

MISSISSIPPI HURRICANE INSURANCE FACT FILE

- The costliest Mississippi hurricane in recent years was Hurricane Katrina, which caused nearly \$14 billion in insured losses in the state in 2005 (about \$15.2 billion in 2008 dollars). These loss statistics do not include flood damage covered under the federal government's National Flood Insurance Program (NFIP). Standard homeowners policies typically do not cover flood damage.
- Hurricane Katrina also resulted in \$2.5 billion in flood insurance losses in Mississippi paid by the NFIP.
- There was an 80 percent increase in the number of flood insurance policies sold in Mississippi by the NFIP in 2006, the year following Hurricanes Katrina and Rita in 2005. However, 19 percent of those policies were not renewed in 2007.
- Hurricane Katrina was also among the deadliest in Mississippi history with more than 250 lives lost in this state alone.
- According to the Census Bureau, by 2030 Mississippi is expecting a population increase of 247.8 million, or 8.7 percent.
- The total value of insured coastal property in Mississippi was more than \$51.8 billion in 2007, an increase of 16 percent or \$7.1 billion since 2004. Source: AIR Worldwide Corporation.
- As a result of the devastating impact of Hurricane Katrina, between 2004 and 2007 the total insured value of coastal properties in Mississippi grew at the second lowest compound average annual rate of all coastal states (5 percent). In 2007 Mississippi ranks 16th among states in terms of the total value of insured coastal property.
- The Mississippi Windstorm Underwriting Association (MWUA) was established by the legislature in 1987 as a market of last resort to provide windstorm and hail insurance in the coastal areas of Mississippi. MWUA provides windstorm and hail coverage only in the coastal counties of George, Hancock, Harrison, Jackson, Pearl River, and Stone.
- MWUA policies contain a hurricane deductible of 2 percent of the insured value of the home. The hurricane deductible is triggered by windstorm losses resulting from a named storm as declared by the National Hurricane Center of the National Weather Service and remains in effect until a tropical storm warning is over.
- MWUA's exposure base has expanded rapidly. At year-end 2006, MWUA had a total of 30,962 policies in-force for a total exposure value of \$5.4 billion. Between just 2005 and 2006, total exposure to loss in the plan ballooned by nearly 200 percent. Total exposure to loss has surged by 1657 percent from \$352.9 million in 1990 to \$6.2 billion as of June 1, 2007.