

## [Sandy advocate calls for investigation of FEMA](#)

Asbury Park Press

TOMS RIVER — Saying the Jersey Shore’s recovery has been “cut off at the knees” because of lowball flood insurance payments, a Sandy advocate has repeated the call for an investigation of the Federal Emergency Management Agency. Sue Marticek, executive director of the Ocean County Long-Term Recovery Group, said paltry flood insurance payments have made it extremely difficult for Sandy victims to rebuild and elevate their homes. The state’s largest Sandy recovery program, Reconstruction, Rehabilitation, Elevation, and Mitigation (RREM), was never intended to be the primary source of funds for rebuilding, she said. RREM offers grants of up to \$150,000 for rebuilding and elevating primary residences. “If FEMA and flood insurance would have paid those claims fairly, the RREM program would not have been the major part of people’s budgets,” Marticek said. “...We all really do need to be upset about what’s happened and transpired here.” The long-term recovery group, an umbrella organization of about 80 nonprofit groups, has spent \$5.8 million to help Sandy survivors get back home. About 80 percent of those who have received help from the group did have flood insurance, Marticek noted. “You see, after paying premiums in good faith for years and in some cases decades, many up and down our coastline feel they have been shortchanged in their payouts which has created a nightmare for them to try to return home,” she said. Those decisions were made as part of FEMA’s Hurricane Sandy Claims Review Process, which was put in place following allegations of fraud in the initial claims process. Jeff Coolidge, a former manager for OST Inc., said at a news conference he was required to deny or underpay almost all of the roughly 1,000 Sandy claims he handled during the four months he worked as a flood manager supervising a team of case workers on the claims review task force. “I left the Sandy review process because it is a sham,” he said. “I was literally losing sleep because I didn’t want to be a part of that fraud anymore.” Those decisions were made as part of FEMA’s Hurricane Sandy Claims Review Process, which was put in place following allegations of fraud in the initial claims process. But advocates like Marticek said the claims review process is still broken, and there is evidence of fraud. FEMA spokesman Rafael Lemaitre said last week that most policyholders who filed claims after Sandy were satisfied with how their claims were handled, but many were underpaid by their insurance companies. “Survivors always come first, and that is why we’ve set up an unprecedented process to review these

claims and pay out every penny owed to policyholders under their policies,” he said. “Already, more than \$50 million has gone to policyholders and we’re working as quickly as possible —literally in shifts — to continue to make things right. Even as we do that, we’re continuing to overhaul the Flood Insurance Program to make sure the companies we partner with share our values of putting policyholders and survivors first.” But David Charles, an insurance adjuster who has been working with Sandy victims who reopened their flood insurance claims, said that the flood insurance process following Sandy has set “the gold standard of everything wrong.” Charles pointed to a client who had reopened his flood claim because he felt he had been lowballed on his initial claim. The homeowner was recently told that he had actually been overpaid by more than \$10,000. In spite of repeated requests by the homeowner, he has been unable to get a copy of his case file from FEMA to determine the basis for the agency’s findings. “It’s a daunting task to get another penny out of these guys,” said Charles, who has 39 years’ experience as an insurance adjuster dealing with disasters. On Thursday, U.S. Rep. Frank Pallone, D-N.J., and six other New Jersey representatives sent a letter to FEMA Director Fugate, asking the agency to take “swift action on behalf of those who have suffered from documented, widespread fraud perpetrated by private insurance companies in the aftermath of Superstorm Sandy.” The lawmakers asked for an explanation from FEMA about lengthy delays in processing victims’ insurance claims and to detail the steps the agency is taking to rectify the situation. In addition to Pallone, U.S. Reps. Frank LoBiondo, R-N.J., and Bill Pascrell Jr., Albio Sires, Donald M. Payne Jr., Donald Norcross, and Bonnie Watson Coleman, all D-N.J., signed the letter to Fugate.