

FREQUENTLY ASKED QUESTIONS:

Food Spoilage Coverage

on Your Homeowners Insurance Policy

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Are You Disaster Ready?

“Will my insurance company reimburse me for my spoiled food?”

One of the unexpected results of a disaster or power outage is that your frozen and refrigerated food may spoil. Inside are answers to frequently asked questions regarding food spoilage coverage.

FLORIDA'S INSURANCE CONSUMER
ADVOCATE
FLORIDA DEPARTMENT OF FINANCIAL SERVICES

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What is food spoilage coverage?

If included or added to your policy, food spoilage coverage provides coverage for frozen and refrigerated foods that spoil during a power outage. More often than not, for coverage to apply, the power outage must have been caused by a risk that is covered under your homeowners insurance policy or the cause of the power outage occurred on your property due to a covered risk.



How much coverage is typically provided for food spoilage?

The most common coverage limit for food spoilage on homeowners insurance policies ranges from \$500 to \$2,500, but this limit can vary by insurance company. It is best to verify your food spoilage coverage with your insurance agent or insurance company. Please note, you will most likely have to meet your homeowners insurance deductible before your insurance company will pay for any spoiled foods. Additionally, the coverage limit provided for spoiled food is typically lower than most homeowners insurance deductibles.



Does my homeowners insurance policy include food spoilage coverage?

Some, but not all, homeowners insurance policies include some form of coverage for frozen and refrigerated foods. However, policies vary from company to company, so it is important to check with your insurance agent or insurance company to verify whether your policy includes food spoilage coverage. If your policy does not include food spoilage coverage, you must request for this coverage type to be added to your policy.

Oftentimes, for coverage to apply, the power outage must have been caused by a risk that is covered under your homeowners insurance policy or the cause of the power outage occurred on your property due to a covered risk. However, for an additional premium, some insurance companies provide coverage for food spoilage for any power outage, even if the power outage was caused by a risk that is not typically covered under your policy. There are many variables that depend on whether your homeowners insurance policy provides coverage for food spoilage, so it is best not to guess or assume about your food spoilage coverage. Please check with your insurance agent or insurance company to see if your policy specifically includes food spoilage coverage, or if it offers any additional or increased coverage for food spoilage.



Will my homeowners insurance deductible apply before I receive coverage for food spoilage?

In most instances, yes, you will need to meet your homeowners' insurance deductible before coverage for food spoilage will be paid by your insurance company. However, not all insurance companies will apply your homeowners insurance deductible to food spoilage coverage, so be sure to verify with your insurance agent or insurance company whether your specific policy will require you to meet your homeowners insurance deductible prior to receiving payment for a food spoilage claim.

If your homeowners insurance deductible does apply, there are two main types of homeowners insurance deductibles, the 'all other perils deductible' and the 'hurricane deductible'. If your food spoilage is due to a named hurricane, your hurricane deductible will likely apply. If your food spoilage is due to a lightning strike from a thunderstorm, for example, your 'all other perils deductible' will most likely apply.

It is important to know if your homeowners insurance deductible amount must be met before your insurance company will provide coverage for food spoilage.



When is food spoilage typically covered by my homeowners insurance policy?

Spoiled food may be covered under your homeowners insurance policy if a downed tree caused the power outage, and the downed tree was on your property. If your power goes out because of another covered loss, such as a named hurricane or a storm, your homeowners policy may cover food spoilage then, as well. Lightning strikes are another commonly covered risk by homeowners' insurance. If lightning strikes your home and knocks your power out, your homeowners policy may cover food spoilage in this instance, also. Or perhaps, a storm creates a hole in your roof and water enters your house through the hole and causes the power to go out in your home. Your homeowners insurance might provide food spoilage coverage for that incident as well.



When would food spoilage not be covered by my homeowners insurance policy?

If the power to your house goes out because your electricity was turned off for non-payment or servicing, or because of a blackout in your area due to a power line issue, or because your refrigerator/freezer stopped working, your homeowners insurance policy may not provide coverage for food spoilage.

Power outages caused by flooding may also not be covered by your homeowners insurance policy because most homeowners insurance policies do not cover damages caused by flooding.

Oftentimes, unless you have the option to purchase additional food spoilage coverage from your insurance company, your homeowners insurance policy will not cover food spoilage when the power outage is caused by damage that is not on your property. For example, your neighbor cuts a tree in his front yard and the tree falls on the neighborhood power line and cuts off power to your home and the neighborhood. Since the damage to the power line occurred on your neighbor's property and was not caused by a covered risk in your homeowners insurance policy, your homeowners insurance may not cover a food spoilage claim.

What information would I likely need to make a claim for spoiled food?

Take pictures of the spoiled food before throwing it out. This will help you provide an accurate list of the types of foods that were lost and it also helps provide proof of the foods that were spoiled during the power outage.

Additionally, if you have receipts for any of the food items that were spoiled, especially the more expensive foods, providing those receipts to your insurance company will help them process your claim more accurately and provide you with the appropriate compensation amount.

Verify with your insurance agent or insurance company if your policy includes food spoilage coverage.



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