

# Quick Tips to Help Older Homeowners Access Insurance Benefits after a Disaster

PRACTICE TIP • October 2018

Odette Williamson, National Consumer Law Center

Older adults living in communities impacted by natural disasters will need financial assistance and other resources to quickly rebuild and repair their homes. After the older adult has secured personal safety and assessed the condition of the home, the process of recovery usually begins with filing a claim with an insurance company. The filing of insurance claims for losses, including homeowner, flood, health and auto, is necessary to receive other federal benefits.

Here are some quick tips for advocates advising older homeowners filing insurance claims. Ideally, preparation should begin before a natural disaster. For example, it is recommended that homeowners take an inventory of the items in their home by recording videos or taking pictures of each room. This record will allow for a better assessment of disaster related damages.

After a disaster, homeowners should contact the insurance company and mortgage lender quickly. Homeowners should:

- Obtain a copy of their homeowner's insurance policy and a copy of the flood insurance policy (if the home sustained flood damage). Their insurance agent can provide a copy of the homeowner insurance policy, if needed.
- Review the insurance policy to get a sense of what is covered and what obligations they may have after a loss. For example, many insurance policies have deadlines for filing claims and require the homeowner to make temporary repairs to protect against further damage or vandalism. Proof of loss for flood insurance must be submitted within 60 days unless the deadline is extended.
- Fully document any temporary repairs they make. Keep receipts and take pictures of the damage before making repairs.
- Contact the insurance company immediately to give notice that they have or may have a claim. If the homeowner notifies the insurer by phone, the homeowner should follow up with written confirmation with proof of delivery (e.g., return receipt requested or sent with a tracking number via postal service or another carrier).
- Ask the insurer for immediate financial assistance for additional living expenses. Such assistance is generally provided under homeowners' policies.
- Make a room-by-room list of damaged possessions, note damages to the structure (e.g., walls, foundation) of the home, and take pictures or video of the damage.
- Complete any claim forms and proof of loss forms the insurer requires.
- Give the insurer temporary contact information, if applicable.
- Keep a written record of the date and substance of all communications with the insurer.
- If there is a dispute with the insurer about the amount of the claim settlement, contact an independent contractor to give an estimate of repair costs. Homeowners do not have to take the first insurance settlement offer, especially if they believe that the offer does not reflect all of the covered damage. If the dispute continues, the homeowner can file a formal written complaint with their state's insurance department and consult an attorney.

In addition to filing a claim with the insurance company, the homeowner should report damage to the mortgage lender or loan servicer. After a covered loss occurs, the insurance company may issue a claim check identifying the homeowner and servicer as payee. The servicer will hold the insurance proceeds, release portions of the funds as work is completed, monitor the progress of the repairs, and disburse final funds to the contractor after inspection of completed repairs.

The homeowner should keep a written record of the date and substance of all communication with the mortgage servicer. If the homeowner falls behind on mortgage payments due to financial hardship caused by the disaster, the servicer can work with the homeowner on a plan to resolve the default. Relief options, such as a forbearance of mortgage payments or modification of the loan terms, may be available. Options are also available for older homeowners at risk of foreclosure on reverse mortgages because they are unable to fulfill the loan's core requirements to pay property charges and to repair, maintain, and occupy the home.

## Additional Resources

- [Federal Emergency Management Agency \(FEMA\) individual disaster assistance](#)
- [U.S. Department of Housing and Urban Development \(HUD\) for all FHA-insured loans:](#)
  - » [HUD-approved housing counseling agencies](#)
- State Insurance Commissioners:
  - » [National Association of Insurance Commissioners membership list](#)
- Legal Assistance:
  - » [Legal services/Legal aid](#)
  - » [American Bar Association volunteer lawyers](#)
  - » [National Association of Consumer Advocates](#)
- Free publications related to disasters
  - » National Consumer Law Center: [Obtaining Mortgage Relief for Survivors of Disasters: A Guide for Advocates](#)
  - » National Center on Law and Elder Rights: [Helping Older Homeowners Recover From Natural Disasters](#)
- Books:
  - » National Consumer Law Center, *Guide to Surviving Debt*
  - » National Consumer Law Center, *Foreclosure and Mortgage Servicing*
  - » National Consumer Law Center, *Mortgage Lending*

**More advice and materials about other consumer issues related to survivors of natural disasters can be found on the [NCLC website](#).**

**Please contact [ConsultNCLER@acl.hhs.gov](mailto:ConsultNCLER@acl.hhs.gov) for free case consultation assistance. Sign up for our email list and access more resources at [NCLER.acl.gov](http://NCLER.acl.gov).**

*This Practice Tip was supported by a contract with the National Center on Law and Elder Rights, contract number HHSP233201650076A, from the U.S. Administration on Community Living, Department of Health and Human Services, Washington, D.C. 20201.*