Outfitter Support & Guidance Following Hurricane Helene

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Hurricane Helene has certainly left its mark on eastern TN and western NC. People have lost their lives, their homes, and their entire livelihoods. Affected areas are still very much trying to get solid ground under their feet, still needing essential items like shelter, food, potable water, and fuel. As trees get cleared, power gets restored, roads and bridges get repaired, and the rivers return to their banks, many are left with questions. If you are a commercial river outfitter or other seasonal business, we will try to address some of the questions you may have that can be unique to your situation.

What can I expect from my current insurance policies?

- Flood policy - Flood is its own separate coverage that must be added to your insurance program, and it is not coverage that is included in your typical property policy covering your building and business personal property. Many businesses in the mountains don't have flood coverage in place currently, which is unfortunate but understandable especially when your business is elevated on a mountainside. Hurricane Helene was a (hopefully) once-in-a-lifetime type of event, crushing historic records with flooding. No one could have anticipated this level of flooding.
- Property policy - If you had damage to your building outside of flooding (for example, a tree falling on it) then your property policy should be the one responding to the claim to cover damage to your building and/or business personal property within the building.
    - Some outfitters may also have business income & extra expenses as a part of their property policy. If so, you may be able to have this additional coverage kick in to cover things like lost revenue opportunity, provide funds to keep key employees employed, and provide funds for storage unit rental (if applicable) to house your business personal property while building repair is being done. Unfortunately, business income & extra expense coverage is not usually a part of a flood policy, so if you had flooding only and no other damage for your regular property policy to respond to, you will likely not have this available. Also, if you had no property damage but you are simply unable to operate due to inaccessibility of roads or loss of power, unfortunately this coverage will likely be

unavailable to you because it generally requires property damage to your property in order to be triggered.

- Earth Movement policy - Similar to flood coverage, earth movement / earthquakes / landslides are also not covered by a typical insurance policy. If you suffered a landslide, unfortunately this is another type of coverage that you would have had to add into your program separately.
- Inland Marine policy – This is a policy you may have in place for equipment that doesn't stay in one location, but moves around – think things like boats, paddles, PFDs, helmets, etc. A regular property policy only covers items when they are at their "home" address/location, but an inland marine policy can cover these items when they are anywhere. If you have an inland marine policy, it is possible you can find coverage for your covered mobile equipment that was lost in flooding. Some inland marine policies include water damage, and some exclude water damage from coverage, so this will have to be a conversation with your agent and claims adjuster.
- Auto policy – Did you lose your vehicles? If you had older vehicles in your fleet, you may have only had liability coverage for the vehicles, meaning you will not be able to recoup funds from insurance for these losses. However, if you had comprehensive/collision coverage for your vehicles, you should receive compensation for them whether lost in a flood or damaged by a tree fall etc.
- Timeline – My next question would be – how long until I can expect my insurance companies to pay our claims? Carriers are being inundated with many claims right now, and it will be a lengthy process. It will vary extremely by carrier. It is in your best interest to get claims started as soon as possible to be at the top of their work load. A claims adjuster should be assigned and in contact with you within a couple of days. Then, once decisions have been made regarding coverages, I would generally set an expectation of 1-3 months for claims to be paid out to you.

How should I plan for the future of my insurance program?

There are two different realities we are seeing from outfitters with property damage right now:

- Things are damaged, but we should be able to recover and open back up in 1-6 months (or by the start of my next regular season)
    - For this reality, assess your annual projections of revenue and payroll. Does the damage and time down affect your revenue and/or payroll projections? If so, get those revised with your insurance agent to help with cash flow. It may help reduce your monthly insurance payments in the meantime.
- Who knows if, or when, I'll be able to open back up. Everything is wiped out, I'm not sure that I have any business property left at all. My river is full of hazardous material.
    - When you consider how much foreign and hazardous material has entered our river systems since the hurricane, it can be daunting to think of how long it may be before you are able to take inflatables down the river again. For whatever reason, if your situation is looking more dire and long term, you may be considering canceling your insurance policies after claims are taken care of. This can be a way to potentially get some premiums

returned and back in your pocket to take care of shorter term financial needs. Some considerations if this is a road you want to take:

- Be aware of any "minimum earned premium" clauses on your policies. This will affect if you receive return premiums at all, and how much return premium you may receive.
- It could make sense to have a more basic (and much cheaper) general liability policy in effect if you are still doing anything under the business name meanwhile. This would be a general liability policy not covering you for river operations/outfitter operations, but covering you for any functions your business may be performing during the cleanup and rebuilding process. The last thing you would want is to cancel your policies, cause someone else injury during cleanup, and then have an uncovered lawsuit/claim come against you.

