



Privacy Impact Assessment  
for the  
National Flood Insurance Program (NFIP) PIVOT  
System

**DHS/FEMA/PIA-050**

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## Abstract

The Department of Homeland Security (DHS) Federal Emergency Management Agency (FEMA) Federal Insurance and Mitigation Administration (FIMA) National Flood Insurance Program (NFIP) owns and operates the NFIP PIVOT (not an acronym; formerly called Phoenix) system. The NFIP PIVOT system is a web-based system designed to help facilitate and consolidate in one system the NFIP's core business processes including, but not limited to: validation of insurance policies, claims, and data; complex modeling; website hosting (including [www.floodsmart.gov](http://www.floodsmart.gov)); claims administration; policy management; claims review; approvals; and status inquiries. FEMA is conducting this new Privacy Impact Assessment (PIA) because NFIP PIVOT collects, uses, maintains, retrieves, and disseminates personally identifiable information (PII) about individuals who purchase flood insurance policies from NFIP, those who process insurance policies, and individuals requesting access to the system.

## Overview

Congress created the NFIP through the National Flood Insurance Act of 1968.<sup>1</sup> The program was established in response to the rising cost of taxpayer-funded disaster relief for flood victims and the increasing amount of damage caused by floods. FIMA manages the NFIP and oversees the insurance, floodplain management, and mapping components of the program. Approximately 20,000 communities across the United States and its territories participate in the NFIP by adopting and enforcing floodplain management ordinances to reduce future flood damage. Based on the communities' compliance with these ordinances, the NFIP makes federally backed flood insurance available to property owners and renters in these communities. The NFIP enables individuals and organizations in the participating communities to purchase insurance protection against losses from flooding. The basis for a community's participation in the NFIP is an agreement with FEMA to adopt and enforce sound floodplain management ordinances to mitigate future flood risks to new construction, additions, repairs, and rebuilding in certain specially designated areas.

The FEMA NFIP Community Information System (CIS) collects and maintains flood zone and floodplain information for participating communities and maintains the official record of a community's NFIP participation status. CIS communicates with NFIP PIVOT for validating that a property is within a participating community to determine eligibility for a flood insurance policy. NFIP then makes flood insurance available to property owners and renters within the community as a means of reducing the risk of flood losses. Properties in certain areas within these communities with a lower risk of flooding are eligible for a Preferred Risk Policy (PRP) with a lower premium.

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<sup>1</sup> 42 U.S.C. §§4001-4129.



Additionally, certain areas within these communities may be part of a Coastal Barrier Resource System (CBRS) area, which is managed by the United States Fish and Wildlife Services (FWS). Properties within a CBRS area require more robust flood management safeguards in order to be eligible for flood insurance.

To provide flood insurance policies, the NFIP and private sector insurance companies typically execute a Write Your Own (WYO) agreement that allows the companies to sell and administer flood insurance on behalf of FEMA. For individuals and organizations within NFIP-compliant communities where WYO companies are not available, NFIP uses contract support known as the NFIP Direct Servicing Agent (NFIP Direct)<sup>2</sup> to provide flood insurance policies directly to the individual or organization on behalf of FEMA. The NFIP policy and claims information that FEMA collects from the NFIP Direct and WYO companies includes transaction data (policy information and PII such as policyholder name, property address, and property description) and financial statements (contain flood insurance premiums collected and claims paid for each property). FEMA has an established claims appeals process to appeal policy and claims determinations made by either a WYO company or NFIP Direct. This process requires both WYO and NFIP Direct flood insurance policyholders to submit a written, signed appeal letter to FEMA explaining the nature of their claim, names and titles of persons contacted, dates of contact, contact information, and details of the contract relevant to their claim appeal, and also to submit a copy of the insurer's written denial of the claim, in whole or in part.

### **NFIP PIVOT**

FEMA developed NFIP PIVOT, a web-based system, as a new information technology solution for the NFIP to replace the legacy information technology systems and to help consolidate and facilitate the NFIP's core business processes. NFIP PIVOT will allow FEMA to improve oversight of the NFIP by modernizing NFIP's legacy NFIP Information Technology Systems (ITS)<sup>3</sup> and consolidating other NFIP standalone systems such as the Risk Insurance (RI) Underwriting and Claims Operations Review Tool (UCORT)<sup>4</sup> and the FloodSmart system<sup>5</sup> into a single platform.

FEMA will complete migration to the NFIP PIVOT system by early 2019. FEMA is publishing this new PIA concurrently with the NFIP ITS PIA while FEMA continues to use NFIP

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<sup>2</sup> See DHS/FEMA/PIA-048 National Flood Insurance Program Direct Servicing Agent System, available at <https://www.dhs.gov/sites/default/files/publications/privacy-pia-fema-048-nfipdirect-october2017.pdf>.

<sup>3</sup> See DHS/FEMA/PIA-011 National Flood Insurance Program Information Technology Systems, available at <https://www.dhs.gov/publication/dhsfemapia-011-national-flood-insurance-program-information-technology-systems>.

<sup>4</sup> RI-UCORT is an application used to assist FEMA in ensuring that WYO companies and the NFIP Direct process policies and claims in accordance with federal statutes and guidelines. FEMA has transferred this application to the NFIP ITS.

<sup>5</sup> FloodSmart is FEMA's marketing and outreach program that previously used three websites to facilitate contact between the public and WYO companies.



ITS during the NFIP PIVOT development. Once PIVOT becomes fully operational, NFIP will retire the legacy systems and the corresponding PIA(s).

FEMA is using the DHS Agile Development<sup>6</sup> discipline during the development of PIVOT, meaning FEMA incrementally adds functionality and applications to PIVOT as part of the agile development process. FEMA will regularly update this PIA as PIVOT adds new functionality that impacts processing of PII.

NFIP PIVOT supports the following core functions:

- Claims and Policies Review – PIVOT processes and verifies all new and renewal policies and claims. Flood insurance companies provide information to PIVOT via an automated push/pull of data from their vendor system. FEMA uses NFIP PIVOT to review information provided by individuals to WYO companies and NFIP Direct and provide recommendations for issuance of a flood insurance policy or the processing of a claim against a flood insurance policy. To support this function, PIVOT collects PII data including name, address, phone number, and policy number, but does not collect Social Security numbers (SSN) or dates of birth. However, PIVOT will contain historical claims and policy information from the NFIP ITS, which does include SSNs collected prior to 2008.
- Document and Case Management – NFIP policyholders, both WYO company and NFIP Direct customers, can submit appeals to FEMA for policy or claims determinations directly to FEMA for FIMA review and final determination.
- Flood Insurance Awareness – PIVOT hosts a public website (FloodSmart) that provides critical information about flood insurance and how to obtain flood insurance. The general public will be able to visit a website to access this information without need for a login credential and will be able to access information about WYO companies' points of contact (POC). FloodSmart also will facilitate communication between the public and participating WYO companies.
- Analytics Reporting – PIVOT provides a data analytics and reporting function for the NFIP that enhances the current analytical functions of NFIP ITS. NFIP will migrate more than 30 years of insurance data to perform data analysis on historical flood policy and claims data. The analytics generated by this function is used to determine trends or generate reports and a program level as well as at the property level that is required to track repetitive loss.

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<sup>6</sup> More information about this process is *available at* [https://www.dhs.gov/sites/default/files/publications/Instruction\\_102-01-004\\_Revision\\_00\\_Agile\\_Development\\_SIGNED\\_04-11-2016%281%29.pdf](https://www.dhs.gov/sites/default/files/publications/Instruction_102-01-004_Revision_00_Agile_Development_SIGNED_04-11-2016%281%29.pdf).



