

TRRP/Edit Specs

Question 1

Can insurers convert the datum for all reported elevations (Lowest Floor Elevation, Lowest Adjacent Grade, Base Flood Elevation (rated), and Current Map Information – Base Flood Elevation) to the datum of the current map?

Answer

Yes, when a policy is being grandfathered the elevations can be converted to the datum of the BFE of the current map. This will make it easier for insurers to do a premium comparison when comparing the rating using a prior map to a current map.

Question 2

Did FEMA exclude prior NAIC Number from reporting requirements for rollovers?

Answer

Yes, FEMA will review and determine if that information should be reported in the future. When processing rollovers, companies should include a copy of the prior company's declaration page in the underwriting file.

Question 3

TRRP change 26 did not include all the updates made to TRRP in change 25.

Answer

FEMA is researching.

Question 4

The TRRP page for Current Map Date (Page 4-66N of TRRP) was updated in Change 26 to indicate that Current Map Date is a required data element for new business beginning November 2015. However, in the November 2015 program changes, the edit for that data element (PL332020) did indicate that it is a required field for new business effective November 2015. Is Current Map Date required for new business beginning November 2015?

Answer

Yes. However, if companies have experienced TRRP errors, FEMA will review on a case-by-case basis to determine if the errors should be removed.

Question 5

AR dual zones have elevation-rated rate tables. Will these tables be eliminated now that they are eligible for the PRP and Newly Mapped?

Answer

No, there may be times when a property in an AR dual zone is not eligible for a PRP or Newly Mapped. In those cases it may be beneficial to use the elevation-rated rate tables.

Lapse/Reinstatement

Question 6

If a pre-FIRM RCBAP policy lapses due to condominium association purchasing non-NFIP coverage, will it be eligible for the pre-FIRM subsidy if the association decides to return to the NFIP?

Answer

Yes, as long as the RCBAP was not required under mandatory purchase.

Question 7

If a pre-FIRM policy lapses because the policyholder purchased a non-NFIP policy in the private market, and the policyholder did not have a loan when it lapsed, will they be eligible for the pre-FIRM subsidy if they decide to return to the NFIP?

Answer

Yes.

Question 8

If a policyholder assumes an existing policy that is effective after April 1, 2016, and that has had a reinstatement after April 1, 2016, does the reinstatement count towards the new policyholder?

Answer

No, the insurer can endorse the policy and remove the reinstatement date. Another option is for the policyholder to purchase a new policy.

Question 9

For a new policy effective on or after April 1, 2016, if the policyholder had an NFIP policy that lapsed for more than 90 days on the property prior to April 1, 2016, and was under the mandatory purchase requirement when it lapsed, would the policy be eligible for pre-FIRM subsidy?

Answer

No, refer to Table 10 in the Rating Section of the FIM.

Question 10

For a new policy effective on or after April 1, 2016, if the policyholder had an NFIP policy that lapsed for more than 90 days on the property prior to April 1, 2016, would the policy be eligible for continuous coverage grandfathering based on a prior map?

Answer

No, since there was a lapse in coverage, the new policy is not eligible for continuous coverage grandfathering based on a prior map. The policy may be eligible for built-in-compliance grandfathering.

Question 11

For a policy that had an expiration date prior to April 1, 2016, and was reinstated with a policy effective date after April 1, 2016, should that reinstatement be considered in determining if the policy is eligible for Pre-FIRM subsidized rates?

Answer

No, for policies with an expiration date prior to April 1, 2016, reinstatements that occur on or after April 1, 2016, are not considered when determining if a policy is eligible for Pre-FIRM subsidized rates.

Question 12

For a policy that has been reinstated (renewal payment received 30 to 89 days after policy expiration date) with a renewal policy effective date on or after April 1, 2016, is the reinstatement used to establish eligibility for pre-FIRM subsidized rates, “continuous coverage” grandfathering, or a policy rated under the Newly Mapped procedure?

Answer

Yes, since the reinstatement date is on or after April 1, 2016, the reinstatement is considered when determining eligibility for the pre-FIRM subsidized rates, “continuous coverage” grandfathering, or a policy rated under the Newly Mapped procedure. The reinstatement date should be reported in TRRP.

If a reinstatement occurred prior to April 1, 2016, with a renewal policy effective date prior to April 1, 2016, it is not considered in determining eligibility for the pre-FIRM subsidized rates, “continuous coverage” grandfathering, or a policy rated under the Newly Mapped procedure.

Example:

Policy Rating: Pre- FIRM subsidized (Zone AE)

Expiring Policy Term: August 1, 2015 – August 1, 2016

Renewal Payment Received: September 15, 2016

Reinstatement Date: October 15, 2016

Renewal Policy Term: October 15, 2016 – October 15, 2017

Renewal Policy Rating: Pre-FIRM subsidized (Zone AE)

Questions and Answers for April/October 2016 Program Changes

If policy is reinstated again in the future (after the 2016-2017 term), it cannot be rated with Pre-FIRM subsidized rates, it must be rated with full-risk rates.