If I suffered property damage or loss, what should I be doing right now?

- File claims ASAP – As soon as possible, take a general inventory of your losses, and get a claim started with your carrier(s). If you're not sure if coverage will apply, file a claim anyways. There may be surprise bits of coverage that the assigned adjuster finds applicable. It's their job to dig in and determine coverage, and " you miss all of the shots you don't take".
- Reduce damage - If there is action you can be taking now to reduce the amount of damage to your business' property, go ahead and take those actions. If you have applicable flood or property coverage, it will reimburse you for those efforts.
- Take pictures - document, document, document. Due to the widespread damage, claims adjuster visits may be delayed, which makes keeping documents, records, and pictures even more important to reference later on.

What kind of aid is available outside of my insurance program?

- Personally – In order to qualify for FEMA aid, you will be required to produce a declination of coverage from your property insurance. So, on the personal insurance side (home insurance), even if you don't have flood coverage please file a claim with your property insurer to get that coverage declination in hand.
  - *FEMA Assistance: There are multiple ways to apply, you can go online and apply by clicking here, downloading the FEMA App or call 800-621-3362 from 7 a.m. to 11 p.m. daily.*
  - *To view an accessible video on how to apply, visit Three Ways to Apply for FEMA Disaster Assistance - YouTube.*
  - *You will need the following information below when you apply:*
    - *A current phone number where you can be contacted.*
    - *Your address at the time of the disaster and the address where you are now staying.*
    - *Your Social Security number.*
    - *A general list of damage and losses.*
    - *Banking information if you choose direct deposit.*

        - *If insured, the policy number or the agent and/or the company name*
        - *If you have homeowners, renters or flood insurance, you should file a claim as soon as possible. FEMA cannot duplicate benefits for losses covered by insurance. If your policy does not cover all your disaster expenses, you may be eligible for federal assistance.*
        - *Renters and homeowners in 25 counties in North Carolina and the Eastern Band of Cherokee Indians who had uninsured damage or losses from Helene may be eligible for FEMA disaster assistance.*
        - *FEMA may be able to help with serious needs, displacement, temporary lodging, basic home repair costs, personal property loss or other disaster-caused needs.*
- Commercially –
    - Employees who no longer have employment – We understand that many of you have team members and guides who rely on you for income. With no business operations, you sadly can't sustain and support those employees any longer. If this is the case for you, please direct former employees to the FEMA link referenced above for help with personal housing and also tell them to file for unemployment as soon as possible to begin receiving support. Alternatively, if you are working with contractors to rebuild in the meantime, consider asking those contractors if they need help – can the contractor keep them employed until you are back up and running? Many contractors will be short-staffed with all the work ahead and may welcome the help.
    - SBA - There is the possibility of disaster-relief SBA loans and SBA grants being available in the future. You can find more information regarding SBA loans at this link. SBA grants would be directed at the regional level, and coverage declinations from your insurance carriers may be required in this process as well, so we recommend going ahead and filing any and all possible claims with your insurers.

Ask Questions

There is no more important time for your insurance representative to support you than right now, in the middle of a disaster. Ask questions, ask for guidance, and we will support you any way we can. This is exactly what we are here for. Our hearts go out to you - we are sending so much love to all those affected.

About the Author

Ruthie Rivers is an Adventure and Entertainment Risk Consultant on the Granite Insurance team, based in western North Carolina. She has a niche focus in the river outfitter industry but works with all adventure and entertainment operators that fit Granite Insurance's programs. In her previous life, Ruthie herself was an operator in the outdoor adventure world, which gives her understanding and insight into running an operation and into employing risk mitigation strategies. Her passion is to educate and support her client partners, as is the mission of the entire Granite Insurance team. Granite Insurance serves hundreds of Adventure and Entertainment clients across the nation and offers all insurance lines pertinent to the adventure industries served, including General Liability, Property, Inland Marine, Commercial Auto, Participant Accident, and Worker’s Compensation among others.

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