

Overland Flood Insurance in Saskatchewan

Insurance providers in Saskatchewan have recently started to offer policies that protect homeowners from overland flooding. The Government of Saskatchewan advises all property owners to obtain adequate coverage for their property.

Q Will flood insurance provide better coverage than PDAP?

A PDAP provides assistance for uninsurable losses of essential goods to help people get back to pre-disaster condition, with specific limits on the amount of maximum assistance that can be provided. In general, overland flood insurance will allow people to choose the amount of coverage and the deductible level that best meets their needs. Homeowners are encouraged to speak to their insurance broker or insurance company.

Q Will PDAP still provide assistance if I don't get flood insurance?

A Eligible claims under PDAP depend on the availability and affordability of insurance in the Saskatchewan marketplace. At this point, overland flood insurance has not been deemed reasonably available in Saskatchewan.

Until it is determined to be reasonably available, applicants who have not purchased overland flood insurance will remain eligible for financial assistance under current PDAP regulations (even if a product was offered and declined). Applicants who have made the decision to purchase private flood insurance may not be considered eligible for financial assistance under PDAP for this type of loss, as per current regulations.

Once it is determined that flood insurance is reasonably available, some claims may no longer be eligible for PDAP assistance. Reasonable availability will be determined by PDAP. Homeowners are encouraged to speak to their insurance broker or insurance company.

Q What will PDAP pay for flood damage?

A PDAP's guidelines have always been consistent in that the program is not intended to compete with private insurers nor does it provide full compensation. PDAP provides assistance for uninsurable losses of essential goods to help people get back to pre-disaster condition, with specific limits on the amount of maximum assistance that can be provided.

Q **If my property is located in a lower/higher-risk area, do I need to obtain insurance?**

A All homeowners should review their options for flood insurance with their insurance broker or insurance company to ensure they are getting adequate coverage for their properties, if it is available and at a reasonable cost. Reasonable cost varies by location of the property and level of risk.

Q **Will PDAP cover my flood insurance deductible?**

A No, PDAP does not cover insurance deductibles.

Q **Will PDAP top up my flood insurance amount?**

A No, PDAP cannot top up on any insurance coverage. However, until flood insurance is considered to be reasonably available in Saskatchewan, PDAP assistance will be considered in situations where eligible claimants can demonstrate that they are worse off as a result of purchasing flood insurance than if they had made a claim through PDAP. This could occur where an insurance company caps the total loss payable for a homeowner, perhaps because their home is in an area at a higher risk of flooding. By ensuring that homeowners are no worse off, this will avoid the perception that early adopters that chose to purchase insurance are being penalized for their choice.

Q **What if I can't get flood insurance?**

A Homeowners are strongly encouraged to check with their insurance broker and/or all insurance providers. As overland flooding insurance is new to Saskatchewan, not all insurance companies have announced implementation at this time.

If you need help getting in touch with your insurer, contact the IBC Consumer Information Centre at 1-844-2ASK-IBC (1-844-227-5422). Or you can utilize the resources and links provided below.

Resources and Links

Insurance Bureau of Canada

<http://www.abc.ca/mb/home/>

Insurance Councils of Saskatchewan

<https://www.skouncil.sk.ca/>

Canadian Consumer Information

<http://www.consumerinformation.ca/eic/site/032.nsf/eng/01288.html>

Financial Consumer Agency of Canada (FCAC)

<https://www.canada.ca/en/financial-consumer-agency/services/insurance/home.html>