New Flood Designation

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The new Associate in National Flood Insurance designation helps claims professionals meet flood certification requirements.

Floods are the most common natural disaster in the U.S. Record flooding in some parts of the U.S. over the past year has highlighted the need for flood insurance nationwide. Notably, nearly one quarter of the insurance claims paid through the National Flood Insurance Program (NFIP) are in low- to moderate-risk areas. Claims adjusters need technical and practical knowledge and skills to confidently and accurately handle all aspects of flood insurance coverage.

In response to the increasing need for flood insurance, The Institutes has teamed up with the Federal Emergency Management Agency (FEMA) to create the new Associate in National Flood Insurance (ANFI™) designation. The ANFI designation will enhance the education of claims adjusters who are required to take a separate flood certification in order to handle flood claims.

The ANFI designation is based on the *National Flood Insurance Program Flood Insurance Manual* and the *Mandatory Purchase of Flood Insurance Guidelines* booklet. Claims adjusters can earn the ANFI designation by passing the following exams:

- ANFI 205—National Flood Insurance: Fundamentals
- ANFI 206—National Flood Insurance: Advanced Studies
- Ethics 311—Ethical Guidelines for Insurance Professionals

Rita Hollada, CPCU, vice president of The Insurance Professionals Inc., has nearly 50 years of experience in the insurance industry. "Earning the ANFI designation enhances the credibility of claims adjusters who handle flood claims," she said. "This knowledge-based program requires participants to actually read the flood insurance manual and decipher the language. To go through that type of exercise enhances an insurance professional's credibility and understanding and increases his or her self-assurance in handling flood claims."

ANFI will help NFIP-certified claims adjusters better understand program policies and address customers' concerns. For example, certain definitions are unique to NFIP, which, for instance, defines a "basement" as any part of a building where all sides of the floor are located below ground level. Not understanding the definitions specific to flood insurance can result in inaccurate rating, misclassification of a policy, or misrepresentation of coverage. An average person seeking flood insurance will not know NFIP's subtleties; therefore, the claims professional must provide accurate information to the insured.

It is important for all claims adjusters to understand the NFIP regulations, even if they are not certified to handle flood claims. Flood insurance is unique; therefore, one cannot make the same assumptions that can be made with other forms of insurance.

ANFI is also beneficial for claims professionals who work with an NFIP adjuster. The program will provide a better understanding of NFIP coverage policies. Because NFIP is part of FEMA, insurance professionals involved in writing, selling or providing flood coverage must comply with Homeland Security and FEMA requirements. NFIP has created guidelines and tools to assist insurers and agents in providing broader access to flood insurance to the public. Recent

guidelines require producers of flood coverage to receive certified flood insurance training in order to maintain licensing. The ANFI designation helps insurance professionals meet that requirement.

"The Associate in National Flood Insurance designation not only demonstrates a significant investment in insurance professional development, it also clearly communicates a personal commitment to providing exceptional service to the nation's communities and individuals who entrust us with their flood insurance needs," said Edward Connor, acting federal insurance and mitigation administrator of FEMA.

For more information on the Associate in National Flood Insurance designation, visit The Institutes' Web site at www.TheInstitutes.org/ANFI.

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