



NEWS RELEASE

JOHN OXENDINE
COMMISSIONER OF INSURANCE
SAFETY FIRE COMMISSIONER
INDUSTRIAL LOAN COMMISSIONER
COMPTROLLER GENERAL

Seventh Floor, West Tower
2 Martin Luther King Jr. Dr.
Atlanta, Georgia 30334
www.gainsurance.org

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Contact: Glenn Allen or Wayne Whitaker
404-651-7902
inscomm@oci.ga.gov

OXENDINE DIRECTS INSURERS NOT TO PENALIZE FLOOD VICTIMS FOR FILING CLAIMS

Atlanta – Insurance Commissioner John W. Oxendine has issued a directive to homeowners insurance companies ordering them not to penalize policyholders who've had flood damage.

“A consumer should not be penalized for reporting damage,” Oxendine said. “I don't want insurers non-renewing policyholders whose homes were damaged by flooding, especially when claims reporting is mandated by FEMA for a consumer to be eligible for benefits.”

Under Georgia law, insurance companies are prohibited from non-renewing homeowners coverage for two or fewer claims within 36 months, provided such claims are not attributable to negligent or intentional acts of the insured. Oxendine said some consumers feared that their insurers might non-renew their policies believing a flooded home is a poor risk.

Consumers who feel their policy has been unfairly non-renewed should immediately send written notice to their insurer contesting the decision. The notice must be received before the effective date of non-renewal. After receipt of the letter, the company must explain in writing why coverage has been denied. For further assistance, Oxendine suggested calling his Consumer Services Division at 404-656-2070, or use the toll-free number, 1-800-656-2298, if outside the Metro Atlanta calling area.

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