

Aon Edge

Private Flood Insurance News • Fall 2020

The One-two Flood Insurance Punch Agents Have Been Looking for Is Here!

Excess Flood insurance is now available for direct quoting on the Aon Edge processing platform. Simply login to begin a new quote or pair an Excess Flood quote with an EZ Flood® quote when bridging over from a WYO carrier's flood processing platform.

The Excess Flood solution through Aon Edge offers up to \$5 million in coverage beyond the \$250,000 federal limits for residential buildings in the NFIP. It is also available to sit atop EZ Flood policies. Closing the coverage gap for your customers has never been easier!

Want to learn more? [Click here](#) to watch a 10 minute, "What is Excess Flood?" video.

Aon Edge Flood Event Response

Storm track and intensity forecasting continues to improve and provides our Aon Edge leadership team with the ability to prepare for potential claims. When we see an impending event, such as a lake overflowing in New York, rapid snowmelt in the Midwest, or a hurricane in the Gulf, our Aon Edge Catastrophe (CAT) Team acts. Our CAT Team is comprised of team members from every aspect of our business, which allows us to respond in a coordinated way.

With the help of the Aon Impact Forecasting modeling team, we can identify how many properties are at risk for flooding as an event unfolds. This gives us the ability to proactively reach out to agents with affected policies and provide them with our claims process and points of contact. This proactive approach empowers our agents to be ready when clients call with a loss.

Severe Repetitive Loss Properties (SRL) and EZ Flood®

If you've been in the flood insurance business for a while chances are you have gotten a call from an insured wanting to know why they are in the NFIP's Severe Repetitive Loss program and how to get out of it. Here are the basics of the SRL program:

- The definition of Severe Repetitive Loss as applied to this program was established in section 1361A of the National Flood Insurance Act, as amended (NFIA), 42 U.S.C. 4102a. A SRL property is defined as a residential property that is covered under an NFIP flood insurance policy and:
 - (a) Has at least four NFIP claim payments (including building and contents) over \$5,000 each, and the cumulative amount of such claims payments exceeds \$20,000.
 - (b) For which at least two separate claims payments (building payments only) have been made with the cumulative amount of the building portion of such claims exceeding the market value of the building.

For both (a) and (b) above, at least two of the referenced claims must have occurred within any ten-year period and must be greater than ten days apart.

SRL Program Purpose: To reduce or eliminate claims under the NFIP through project activities that will result in the greatest savings to the National Flood Insurance Fund (NFIF).

- Cost Share: 75% Federal Funds / 25% State or Local Share.
- 90% Federal Funds / 10% State or Local Funds with Repetitive Loss Strategy.

Does Aon Edge/EZ Flood insure SRL properties?

- No, Aon Edge does not have a program for Severe Repetitive Loss properties.

For additional information you can reference [FEMA's Guidance for Severe Repetitive Loss properties](#).

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Why Flood Insurance Is Important in Wildfire States

The risks of living in paradise are on full display in California and other Western States this year. Waking up in Sonoma, Napa Valley and amongst the ancient redwoods of California, for many, are lifelong dreams. There are few places that match the awe-inspiring beauty of the Rocky Mountains. But Mother Nature can be volatile and 2020 has already been one of the most active fire seasons in history. Over 1.3 million acres have burned in California alone, with what is usually the most active part of the season still ahead.

While Westerners are resilient, the risk of flooding when rain season starts in October will dramatically increase in and around burn scarred communities. It was less than three years ago that the Thomas fires in Montecito, California, caused deadly floods and damaged over 400 homes, altering the flood plain for years.

What can agents do to help? Your customers may not be aware that wildfires increase the risk of flood as the vegetation recovers. Take the time to educate your clients and be their flood subject matter expert. Over 25% of all floods occur in low to moderate flood zones and flooding accounts for 65% of all property losses.

Vacant Property Program Is Available to Aon Edge Agents

Aon Edge agents now have access to a Vacant Property Program for insuring vacant residential dwellings, vacant commercial buildings and land. This program offers property coverage, including fire, theft and wind/hail for select risks and liability coverage. With direct access to an online quoting platform, Insurmark makes it easy to offer vacant property and liability coverage to your clients. Here are just a few advantages of the program.

- You can obtain an indication for eligible risks in under one minute.
- Get a quote for up to six vacant locations in a single state, under one policy.
- Deductible options start as low as \$1,000 and eligible risks may qualify for special perils with replacement cost settlements.
- For coverage limits, Insurmark can offer up to \$3 million in property building limits (Coverage A) for eligible vacant

residential risks. Other structures (Coverage B) and personal property (Coverage C) each offer limits up to 20% of Coverage A.

- Property coverage may be quoted on a mono-line basis or you can quote a full package, including liability with commercial general liability policy limits as low as \$100,000/\$200,000 and up to \$1 million/\$2 million.
- As an Aon Edge Agent, no separate contracting is required to access this program.

Note: The Vacant Property program is available in all states, except Florida and New York.

For more information or to obtain credentials contact Casey Castagna at casey.j.castagna@insurmark.com.

Good News, NY. No More NELP Forms!

Aon Edge is no longer requiring the customer signed copy of the Notice of Excess Line Placement/Total Cost form for new business or renewals on any of our products. We will continue to print the NELP form automatically with each application as a convenience, as it is still necessary for agents to keep it on file per the NY Department of Insurance. Please note that the Part C Affidavit is still required for each policy. This change is effective immediately and in the coming weeks, you will see updated language on our renewal offer which asks the insured to mail the NELP form to the agent on file along with the address.

This change came from feedback Aon Edge received from multiple agents across the state. We truly do accept your feedback as a gift and look forward to partnering with our agents to become more efficient and effective, so please keep your suggestions coming!

Client Services Spotlight

Jessica McCallum has been a client service representative with Aon Edge since October 2018. She is dedicated to our customers and has been especially helpful throughout the current pandemic. Jessica understands agent issues and does everything she can to get to positive outcomes, no matter the circumstances. Recently, Jessica spearheaded our Recognition Committee which gives credit to staff members when they go above the call of duty. Jessica's dedication to people and the pride she takes in the work shines through here at Aon Edge.