- Catastrophic Modeling – PIVOT will collect address and Geospatial Information Systems (GIS) data and provide statistical reports on flood and flood insurance trends within a geographical area. PIVOT will enable FEMA employees and contractors to prepare NFIP data, including PII, for modeling and import into catastrophe risk models that will analyze the data and produce output files. FEMA employees and contractors will download the modeled output and exhibits to their FEMA laptops and then share that with FEMA employees and contractors via their FEMA email. For reinsurance purposes, FIMA will verify and share the output file with reinsurers and reinsurance brokers under a Non-Disclosure Agreement (NDA) for FIMA-approved marketing and business purposes. For reinsurance, any output leaving the secure FEMA environment will be aggregated loss estimates at the zip code level or higher, geolocation data, or location-specific data. No policy-specific information would leave the FEMA firewall. Data output may also be used for setting insurance rates, verifying models, real-time event tracking, and other purposes.

FEMA lists all applications within the PIVOT system in Appendix A of this PIA. NFIP will submit additional Privacy Threshold Analyses (PTA) for applications, modules, proof of concepts, testing, and for operational uses of the PIVOT IT solution that do not fall under this PIA. FEMA will add these functions or applications to Appendix A prior to FEMA using the functions or applications to collect, retain, or disseminate PII. The PIVOT system resides within the U.S. Department of Agriculture (USDA) National Information Technology Center (NITC) Data Center in Kansas City, MO. USDA NITC provides a cloud-based solution that is Federal Risk and Authorization Management Program (FedRAMP)-approved and allows NFIP PIVOT to be in a Government-owned and Government-operated environment.

PIVOT supports the following high-level technical requirements:

- Validating insurance data sent from numerous sources (i.e., WYO companies and NFIP Direct) against published FEMA business rules so that error notification and relevant recordkeeping occurs in minutes rather than weeks. For instance, NFIP staff uses NFIP PIVOT to validate that a WYO company is properly charging insurance premiums for a property against FEMA's published insurance rate methodology.
- Providing a comprehensive repository of all available NFIP policy and claims processing data since the inception of the NFIP. This repository will allow authorized stakeholders (i.e. WYO companies, NFIP Direct, NFIP Third Party Administrators, and other stakeholders, such as insurance claim adjusters, flood zone determination companies, participating communities) and service providers to FIMA (contractors) to quickly view information, including PII, on screens, on dashboards, and in reports based on roles and permissions. It will also provide NFIP decision makers with access to key information prior to making program changes or providing information to external stakeholders such as Congress.



- Providing the capability to view NFIP policyholder addresses on a map so that they can be displayed in a geospatial viewer.
- Providing GIS capabilities with a robust and user-friendly programming or scripting interface, and the ability to load data and download geospatial results and efficiently analyze data using a collection of geospatial operations. For example, users may be able to compare National Flood Hazard (NFH) address or GIS data with NFIP property address data or FEMA Individual Assistance/Public Assistance property address data.
- Providing a complex data modeling capability for historical insurance data and other external variables. This modeling should allow for development of scenarios, “what if” analysis, sensitivity analysis, forecasting, and impact analysis.
- Providing the capability to manage the NFIP’s core business processes that support the NFIP’s actuarial sciences, claims administration, policy management, program marketing, and stakeholder training by facilitating reviews, approvals, status inquiries, notifications, escalations, and delivery of documents or relevant correspondence.
- Supporting the FEMA NFIP Reinsurance Program, which is designed to transfer a significant amount of NFIP insurance risk to the private sector. In order for the reinsurance companies to quote prices for accepting the risk, they need to be able to model the NFIP risk profile using both commercial risk models and their own in-house risk models.
- Providing the capability to retrieve, analyze, and report operational, financial, and statistical information on a periodic or variable basis by incorporating extensive query and analysis features including, but not limited to creating predefined reports, creating ad-hoc reports, delivering reports on-screen or via paper, email, or the export of data into common file formats.
- Meeting all applicable federal, department, and agency financial (OMB Circular A-127<sup>7</sup>) and security regulations and guidelines (DHS 4300A Sensitive Systems Handbook<sup>8</sup>) regarding auditability, compliance, privacy, and security.
- Integrating with other agency and department systems that require information from the authoritative source of NFIP information or when authoritative information is required for NFIP processing.

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<sup>7</sup> OMB Circular A-127 prescribes policies and standards for executive departments and agencies to follow when managing their financial management systems. For more information *see* [https://obamawhitehouse.archives.gov/omb/circulars\\_a127/](https://obamawhitehouse.archives.gov/omb/circulars_a127/).

<sup>8</sup> The DHS 4300A Sensitive Systems Handbook provides techniques and procedures for implementing the requirements of the DHS Information Security Program for DHS sensitive systems and systems that process sensitive information for DHS. For more information *see* <https://www.dhs.gov/publication/dhs-4300a-sensitive-systems-handbook>.



- Providing a rapid implementation of transformative, secure, cloud-based web hosting and content management services in order to reduce web presentation costs and internal engineering risk, improve levels of service for both internal and external customers, and provide a predictable cost model for ongoing operations.
- Providing hardware and software environments that include various processing, networking, and storage equipment and associated software in a data center setting. FEMA needs a flexible solution with scalable capacity and seamless license management to quickly adjust to immediate demand (surge and decrease), with state-of-the-art processing capacity to support FIMA's mission.
- Process Special Allocated Loss Adjustment Expense (SALAE) expenses and payments. FEMA collects NFIP claims adjuster and expert service SALAE information for processing of invoices and payments to support NFIP claims processing.<sup>9</sup> These payments are for circumstances that are above normal payments, such as an adjuster required to travel beyond 100 miles to process an NFIP claim.
- Sharing of NFIP policyholder information with various stakeholders such as the FWS, to state and local agencies, and to educational institutions. Educational institutions use geospatial information to help with hazard mapping and research for mitigating flooding. During disasters, state and local agencies may request NFIP policyholder and property information to assess unmet needs or to prevent duplication of benefits to their residents. For instance, FEMA may share or receive information about wind insurance policies to determine the appropriate flood insurance claims payment amount. Additionally, FEMA may share information with insurance companies that do not have a WYO agreement with FEMA for the purpose of assisting insurance companies in beginning to privatize flood insurance.

FEMA grants access for PIVOT to FEMA employees and contractors, state and local users, WYO companies, and individual policyholders requesting NFIP claims appeals and loss history. FEMA employees and contractors access NFIP PIVOT using their federal-issued personal identity verification (PIV) card issued by FEMA. State and local officials or their designee requesting access to NFIP PIVOT may provide name, email address, jurisdiction/community, community identification number (generated by CIS), and telephone number. WYO company agents are not given individual direct access to NFIP PIVOT; rather, FEMA allows WYO company systems to access NFIP PIVOT using an application program interface (API).<sup>10</sup> This allows WYO companies and NFIP Direct to update and retrieve information from NFIP PIVOT using their existing IT

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<sup>9</sup> For more information about the SALAE fee schedule see [https://www.fema.gov/media-library-data/1465484337395-8576da656b8d208ef0d5ce745bb3447e/2012\\_AdjFee\\_Schedule.pdf](https://www.fema.gov/media-library-data/1465484337395-8576da656b8d208ef0d5ce745bb3447e/2012_AdjFee_Schedule.pdf).

<sup>10</sup> For more information see <http://searchmicroservices.techtarget.com/definition/application-program-interface-API>.



systems. Individual members of the public wishing to submit a claims appeal provide their name, email address, telephone number, and a password to access PIVOT.