Section 28 – Clear Communication

Question 13

If the insurer is unable to determine the current map information and flood zone upon renewal, can the policy be renewed with tentative or provisional rates?

Answer

The policy can be renewed using the tentative rate procedure. The provisional rate procedure cannot be used for renewals. For additional guidance, refer to section IV RENEWAL BY MEANS OF APPLICATION OR RECERTIFICATION QUESTIONNAIRE in the Renewal section of the Flood Insurance Manual for renewal procedures.

Question 14

Since new data elements to record the Section 28 transactions will not be available until October 2016, how should insurers track Section 28 transactions?

Answer

An existing data element “HFIAA Indicator” can be used to track Section 28 transactions. Insurers should keep track of those transactions and update new data elements when they are available in October 2016.

Question 15

Can Section 28 Reunderwriting Requirement for post-FIRM policies be processed prior to October 2017?

Answer

Yes; however, these policyholders will not receive Section 28 letters from FEMA until 2017.

Question 16

Do insurers need to have a request from the agent or policyholder to process a Section 28 endorsement?

Answer

No, the request can be initiated by the insurer.

Question 17

Since insurers were provided short notice on the new business procedure to provide the lowest premium rate available, will insurers be provided any relief in operational reviews to this requirement?

Answer

Generally, insurers already had processes in place to provide the lowest premium rate available on April 1, 2016. If any issues are identified during the operational review process, they will be handled on a case-by-case basis.

Question 18

Can policies that are effective on or after October 1, 2016, that are not reunderwritten as a part of Section 28, report a blank or "N" in the new "Reunderwriting Status" data element (TRRP 4-179C)?

Answer

Yes, the values of "C", "A", or "R" are to be reported only for a policy that was reunderwritten as a result of HFIAA Section 28.

Documentation

Question 19

For a rollover or policy transfer, to validate continuous coverage is documentation required for more than the prior year?

Answer

For a rollover or transfer the expiring declaration page is required. After October 1, 2016, policy declaration pages will have the WYO Reported Original New Business Effective Date and the Reinstatement Date to validate continuous coverage. For rollovers or transfers, insurers can report the prior-term policy effective date for the WYO Reported Original New Business Effective Date.

Question 20

Does the Verification of No Requirement to Maintain Flood Insurance Coverage with the NFIP form eliminate the requirement for other supporting documentation needed to process a transaction?

Answer

The verification only satisfies the requirement of documentation that the policy is not required under mandatory purchase. Additional documentation such as a LOMA or Zone Determination would still be required.

Question 21

If an existing policy cannot be assigned to a new property owner due to the new owner cannot be insured by the insurer, can the rating procedure of the existing policy be applied towards a new policy?

Answer

Yes, proper documentation and explanation must be in the underwriting file.

Question 22

Will the NFIP Bureau provide any explanation when issuing prior-term refunds?

Answer

Yes; however, the information may not provide specific details as to the reason for the refund. Insurers are encouraged to send their own communication with more detailed information when they initiate a request for a prior-term refund.

Question 23

For policies rated in Zone AR or A99 will FEMA provide a sample notification?

Answer

No; however, FEMA encourages insurers to utilize existing procedures to transition these policies to the PRP if eligible.

Question 24

Is the new message that is required on the renewal notice required to be on all copies of the renewal notice that are sent?

Answer

Yes.

Prior-Term Refunds

Question 25

If an insurer is not the insurer for all of the policy terms that require a prior-term refund, are they required to submit a prior-term refund for those terms?

Answer

No, the insurer of the policy term requiring the refund should submit the prior-term refund request. If the insurer is no longer participating in the NFIP, the current insurer can submit the request directly to the NFIP Bureau/iService.

Question 26

Are insurers expected to review cancellation requests that processed since November 2015 to determine if they are eligible for cancellation due to reason code 9 or 24?

Answer

No; however, if insurers have information available to them that identifies policyholders who are impacted, FEMA encourages insurers to review that information and identify any policyholders that may benefit.

Question 27

For policies that were standard-rated in a prior policy term and misrated, can the policy be corrected to a PRP or Newly Mapped for that prior term?

Answer

Yes, if the policy was eligible for the PRP or Newly Mapped in the policy term that was misrated.

Question 28

In WYO Bulletin 16022 on page 3 of Attachment B, it states that cancel/rewrites due to misrating are eligible for up to 5 years of prior-term refunds. On the chart in the same bulletin on page 4, it states current and prior term only. Which is correct?

Answer

Cancel/rewrites due to misrating are eligible for up to 5 years of prior-term refunds.