

NASHVILLE FLOOD

Insurance lobbyist letter could spark lawsuit

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NASHVILLE, Tenn. – Many flood victims with flood insurance are shocked to find their insurance does not cover their belongings.

Attorney David Raybin told News 2, "When you have a fire at your home, the house burns down, the insurance company covers both the contents and the building."

Flood insurance is different.

Homeowners purchase a policy for the structure and a separate one for its contents.



Raybin said it looks like some homeowners didn't realize this until recently when they lost everything.

"While there's a lot of great insurance agents out there who do tell their clients everything, there are some that have omitted or have not given their clients the full set of information so that the person can make an informed decision," Raybin told News 2.

Raybin believes a letter, allegedly written by an insurance lobbyist and sent to local insurance agents, shows that some insurance agents may not have been doing a good job of explaining benefits.

The letter warns agents in bold print, "Do not admit to doing anything wrong."

"This particular letter I found to be alarming," Raybin said. "It's the kind of advice I would give to a criminal client."

A lawsuit is being considered.

"Just like you would sue a doctor for malpractice, we would be suing the insurance agent for malpractice, basically, in not giving the person the appropriate information," Raybin said.



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