### *Typical Transaction*

A property owner or renter interested in learning more about flood insurance can do so through FEMA's FloodSmart website.<sup>11</sup> The property owner or renter contacts his or her property insurance company or seeks out a local insurance company for information about what flood insurance entails and how much certain coverage will cost. If the property owner or renter decides to procure flood insurance, then the insurance company collects the required information about the person and the property. The insurance company uses the NFIP Application forms (FEMA Form (FF) 086-0-1) as mentioned in Appendix B of this PIA. The insurance company then submits this information to NFIP PIVOT through an API. NFIP PIVOT evaluates specific criteria based on the information provided which determines the customer's eligibility and the cost. A WYO company or NFIP Direct underwrites the policy once FEMA uses NFIP PIVOT to approve issuance of the policy. The WYO company or NFIP Direct continues to use the API to update NFIP PIVOT with premium payments received.

When the policyholder's property is damaged by flooding, he or she contacts the flood insurance provider that holds the policy and works with the flood insurance provider to file a claim. Either the policyholder or the insurance provider uses either a paper or electronic version of the NFIP Claims Forms and worksheets within Appendix B of this PIA. The flood insurance provider submits the claim into NFIP PIVOT. FEMA reviews, approves, rejects, or requests an adjustment to the claim submission. If FEMA approves the claim, then the policyholder receives a check from FEMA to cover the damages based on their policy coverage. If the claim requires an adjustment or receives a denial then the policyholder can either agree to the adjustment or appeal the decision through FEMA.

If the policyholder decides to appeal the decision, he or she will go to the NFIP PIVOT appeals portal, create an account, input the required information about the claim and reason for appeal, and submit their appeal. FEMA then approves or rejects the appeal. If FEMA approves the appeal, FEMA updates NFIP PIVOT with the status and if necessary, a check is issued to the policyholder based on the appeal adjustment.

If in the future the policyholder pays off the mortgage on the property or moves to a property outside the flood plain, he or she is able to cancel the policy through the policyholder's insurance company. Once this is done, the insurance company updates NFIP PIVOT.

FEMA generates internal reports to determine if a potential flood insurance claim payment will exceed the total flood insurance premiums collected. As claims payments are updated in

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<sup>11</sup> See <https://www.fema.gov/national-flood-insurance-program>.





PIVOT by insurance agents, NFIP will use the internal reports to determine if executed reinsurance contracts need to be initiated or if FEMA must request funding by the U.S. Treasury through Congress. Additionally, internal reports by PIVOT will be used by FEMA to determine if any NFIP claims payments are duplications of other benefits or payments provided by other FEMA disaster assistance programs.

To support communities affected by a disaster, FEMA may share NFIP policyholder information with a state or local agency to determine unmet needs, or to help the state or local agency prevent duplication of benefits. This is done by the state or local agency submitting a request to FEMA. FEMA executes this sharing pursuant to either an Information Sharing and Access Agreement (ISAA) or a routine use letter that stipulates protection of the information, specifically, the PII. A PIVOT user then downloads the requested information in computer readable extract format and sends the encrypted information to the requestor.

## Section 1.0 Authorities and Other Requirements

### 1.1 What specific legal authorities and/or agreements permit and define the collection of information by the project in question?

The National Flood Insurance Act (NFIA) of 1968, as amended,<sup>12</sup> establishes the legal authority for the NFIP, including the sale of flood insurance through the WYO program and the NFIP Direct.

The Bunning-Bereuter-Blumenauer Flood Insurance Reform Act (FIRA) of 2004 amended the NFIA-enacted requirements for all new and renewal flood insurance policy transactions. The FIRA requires the delivery of certain documentation upon initial coverage and annually upon renewal, including the Flood Insurance Claims Handbook (which provides information about claims and appeals) and an acknowledgement letter for the policyholder to sign and return as verification of their receipt of this information.

31 U.S.C. § 7701<sup>13</sup> allows FEMA to collect SSNs of policyholders to facilitate debt collection of NFIP-related debts to the Government such as claim overpayments or unpaid premiums. FIMA no longer collects SSN as of 2008 for this purpose, and is working to remove or redact historical SSN data.

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<sup>12</sup> 42 U.S.C. §§ 4001 *et seq.*, available at <https://www.fema.gov/media-library-data/20130726-1752-25045-9854/fm-acts.pdf>.

<sup>13</sup> 31 U.S.C § 7701 is available at <https://www.gpo.gov/fdsys/pkg/USCODE-2010-title31/pdf/USCODE-2010-title31-subtitleV-chap77-sec7701.pdf>.



## **1.2 What Privacy Act System of Records Notice(s) (SORN(s)) apply to the information?**

The DHS/FEMA-003 National Flood Insurance Program Files System of Records<sup>14</sup> applies to the NFIP information within NFIP PIVOT.

The DHS/ALL-004 General Information Technology Access Account Records System (GITAARS)<sup>15</sup> applies to information FEMA maintains to allow individuals access to NFIP PIVOT.

The DHS/ALL-026 Personal Identity Verification Management System (PIVMS)<sup>16</sup> applies to PIV card-related information received or maintained by NFIP PIVOT for access control purposes.

## **1.3 Has a system security plan been completed for the information system(s) supporting the project?**

The NFIP PIVOT program is a new system and is currently in the development phase of the DHS System Development Lifecycle (SDLC) and is hosted at the U.S. Department of Agriculture (USDA) National Information Technology Center (NITC). A System Security Plan (SSP) is currently in development, and FEMA is working towards an Authority to Operate (ATO). The anticipated date of an ATO for NFIP PIVOT is March 31, 2018. NFIP PIVOT is participating in a DHS Agile ATO process that will allow NFIP PIVOT to conduct agile development on an ongoing basis. This pilot will allow NFIP PIVOT to add functionality to the system without having to go through the standard DHS/FEMA waterfall method.

## **1.4 Does a records retention schedule approved by the National Archives and Records Administration (NARA) exist?**

In accordance with NARA GRS 3.2, items 30 and 31, FEMA maintains NFIP PIVOT system access records for six years after the user account is terminated or password is altered, or when no longer needed for investigative or security purposes, whichever is later.

Generally, FEMA maintains NFIP records in accordance with FEMA Records Officer approved NARA authority N1-311-86-1, Item 2A13a(2). The retention schedule is to destroy any inactive records after five years; however, NFIP has a business need to retain policies and claims information related specifically to addresses, but not the customer, that have filed claims for the

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<sup>14</sup> DHS/FEMA-003 National Flood Insurance Program Files System of Records, 79 Fed. Reg. 28,747 (May 19, 2014), available at <https://www.gpo.gov/fdsys/pkg/FR-2014-05-19/html/2014-11386.htm>.

<sup>15</sup> DHS/ALL-004 General Information Technology Access Account Records System, 77 Fed. Reg. 70,792 (November 27, 2012), available at <https://www.gpo.gov/fdsys/pkg/FR-2012-11-27/html/2012-28675.htm>.

<sup>16</sup> DHS/ALL-026 Personal Identity Verification Management System, 74 FR 30301 (June 25, 2009), available at <https://www.gpo.gov/fdsys/pkg/FR-2009-06-25/html/E9-14905.htm>.



life of the NFIP program in order to track repetitive loss and severe repetitive loss. NFIP is working with FEMA Records Management to obtain NARA's approval for a longer retention schedule for NFIP PIVOT. This would allow NFIP to track homes or buildings that may require higher insurance premiums, property buyback, or mitigation to prevent future flood damage. These longer-term records will relate only to the property itself and will not contain PII.

**1.5 If the information is covered by the Paperwork Reduction Act (PRA), provide the OMB Control number and the agency number for the collection. If there are multiple forms, include a list in an appendix.**

NFIP PIVOT information collections are approved and covered by the PRA, and are listed in Appendix B.

