

WIND AND HAIL UPDATE

South Carolina Wind And Hail
Underwriting Association
P. O. Box 407
Columbia, SC 29202

July 12, 2013
13-01

2013-2014 SINGLE ADJUSTER PROGRAM

***** SUSPENDED *****

In Bulletin 12-01, dated August 20, 2012, the Association reported that the Single Adjuster Program (SAP) had been suspended by the Federal Insurance and Mitigation Administration. A copy of the bulletin is available at www.scwind.com.

The National Flood Insurance Program has just announced that the Single Adjuster Program suspension will continue until December 31, 2014.

While SC Wind sees value in SAP, the National Flood Insurance Program will not be offering any assistance or support for SAP during the 2013 and 2014 Hurricane Seasons. Without the support and encouragement of The National Flood Program and the Write Your Own Flood Carriers, it is not possible to operate SAP in the event of a major storm event.

Producers should report their SC Wind Claims directly to the Association – preferably via the internet. Flood claims should be reported directly to their flood carrier.

Will SC Wind still require the reporting of flood carrier information on the eApp?

Yes. It is hoped that the SAP issues can be resolved and that the program will be available at some future date.

To qualify for Replacement Coverage, does the primary resident still have to maintain flood insurance?

Yes. This is still an underwriting requirement.




FEMA

W-13040

July 9, 2013

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

FROM: David L. Miller 
Associate Administrator
Federal Insurance and Mitigation Administration

SUBJECT: **Granting an extension of the Limited Waiver for Insurance Companies Participating in the Write Your Own Program of the Single Adjuster Program found in 44 C.F.R. Pt. 62, App A, Article II, Section C., Paragraphs 1-3 – Federal Emergency Management Agency, Federal Insurance Administration – Financial Assistance/Subsidy Arrangement and Revised Wording.**

This memorandum reiterates earlier FEMA guidance to WYO Principal Coordinators and the NFIP DSA, Granting a Limited Waiver for Insurance Companies Participating in the Write Your Own Program of the Single Adjuster program. In WYO Bulletin W-12050, I granted a limited waiver pursuant to 44 C.F.R. Pt.62.23(k), of the Single Adjuster Program (SAP) requirement in Article II(C) of the Financial Assistance/Subsidy Arrangement. This waiver was granted to allow FEMA to further evaluate the SAP program and its effectiveness. During this limited waiver period, FEMA no longer requires or authorizes one adjuster to concurrently adjust both wind and NFIP flood losses. The original waiver was in effect for one year beginning August 13, 2012.

The purpose of this bulletin is to extend this limited waiver for an additional time period beginning on August 14, 2013 ending on December 31, 2014 (Limited Waiver Period). This limited waiver of the Arrangement's SAP requirements applies to all WYO Companies and the NFIP Direct Servicing Agent (Insurers).

During this Limited Waiver Period, FEMA will not provide NFIP policy identification and matching information to any Windpool, Wind and Hail Underwriting Association, Fair Plan, Insurer of Last Resort, or other such organization or insurer (association) and FEMA will not operate the Claims Coordinating Office. Additionally, should an insurer voluntarily choose to use a single adjuster to concurrently adjust both the insurer's or an association's wind claim and

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the insurer's NFIP flood claim during the Limited Waiver Period, FEMA will use its normal and customary practices in evaluating the payment of the flood claim, fees, and expenses associated with that adjustment. However, FEMA will not be responsible for and will not pay for any liabilities arising directly or indirectly from the use of the single adjuster, as described above, including, but not limited to – adjustment fees or expenses, expert fees or expenses, litigation expenses, judgments, awards, or settlements.

However, this limited waiver does not affect any arrangement or agreement the WYO Company may have as a member company or otherwise of any association to separately adjust association wind claims.

Authority: 44 C.F.R. Pt. 62.23(k)

Any questions should be directed to James A. Sadler, CPCU, AIC, Director of Claims, National Flood Insurance Program, Federal Insurance and Mitigation Administration at james.sadler2@fema.dhs.gov.

As always, thank you for your cooperation.

cc: Vendors, IBHS, FIPNC, Government Technical Representative

Required Routing: All Departments