the denial of a claim, we encourage our policyholders to pursue the administrative remedies we have made available free of charge before seeking the services of attorneys.

William "Chip" F. Merlin  
Page 2

I hope that you will recommend that your clients contact their NFIP insurer as soon as possible if they intend to submit a request for additional payment and make them aware of the various free resources available to help them finalize their claim. These steps will ensure that policyholders make the best use of the approximately three months remaining before the expiration of the proof of loss deadline.

Once again, thank you for your letter. While I do not intend to further extend the proof of loss deadline at this time, I will continue to monitor the situation and will take any reasonable steps necessary to ensure that the NFIP fully compensates policyholders for their flood damage within the terms of their policy.

Sincerely,

A handwritten signature in blue ink, appearing to read "David I. Maurstad", is centered on the page. The signature is written in a cursive style with a prominent loop at the end.

David I. Maurstad  
Deputy Associate Administrator for Insurance and Mitigation