## Section 2.0 Characterization of the Information

**2.1 Identify the information the project collects, uses, disseminates, or maintains.**

Information collected from external users of NFIP PIVOT such as WYO companies, State and local users, and other external users of NFIP PIVOT for system access:

- Geographical Locations of insured property (includes longitude and latitude information);
- Organization Name;
- Point of Contact Full Name;
- Point of Contact Address(es);
- Point of Contact Email Address(es);
- Point of Contact Telephone Number(s); and
- Aggregate Insurance/Claims Statistical Data (not including PII).

Information collected, used, or maintained about past, current, or potential flood insurance policyholders:

- Policyholder and Policy Information;
- Full Name (First, Middle, Last);



- Tax Identification Number (TIN)/ SSN;<sup>17</sup>(FIMA will work to remove SSNs from records prior to 2008)
- Insured Property Address;
- Home Mailing Address;
- Email Address;
- Telephone/Cellular Phone Number(s);
- Policy Premium Amount;
- Allocated Loss Adjustment Expense Amounts;
- Actual Cash Values of Building and Contents;
- Coverage Information;
- Deductible Information;
- Reason for Policy Claim Closing Without Payment;
- Applicable Policy Dates;
- Fees and Numbers;
- Program Types;
- Replacement Cost Values;
- Risk Rating Methods;
- Rollover Indicators;
- Previous Loss Amounts Paid;
- Date of Loss;
- Water Damage Information;
- Insurance Coverage;
- Deductible Amount;
- Claim Payment Information;
- Flood Risk Zone;

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<sup>17</sup> As of 2008, the program has not requested to collect tax ID numbers and SSNs, but any that were previously provided to NFIP are retained in the historical records.



- Participating Flood Community Name;
- Building or Residence Location;
- Construction Details;
- Contents Details (machinery, equipment, and other items inside individual homes or businesses that could be damaged by flooding);
- Insurance Company Information;
- WYO Company Name;
- WYO Company Unique Identifier (assigned by FEMA); and
- Wind Policy Information.<sup>18</sup>

Information collected from FEMA internal users of NFIP PIVOT, including the NFIP Direct, to create a user access account for system access:

- Full Name;
- User Identification;
- User Password;
- Email Address; and
- Phone Number.

Information FEMA may collect from reinsurance brokers, reinsurance companies, risk modeling companies, other insurers, or other stakeholders involved in NFIP Reinsurance Program or feasibility and trend studies:

- Organization Name;
- Point of Contact Full Name;
- Address(es);
- Email Address(es);
- Telephone Number(s); and
- Insurance/Claims Statistical Data.

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<sup>18</sup> As of April 2012, NFIP in general is no longer supporting the collection of wind policy information and matching it to flood policy information, however, there are situations (e.g., duplication of benefits) in which the Program may collect some wind information in a flood file, even though there is no systematic or routine collection. Any wind policy information that was previously provided to NFIP is retained in the historical records.



Information collected from third parties (e.g., expert services, adjuster, and litigation) in support of the Special Allocated Loss Adjustment Expense (SALAE):

- Name of Entity;
- Entity Address;
- License Number;
- Certification Number;
- Invoice;
- Report/Work Product;
- Litigation Information (e.g., summons/complaints, case plan/budget, initial case analysis, jurisdiction, case number);
- Insurance/Claims Statistical Data; and
- Geographical data including address, longitude, latitude, elevation.

The above NFIP policy and claims information may also be used to generate statistical reports.

## **2.2 What are the sources of the information and how is the information collected for the project?**

The WYO companies and NFIP Direct collect information, including PII, directly from individuals seeking flood insurance and input the data into NFIP PIVOT to produce scheduled and ad hoc reports, as well as other forms of data. The WYO companies provide transactional and financial statement data electronically to NFIP PIVOT. A transaction can either be a request from an existing customer or potential customer for a new or renewed flood insurance policy, or it can be a claim of flood damage for an existing customer.

FEMA collects the user account information outlined in Section 2.1 from NFIP stakeholders and NFIP personnel to allow controlled access to information within NFIP PIVOT and for WYO companies to submit flood insurance policy and claims information. Information is submitted using a user account request form.

NFIP PIVOT receives flood zone and community NFIP participation status data on a daily basis from CIS, via web service-style inquiry to CIS. The CIS data is used to update community information within the NFIP PIVOT community master file database, which is needed by the WYO companies to determine if a property is eligible for flood insurance coverage.

NFIP PIVOT uses commercial geographical location data and United States Postal Service (USPS) address data to help validate structure locations and addresses. This information will be



used by NFIP PIVOT GIS applications to determine if a property can be considered for a PRP, if the property is a multiple loss property, or if a property is within a CBRS area. Federal regulations impose additional requirements for properties within CBRS. If a property is within a CBRS area and does not meet the requirements, the WYO company must cancel the flood insurance policy and the property will be considered ineligible for flood insurance. A WYO company is able to request an appeal, and FWS will provide NFIP with information explaining their determination of the WYO company appeals request regarding a property's proximity to the CBRS area, whether it is located within or outside the CBRS area boundary, and the CBRS area effective date.

FEMA uses the approved forms listed in Appendix B of this PIA to collect information.

### **2.3 Does the project use information from commercial sources or publicly available data? If so, explain why and how this information is used.**

Yes, NFIP PIVOT uses commercial geospatial data and United States Postal Service address data. NFIP PIVOT uses commercial geospatial data to help with mapping and models which are used to help determine if a property can be covered as a PRP or if it is in a CBRS area. NFIP PIVOT conducts a monthly download of the data to ensure geospatial maps and data are up to date.

NFIP PIVOT uses USPS address data to automatically verify customer addresses for obtaining insurance policies. This is done automatically during the verification process of the NFIP Claims and Policies application.

NFIP PIVOT also uses commercially available catastrophic modeling results and both private and publicly available modeling outputs to estimate the impact of events on the NFIP portfolio.

### **2.4 Discuss how accuracy of the data is ensured.**

Because FEMA collects the information in NFIP either directly from the individual, or from the individual via the flood insurance provider, there is a high degree of confidence that this information is correct. NFIP uses program-specific standard forms to ensure consistency of information collected by the WYO companies. NFIP also conducts Underwriting and Claims Operational Reviews to assess and ensure the quality of data received from commercial sources. The WYO companies and NFIP Direct are responsible for the accuracy of information used in any transaction with their customers.

NFIP PIVOT uses commercial geocoding data and USPS address data to help validate structure locations and addresses. This reference data, purchased by NFIP, is also used to verify and validate the NFIP business transaction carried out by participating insurance companies. If the flood insurance claims and policies application does not find a match to the submitted address, an



error report is automatically generated and provided to the WYO company. The WYO company then researches the error and provides any corrected address information during the next monthly update to the NFIP PIVOT.

NFIP PIVOT generates reports to perform insurance and claims validation reviews. The WYO company may review these reports against actual hardcopy insurance policy files located at the WYO company. NFIP staff execute periodic underwriting audits and claims re-inspections to check for operational accuracy at the WYO companies.

Additionally, NFIP PIVOT generates and distributes property loss history reports to specific policyholders upon request. NFIP PIVOT collects policy and claims information and compares it with hardcopy policy and claims files located at the WYO company, including its flood vendors, and at NFIP Direct sites. NFIP PIVOT replaces a manual process that is needed to ensure WYO companies and NFIP Direct comply with appropriate flood insurance statutes and regulations as mentioned in section 1.1.

## **2.5 Privacy Impact Analysis: Related to Characterization of the Information**

**Privacy Risk:** NFIP PIVOT may collect more information than is necessary to process and verify the transactions of WYO companies and NFIP Direct for policies and claims.

