



FEMA

W-15020

May 20, 2015

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

A handwritten signature in black ink, appearing to read "BJK", with a horizontal line extending to the right from the end of the signature.

FROM: Brad J. Kieserman  
Deputy Associate Administrator for Insurance  
Federal Insurance and Mitigation Administration

SUBJECT: Superstorm Sandy Review Process

This Bulletin is issued pursuant to the Federal Emergency Management Agency, Federal Insurance Administration, Financial Assistance/Subsidy Arrangement (the "Arrangement"), Article II(A)(2) and (G)(1), and Article XIV. 44 C.F.R. Pt. 62, App. A.

Beginning on May 18, 2015, FEMA is offering eligible policyholders a review of all claims arising from Superstorm Sandy. FEMA will mail letters to approximately 142,000 Sandy flood insurance claimants to notify policyholders of this opportunity. Review will be initiated only upon the request of the policyholder. The letters will explain the process to policyholders, inform them how to participate, and advise them of the information necessary to begin the review. Policyholders who submitted claims after Superstorm Sandy and who did not participate in litigation or previously receive policy limits may submit an application. FEMA will accept applications either online or by phone. FEMA will then assign an adjuster to eligible policyholders for claim review. Once FEMA establishes a file is eligible for review, we will ask policyholders to submit any additional information they would like FEMA to consider while simultaneously requesting their claim files from the participating Write Your Own (WYO) Company or the Direct Servicing Agent (jointly the "NFIP insurer").

As part of this review process, FEMA adjusters will review the claim file and determine if the information supports additional payable amounts under the Standard Flood Insurance Policy (SFIP). After determining a final payment amount, FEMA will provide an individual limited waiver of the proof of loss deadline found in the SFIP to enable late filing of the proof of loss in the amount of the claim payment, and will send the policyholder a draft proof of loss for review and signature. FEMA will request that the policyholder return the proof of loss to the Agency. FEMA will forward the

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completed proof of loss to the NFIP insurer and direct the NFIP insurer to issue a payment to its policyholder consistent with the proof of loss.

Payment of claims under this process falls within the scope of the FEMA, Federal Insurance Administration, Financial Assistance/Subsidy Arrangement (“Arrangement”). Under the Arrangement, FEMA will reimburse the WYO Companies for all Loss Payments, which include “payments as a result of litigation that arises under the scope of this Arrangement.” 44 C.F.R. Part 62, App. A, Art. III(D). This means FEMA will reimburse WYO Companies for any litigation costs, including attorney fees, and civil judgments and awards, arising from this review process. FEMA accepts full responsibility for the scope and amount of such payments made to policyholders for purposes of any subsequent audit. Accordingly, FEMA will not seek to recoup from NFIP insurers funds paid to policyholders through this review process as a result of any subsequent audit finding.

You may direct any questions or comments to Jordan Fried, Director (Acting), Risk Insurance Division, at (202) 646-4112 or [jordan.fried@fema.dhs.gov](mailto:jordan.fried@fema.dhs.gov).

cc: Vendors, IBHS, FIPNC, Government Technical Representative

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