**Mitigation:** This privacy risk is mitigated by only collecting information required to comply with federal statute and regulations for underwriting and processing claims against flood insurance policies. Additionally, NFIP continually reviews data collection to ensure the need for data elements collected for insurance purposes. For instance, NFIP previously required the collection of SSN and Tax ID for insurance policy setup, but after 2008 NFIP no longer requires or requests SSN or Tax ID from policy applicants and policyholders. FIMA will begin to review and plan the removal of all SSNs from records prior to 2008.

**Privacy Risk:** NFIP PIVOT may collect and use inaccurate information about individuals for the purpose of servicing flood insurance policies and determining flood risk and flood insurance premium costs.

**Mitigation:** This risk is partially mitigated. While the NFIP PIVOT System does not collect all information directly from an individual, it relies on data from WYO companies and insurance brokers that is generally provided directly by the individual. In addition, individuals may enter their information directly into PIVOT when appealing a claim. FEMA uses commercial geocoding data and USPS address data to verify accurate structures and addresses for policies; reviewing reports based on NFIP PIVOT data and validating that data against policy files located at the WYO company locations; and provides regular policy information to policyholders requesting updates and corrections. Individuals may also contact the insurance agent or broker





who administers their flood insurance policy to update or correct erroneous information associated with their policy. The insurance agent or broker can then update NFIP PIVOT with the updated information.

**Privacy Risk:** NFIP maintains SSNs of NFIP policyholders that were collected prior to 2008, which is when NFIP ceased collecting SSN from policyholders.

**Mitigation:** FEMA is in the process of mitigating this risk by either deleting or redacting NFIP policyholders' SSN from historical data maintained by NFIP PIVOT. FEMA anticipates this action to be complete by July 2019.

## Section 3.0 Uses of the Information

### 3.1 Describe how and why the project uses the information.

NFIP PIVOT is a tool by which WYO companies and NFIP Direct upload data to obtain flood insurance policies for potential and existing customers or upload claims of flood damage for current policyholders.

NFIP PIVOT collects policy and claims data from the WYO companies and the NFIP Direct. NFIP PIVOT uses this information and third-party software to verify property addresses, to determine whether property is in a CBRS area or on the 1316 Property Ineligibility Declaration<sup>19</sup> list, to analyze property loss trends, generate statistical reports, and match records with other benefits and funds provided by the NFIP. This information is needed to determine flood insurance eligibility, confirm current fiscal year and determine future fiscal year insurance premium rates, efficiently respond to data requests from government oversight entities, manage the WYO program, track and grant Increased Cost of Compliance (ICC) payments<sup>20</sup>, market the NFIP, and prevent duplication of benefits.

NFIP PIVOT uses community information from CIS to generate a list of all communities that have been approved by FEMA to participate in the NFIP. This list is also used by WYO companies to ensure that they have a current list of flood insurance-eligible communities.

NFIP PIVOT uses SALAE information such as adjuster name, certification or professional license number, and invoice information, to process a SALAE payment in accordance with established fees.

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<sup>19</sup> Section 1316 of the National Flood Insurance Act of 1968 allows the States to declare a structure in violation of a law, regulation, or ordinance. Flood insurance is not available for properties placed on the 1316 Property List.

<sup>20</sup> Increased Cost of Compliance (ICC) coverage is one of several resources for flood insurance policyholders that need additional help rebuilding after a flood. It will provide up to \$30,000 to help cover the cost of mitigation measures that will reduce flood risk. More information about ICC is available at <https://www.fema.gov/media-library/assets/documents/12164>.



NFIP PIVOT uses address and a real estate property assessment value information from third party providers and associates the address information with a policy address to more accurately determine insurance premium rates.

Additionally, NFIP PIVOT uses contact information to create user access accounts. FEMA requires user name and password for information technology systems to control access of information within the system.

### **3.2 Does the project use technology to conduct electronic searches, queries, or analyses in an electronic database to discover or locate a predictive pattern or an anomaly? If so, state how DHS plans to use such results.**

No, NFIP PIVOT does not use technology to conduct electronic searches, queries, or analyses in an electronic database to discover or locate a predictive pattern or anomaly.

### **3.3 Are there other components with assigned roles and responsibilities within the system?**

There are no other DHS components outside of FEMA that have assigned roles and responsibilities within NFIP PIVOT.

### **3.4 Privacy Impact Analysis: Related to the Uses of Information**

**Privacy Risk:** Information collected and maintained in NFIP PIVOT may be used for purposes other than its original purpose.

**Mitigation:** FEMA mitigates this risk by carefully controlling access to the information and the sharing of any information. Access to the system is role-based, preventing users from accessing information not vital to their purpose. NFIP PIVOT also limits the risk of inappropriate use of information by not allowing other DHS components to access the NFIP PIVOT system. Additionally, NFIP PIVOT enters into Service-Level-Agreements (SLA) with all third-party vendors that prohibit the use of the information without written consent from FEMA. Individuals with access to the system who are identified as using NFIP PIVOT information in an inappropriate way are provided training in coordination with the FEMA Privacy Branch and may face potential disciplinary action.



## Section 4.0 Notice

### 4.1 How does the project provide individuals notice prior to the collection of information? If notice is not provided, explain why not.

NFIP provides notice by way of this PIA, the SORNs listed in Section 1.2, and the Privacy Act notices associated with NFIP PIVOT approved forms (listed in Appendix B) and system user interfaces. The WYO companies inform policyholders of their privacy guidelines and practices and require policyholders to sign an acknowledgement statement as part of the policy purchase and renewal process.

### 4.2 What opportunities are available for individuals to consent to uses, decline to provide information, or opt out of the project?

Individuals are informed of their right to decline the sharing of their personal information by way of this PIA, the SORNs listed in Section 1.2, and the Privacy Act notices associated with NFIP PIVOT approved forms (listed in Appendix B). However, failure to provide the information requested may prevent property owners and renters from receiving flood insurance. Additionally, failure to provide information required to create a user account within NFIP PIVOT may prevent access to the system.

### 4.3 Privacy Impact Analysis: Related to Notice

**Privacy Risk:** Individuals who apply for and maintain flood insurance through the WYO companies may not be aware that this information is collected or maintained by FEMA on behalf of the NFIP.

**Mitigation:** This privacy risk is mitigated by providing notice by way of this PIA, the SORNs listed in Section 1.2, and the Privacy Act notices associated with NFIP ITS approved forms (listed in Appendix B).

## Section 5.0 Data Retention by the project

### 5.1 Explain how long and for what reason the information is retained.

In accordance with NARA GRS 3.2, items 30 and 31, FEMA maintains NFIP PIVOT system access records for six years after the user account is terminated or password is altered, or when no longer needed for investigative or security purposes, whichever is later.

The current records retention period for NFIP policy and claims records requires that records are destroyed 5 years after inactivity in accordance with NARA Authority N1-311-86-1,



Item 2A13a(2). However, NFIP has a business need to retain policies and claims information for longer than the above authority in order to track repetitive loss and severe repetitive loss. This would allow NFIP to track homes or buildings that may require: higher insurance premiums, property buyback, and/or mitigation to prevent future flood damage. NFIP is working through FEMA Information Management Division, Records Management Branch to obtain NARA's approval to maintain records pertaining to addresses that have filed claims for the life of the National Flood Insurance Program in order to track repetitive losses. These longer-term records will relate only to the property itself and will not contain PII.

### **5.2 Privacy Impact Analysis: Related to Retention**

**Privacy Risk:** The NFIP may maintain information collected longer than is needed or authorized.

**Mitigation:** FEMA has not fully mitigated this risk. FEMA currently has a business need to retain records longer than five years in order to track repetitive loss and severe repetitive loss properties. However, FEMA is working to mitigate this risk by requesting approval and authorization from the FEMA Records Officer and NARA to maintain records for as long there is a business need for the records. Additionally, FEMA no longer requires or need SSNs that were collected prior to 2008. FEMA is working on a mitigation strategy to either remove or redact SSNs related to flood insurance policies that are maintained by FIMA.

## **Section 6.0 Information Sharing**

### **6.1 Is information shared outside of DHS as part of the normal agency operations? If so, identify the organization(s) and how the information is accessed and how it is to be used.**

The NFIP program may share information, such as address and claims information, with reinsurance brokers, reinsurance companies, and other categories of requestors by way of a reinsurance broker or risk modeling company. The purpose of the information sharing is to conduct market research on the viability and impact of sharing flood insurance financial risk with the reinsurance community in order to implement the NFIP Reinsurance Program. The information sharing enables requestors, such as educational institutions, to conduct flood risk assessments and feasibility studies to assist NFIP in assessing national flood risk and impacts on communities.

FEMA shares or allows access to NFIP information with other federal agencies, including but not limited to the Census Bureau (Census), the FWS, the Small Business Administration (SBA), and the U.S. Department of Agriculture (USDA). NFIP shares information such as policyholder name and property address with Census for the purpose of analyzing flood insurance



affordability. NFIP shares information such as policyholder name, property address, and claim processing information with the SBA to review and prevent duplication of benefits. NFIP shares information such as NFIP policy applicants name, property address, and mailing address with the FWS to collect information about the CBRS and otherwise protected areas. The USDA NITC hosts NFIP PIVOT and is granted access to all information in NFIP PIVOT, including policyholder PII, to provide Helpdesk support of NFIP PIVOT.

FEMA shares policyholder name, address, and claims information pursuant to an ISAA with states and local communities for mitigation planning and to reduce duplication of disaster benefits. FEMA shares the information mentioned in the “Characterization of the Information” section of this PIA via a file transfer. NFIP may share this information using website portal, data encryption and electronic media such as compact disk (CD), digital video disk (DVD), or portable hard drive.

FEMA shares policyholder name, property address, and email address information with insurance companies, marketing companies and vendor for the purposes of promoting the NFIP. This sharing will be pursuant to an ISAA.

## **6.2 Describe how the external sharing noted in 6.1 is compatible with the SORN noted in 1.2.**

FEMA shares information the external entities mentioned in Section 6.1 in accordance with the DHS/FEMA-003 National Flood Insurance Program Files SORN and pursuant to the following routine uses:

Routine use F allows NFIP to share policy information with its marketing contractor, vendors, and insurance companies for NFIP marketing and awareness. This is compatible with the purpose for original collection of information because NFIP uses the information to market the NFIP program to property owners and renters who do not have flood insurance.

Routine use H allows NFIP to share information with WYO companies involved in floodplain management to help them understand flood risks and to take actions to mitigate those risks. This is compatible with the purpose for original collection, which includes the administration of flood insurance, and coordination of flood plain management with state and local governments.

Routine use I allows the NFIP to share policyholder information with FWS in order to ensure compliance with the CBRA and to determine eligibility for benefits. This sharing is compatible with the SORN as FEMA must share flood policy related information with FWS in order for FIMA to determine eligibility for a NFIP flood policy. Also pursuant to this routine use, FEMA shares information with SBA to verify non-duplication of benefits following a flooding event or another disaster. FEMA shares this information in order to determine if FEMA also shares information with other federal, state, local government agencies to verify prevention of duplication



of flood-related insurance benefits, and to provide needs unmet by NFIP claims payouts within their jurisdictions and service areas. This is compatible with the SORN because FEMA needs to verify that a property with a NFIP flood insurance policy is not over or unpaid for a policy claim and to help federal state, local governments to assist their residents with addressing unmet flood insurance needs.

Routine use R allows the NFIP to share with the Census to conduct research, analysis, and feasibility studies of policies and claims within its jurisdiction. This sharing with Census is outside of the general exemptions allowed by the Privacy Act of 1974 as amended. Also, this routine use permits NFIP to share information with other federal, state, and local stakeholders involved in floodplain management to help understand flood risks and to take actions to mitigate those risks. This is compatible with the purpose for original collection, which includes the administration of flood insurance, coordination of flood plain management with federal state and local governments.

Routine use V allows NFIP to share policy information with reinsurance brokers and reinsurance companies based in the United States. The NFIP Reinsurance Program is compatible with the purpose for original collection of information because NFIP shares flood insurance financial risk information with the insurance community (i.e., private reinsurers, private capital firms, and financial institutions) for the purposes of preparing NFIP assumption of risk proposals.

FEMA may share information with the USDA NITC in accordance with the DHS/ALL-004 General Information Technology Access Account Records System (GITAARS) SORN and pursuant to routine use F that allows FEMA to share information with USDA to host and provide helpdesk support to the NFIP PIVOT. This is compatible with the original collection of information, the purpose of which is to provide authorized individuals access to, or allow them to interact with DHS information technology resources.

### **6.3 Does the project place limitations on re-dissemination?**

Individuals that access their information using the NFIP DCMT portal are not limited in how they share their own information. NFIP shares NFIP PIVOT data with participating federal, state, and local officials as well as the WYO companies involved in floodplain management to help them understand flood risks and to take actions to mitigate those risks. The re-dissemination of information collected and maintained within the NFIP PIVOT is limited by providing the user with a warning banner that informs NFIP PIVOT users that re-dissemination of NFIP PIVOT data is prohibited. Also, FEMA limits re-dissemination of information using language within the ISAAs, Non-Disclosure Agreements (NDA) or a letter/notification of Privacy Act sharing limitations that FEMA will initiate with each recipient of NFIP information.



## 6.4 Describe how the project maintains a record of any disclosures outside of the Department.

NFIP maintains audit logs of access of information within NFIP PIVOT. Also, NFIP uses an internal SharePoint-based tracker to track all ISAAs with states and communities. Generally, these ISAAs include the data fields that FEMA is sharing or allowing access. Additionally, as identified in the DHS/FEMA-003 National Flood Insurance Program Files System of Records, requests for NFIP program information are made through the FEMA Disclosure Branch which maintains the accounting of records disclosure under the Privacy Act.

NFIP also maintains records of property loss history reports provided to its policyholders.

## 6.5 Privacy Impact Analysis: Related to Information Sharing

**Privacy Risk:** Information maintained in NFIP PIVOT may be inadvertently disclosed to entities that are not compatible with the purpose for which NFIP collects and maintains the information.

**Mitigation:** NFIP, with consultation by FEMA's Office of the Chief Counsel and the FEMA Privacy Branch, shares information with other federal, state, and local government agencies and FEMA contractors in accordance with the FEMA SORNs mentioned in Section 1.2 of this PIA. To help mitigate inappropriate third-party access to FEMA records, NFIP enters into ISAAs or provides routine use letters that place limitations or further sharing of NFIP information.

## Section 7.0 Redress

### 7.1 What are the procedures that allow individuals to access their information?

Individuals seeking access to records contained within NFIP PIVOT may submit a request, in writing, to:

Chief, Disclosure Branch  
Information Management Division  
Office of the Chief Administrative Officer  
Federal Emergency Management Agency  
Department of Homeland Security  
500 C Street, SW  
Washington, D.C. 20472.

Requests should be clearly marked "Privacy Act Request" for U.S. citizens and lawful permanent residents (LPR). All other individuals should mark their request "Freedom of



Information Act Request.” In accordance with 6 CFR § 5.21, the name of the requester, the nature of the record sought, and the required verification of identity should be included, when required.

Policyholders will also receive access to their records when NFIP sends them their property loss history. This includes claim and payment information regarding the property (both during and prior to their ownership/tenancy of the insured property).<sup>21</sup>

WYO companies provide procedures and instructions to policyholders on how to access information on their policies, and the NFIP Direct Program provides procedures and instructions to policyholders via the process described in the DHS/FEMA/PIA-049 NFIP Direct Servicing Agent (Direct) System PIA.

## **7.2 What procedures are in place to allow the subject individual to correct inaccurate or erroneous information?**

U.S. citizens and LPRs seeking to amend their records contained within NFIP PIVOT may submit a request, in writing, to:

Chief, Disclosure Branch  
Information Management Division  
Office of the Chief Administrative Officer  
Federal Emergency Management Agency  
Department of Homeland Security  
500 C Street, SW  
Washington, D.C. 20472

Requests should be clearly marked “Privacy Act Amendment Request.” In accordance with 6 CFR § 5.21 the name of the requester, the nature of the record amended, and the required verification of identity must be clearly indicated.

All NFIP customers, regardless of citizenship, may contact the insurance agent or broker who administers their flood insurance policy to update or correct erroneous information associated with their policy. The insurance agent or broker can then update NFIP PIVOT with the updated information.

Also, the WYO companies provide procedures and instructions to policyholders on how to correct information on their policies.

Additionally, policyholders can initiate a claims appeal process to correct potential erroneous claims information. Information on NFIP claims appeal process is accessible on the

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<sup>21</sup> Property loss history is only available to property owners at this time, but FEMA may update its SORN in the future to permit the disclosure to renters who are policyholders.





FEMA.gov website.<sup>22</sup> FEMA requests that all WYO companies and NFIP Direct notify their policyholders of this process.

### **7.3 How does the project notify individuals about the procedures for correcting their information?**

This PIA, the DHS/FEMA/PIA-048 National Flood Insurance Program (NFIP) Direct Servicing Agent (NFIP Direct) System PIA, and the SORNs listed in Section 1.2 provide notice of access and correction. The WYO companies and NFIP Direct also provide procedures and instructions to policyholders on how to correct information on their policies. Additionally, there is a formal claims appeals process conducted or monitored by FEMA. Information on the NFIP claims appeal process is accessible at the FEMA.gov website as well as through FEMA's FloodSmart website. FEMA requests all WYO companies and NFIP Direct notify their policyholders of this process.

### **7.4 Privacy Impact Analysis: Related to Redress**

**Privacy Risk:** Individuals may not know all the procedures available to correct or address policy information or claims information that may be inaccurate and may adversely affect a policyholders final claims determinations.

**Mitigation:** FEMA has a claims appeals process that is available online to have FEMA review and correct such information. Individuals are made aware of this process through their insurance provider, the FEMA.gov website, and FloodSmart website. During the appeals process, FEMA provides additional information on how information within NFIP PIVOT can be updated by the policyholder.

**Privacy Risk:** Policyholders may not know how to access and correct their information that is maintained within the NFIP PIVOT.

**Mitigation:** This privacy risk is mitigated. The WYO companies and NFIP Direct also provide procedures and instructions to policyholders on how to correct information on their policies. In addition, NFIP provides notice through this PIA, the DHS/FEMA/PIA-048 NFIP Direct System PIA, the SORNs listed in Section 1.2, and the Privacy Act Notices on FEMA forms that reference applicable SORNs and information on how to access and correct information.

**Privacy Risk:** NFIP customers who are not U.S. citizens or LPRs are unable to correct erroneous information through the PA request process.

**Mitigation:** The NFIP program allows all customers, regardless of citizenship, to correct erroneous information through their insurance provider. For corrections that affect an NFIP claim,

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<sup>22</sup> More information on the NFIP claims appeals process is available at <https://www.fema.gov/flood-claim-appeals-and-guidance>.



FEMA accepts NFIP claims appeals from all NFIP customers, regardless of citizenship. During this process the NFIP can correct erroneous policy and claims information.

## Section 8.0 Auditing and Accountability

### 8.1 How does the project ensure that the information is used in accordance with stated practices in this PIA?

There are several levels of access and a broad range of stakeholders who are authorized to view NFIP data. The NFIP PIVOT Security Plan provides details about the users who are authorized access at specific levels, including NFIP employees and contractors (such as NFIP Direct personnel) and NFIP PIVOT staff, other federal, state, and local officials, and the WYO companies. The NFIP security authorization process evaluates access levels, user roles, and associated security controls.

The NFIP PIVOT system also has an access management plan that details how access is granted and to whom. It requires that monthly audits of accounts are conducted to ensure that the appropriate personnel have the correct rights for their role. This audit review also ensures that staff and contractors who no longer work for the program have their accounts deactivated or deleted.

The Information System Security Officer is responsible for monitoring the daily audit logs monthly, to ensure that users are properly accessing the system and that no inappropriate access of data is occurring.

All NFIP users, including contractors, have access to national NFIP data sets with view-only capability. NFIP employees and contractors may only update reference data used to verify transactions, such as flood map data used to determine the flood risk of a particular location. State and local users are limited to viewing insurance data within their state or locality. The WYO company agents, insurance brokers, and the NFIP Direct are limited to viewing only their specific company's policyholder data. NFIP claim appellants can only access their own PII after initiating a NFIP claim appeal.

Formal procedures are in place for establishing user accounts. NFIP approves and verifies all user accounts and assigns access roles using the NFIP data access application process. NFIP PIVOT security entities verify the identities of users before granting access to the system. A supervisory state official or WYO company will identify a point of contact and request that the user communicate with that contact to obtain access to NFIP. Once the verification process is complete the user receives an initial ID and password based on his or her organization, position, and role. At the end of this process, users receive access authorization. The NFIP program maintains audit records for the system that are sufficient in detail to facilitate the reconstruction of events if compromise or malfunction occurs or is suspected.



## **8.2 Describe what privacy training is provided to users either generally or specifically relevant to the project.**

NFIP employees and contractors are required to take initial and annual security and privacy awareness training and acknowledge the Rules of Behavior for personnel assigned to NFIP PIVOT before being granted access.

## **8.3 What procedures are in place to determine which users may access the information and how does the project determine who has access?**

Individuals receive access approval through the NFIP account management process. External users submit access requests to NFIP for approval, after which the request is acted upon by the NFIP PIVOT account management staff. Once the user is verified against the NFIP domain address solution, the account credentials are provided via a secure distribution process. Any verification discrepancies are noted and acted on by NFIP management. External users' access to the system is limited to the established public domain websites. However, some of the links on these sites are protected and require authentication credentials that are established via the access request process through NFIP.

NFIP PIVOT contractors (internal users) obtain user accounts through the NFIP PIVOT account management process. Establishing, activating, modifying, disabling, and removing accounts procedures are documented, implemented, and managed by the NFIP Information Technology Division. NFIP user account request forms are used to establish what access is required by the user's supervisor and then approved by NFIP management. All users are assigned individual accounts based on role assignment. If a user within a role requires additional access, it must be specifically requested and approved. Group memberships are not allowed as an account option. Guest or anonymous accounts are not used, and temporary accounts are established when necessary for authorized users who require short-term access, typically less than 24 hours.

Notification of user account changes due to user termination, transfer, or access level needs are communicated to the NFIP Information Technology Division by the user's manager as part of the account management procedures. Temporary accounts are terminated immediately by the Network Operations Manager, who is notified by the System Administrator, after the short-term access needs are completed.

Privileged users who require and are approved for remote access use the approved Nortel Virtual Private Network (VPN) solution using Internet Protocol Security (IPSec) encryption. External devices used for remote access are not used for storing personal information, and the hard drives are encrypted as standard baseline configuration.



## **8.4 How does the project review and approve information sharing agreements, MOUs, new uses of the information, new access to the system by organizations within DHS and outside?**

Any review and approval of information sharing agreements, Memoranda Of Understanding, Interagency Agreements (IAA), or other sharing of NFIP PIVOT information must be approved by NFIP PIVOT Program Manager, Contracting Officer's Representative, System Owner, FEMA Privacy Officer, and Office of Chief Counsel.

### **Responsible Officials**

Samuel Hultzman  
NFIP PIVOT System Owner  
Federal Emergency Management Agency  
U.S. Department of Homeland Security

William H. Holzerland  
Senior Director for Information Management  
Privacy Officer  
Federal Emergency Management Agency  
U.S. Department of Homeland Security

### **Approval Signature**

[Original, signed copy on file with the DHS Privacy Office]

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Philip S. Kaplan  
Chief Privacy Officer  
Department of Homeland Security



## Appendix A – PIVOT Functions, Modules, and Applications

**PIVOT General Support System (PIVOT GSS)** - The PIVOT GSS includes hardware, software, NFIP data, and applications used to assist FEMA in managing the NFIP. PIVOT GSS provides a supporting infrastructure and services to allow all other applications to function. While the PIVOT GSS does not itself use or maintain PII, it hosts other PIVOT applications that process PII, as outlined below.

**PIVOT Analytics Reporting Tool (PART)** – PART is a single repository of standardized reference data that can be used to develop actuarial and risk models to perform underwriting analysis and is only accessible to FIMA federal staff and badged FIMA contractors. Insurance businesses, such as the NFIP, rely heavily on historical data to develop mathematical models as well as to identify marketing trends and high-risk properties (i.e., Severe Repetitive Loss). NFIP uses PART to support these functions. FIMA also uses PART to run analytics to assist FEMA in flood insurance premium rate determinations. PART utilizes historical and current PII data collected by CAP and DCMT such as: names, address, telephone number, flood insurance policy payment history, vendor TIN, and adjuster’s professional certificate number.

**PIVOT Claims and Policies (PIVOT CAP)** – PIVOT CAP is the application that processes and verifies all new and renewal policies and claims. Flood insurance companies provide information to PIVOT CAP via an automated push/pull of data from their vendor system to PIVOT CAP. FEMA grants access for PIVOT CAP to FEMA employees and contractors only. CAP collects PII data including name, address, phone number, and policy number, but does not collect SSN or dates of birth. However, CAP will also contain historical claims and policy information from the NFIP ITS, which does include SSNs collected prior to 2008.

**PIVOT Document and Case Management Tool (PIVOT DCMT)** – This application allows NFIP policyholders, both WYO company and NFIP Direct customers, to submit appeals to policy or claims determinations directly to FEMA for FIMA review. FEMA grants access for the PIVOT DCMT portal to policyholders as well as FEMA employees and contractors. DCMT collects PII including name, address, phone number, and policy number, but does not collect SSN or dates of birth.

**PIVOT FloodSmart (PIVOT FLSM)** – [www.floodsmart.gov](http://www.floodsmart.gov) is the main website for the NFIP to provide critical information about flood insurance and how to obtain flood insurance. The general public will be able to visit the website without a login. FEMA grants access for the backend of PIVOT FLSM to FEMA employees and contractors only to update pages and maintain the website. FLSM collects the PII of WYO companies’ points of contact (POC) such as name, company name, telephone number, mailing address, and email address. Additionally, FLSM may



collect PII of the general public for the purpose of facilitating communication between the public and participating WYO companies.

**Catastrophic Modeling Zone (CatZ)** – The CatZ (formally Reinsurance Broker System (RBS)) system collects address and GIS data and provides statistical reports on flood and flood insurance trends within a geographical area. Within CatZ, FEMA employees and contractors will prepare NFIP data, including the PII, for modeling and import into catastrophe risk models that will analyze the data and produce output files. Any output leaving the secure FEMA environment will be aggregated loss estimates at the county level or higher, geolocation data, or location-specific data. FEMA employees and contractors download the modeled output and exhibits from CatZ to their FEMA laptops and then share that with FEMA employees and contractors via their FEMA email. No policy-specific information would leave the FEMA firewall. For reinsurance purposes, FIMA will verify and share the output file with reinsurers and reinsurance brokers under a Non-Disclosure Agreement (NDA) for FIMA-approved marketing and business purposes. Data output may also be used for setting insurance rates, verifying models, real-time event tracking, and other purposes.



## Appendix B - OMB Collection and FEMA Forms Associations

OMB Control Number	Collection	Title	FEMA Form Number
1660-0005	National Flood Insurance Program Claims Forms	National Flood Insurance Program Worksheet - Contents - Personal Property	FF 086-0-6
1660-0005	National Flood Insurance Program Claims Forms	Worksheet - Building	FF 086-0-7
1660-0005	National Flood Insurance Program Claims Forms	Worksheet - Building (continued)	FF 086-0-8
1660-0005	National Flood Insurance Program Claims Forms	Proof of Loss	FF 086-0-9
1660-0005	National Flood Insurance Program Claims Forms	Increase of Compliance Proof of Loss	FF 086-0-10
1660-0005	National Flood Insurance Program Claims Forms	Notice of Loss	FF 086-0-11
1660-0005	National Flood Insurance Program Claims Forms	Statement as to Full Cost of Repair or Replacement under the Replacement Cost Coverage, Subject to the Terms and Conditions of this Policy	FF 086-0-12
1660-0005	National Flood Insurance Program Claims Forms	National Flood Insurance Program Preliminary Report	FF 086-0-13



1660-0005	National Flood Insurance Program Claims Forms	National Flood Insurance Program Final Report	FF 086-0-14
1660-0005	National Flood Insurance Program Claims Forms	National Flood Insurance Program Narrative Report	FF 086-0-15
1660-0005	National Flood Insurance Program Claims Forms	Cause of Loss and Subrogation Report	FF 086-0-16
1660-0005	National Flood Insurance Program Claims Forms	Manufactured (Mobile) Home/Travel Trailer Worksheet	FF 086-0-17
1660-0005	National Flood Insurance Program Claims Forms	Manufactured (Mobile) Home/Travel Trailer Worksheet (Continued)	FF 086-0-18
1660-0005	National Flood Insurance Program Claims Forms	Increased Cost of Compliance (ICC) Adjuster Report	FF 086-0-19
1660-0005	National Flood Insurance Program Claims Forms	Adjuster Preliminary Damage Assessment	FF 086-0-20
1660-0005	National Flood Insurance Program Claims Forms	Adjuster Certification Application	FF 086-0-21
1660-0005	National Flood Insurance Program Claims Forms	NFIP Claims Appeal	
1660-0006	National Flood Insurance Program Policy Forms	Flood Insurance Application	FF 086-0-1





1660-0006	National Flood Insurance Program Policy Forms	Flood Insurance Cancellation/Nullification Request	FF 086-0-2
1660-0006	National Flood Insurance Program Policy Forms	Flood Insurance General Change Endorsement	FF 086-0-3
1660-0006	National Flood Insurance Program Policy Forms	V-Zone Risk Factor Rating Form and Instructions	FF 086-0-4
1660-0006	National Flood Insurance Program Policy Forms	Flood Insurance Preferred Risk Policy Application	FF 086-0-5
1660-0008	Elevation Certificate / Floodproofing Certificate	Elevation Certificate	FF 086-0-33
1660-0008	Elevation Certificate / Floodproofing Certificate	Floodproofing Certificate For Non-Residential Structures	FF 086-0-34
1660-0033	Residential Basement Floodproofing Certificate	Residential Basement Floodproofing Certificate	FF 086-0-24
1660-0040	Standard Flood Hazard Determination Form	Standard Flood Hazard Determination Form	FF 086-0-32