



## Questions and Answers on How to Prepare for a Disaster

**Q: What is a family disaster plan?**

A: A family disaster plan is your own plan for how to prepare for an emergency and what to do if it occurs. The great benefit to devising a family plan is that it doesn't cost you a thing.

**Q: I've heard of a disaster supplies kit, but I am not sure what I should put in it?**

A: You should store enough water to last at least three days (one gallon per person per day). Also include food that won't spoil or need much cooking, but be sure to replace it every 6 months. You'll also want to add a first aid kit, clothing, comfortable shoes, blankets, a battery powered radio or television, flashlights, extra batteries, lighters or matches, sanitation supplies, basic tools, dishes and kitchen utensils.

**Q: I need to know what I should do to protect my house and belongings from disaster?**

A: The most important first steps are to install smoke alarms and carbon monoxide detectors and to know how to shut off your utilities. Next, understand what types of disasters affect your area and what the vulnerabilities of your home or apartment are.

**Q: For disasters, what should I look for in a homeowners insurance policy?**

A: At a minimum, buy the full replacement or replacement cost coverage. This means the insurance company will pay to replace your house up to the limits specified in the policy. Keep in mind that coverage varies from state to state. When comparing policies, consult a financial professional or CPA for more information.

**Q: If I don't own and rent my house, what type of insurance should I get?**

A: Renter's insurance pays for damaged, destroyed or stolen personal property and is not very expensive. Renter's insurance is important because your landlord's insurance will not cover damage to or loss of your possessions. Make sure you understand the deductible and what the policy does and does not cover.

**Q: Is there any other insurance I need?**

A: Depending on where you live and your individual circumstances, you may want to consider insurance for earthquake, flood or add riders or umbrella liability to your policy.

**Q: If there's a disaster what should I do in regards to work?**

A: Each employer has different scenarios when it comes to a disaster. Some key questions to ask your employer is if they have a disaster plan and what you should do if you are unable to work?

**Q: If I get hurt because of a disaster and can't go back to work what do I do?**

A: The first thing to do is to call your employer. Describe your injury and ask your employer to maintain your employee benefits, especially your health care insurance.

**Q: If I lose my job because of a disaster, either permanently or temporarily, can I get unemployment benefits?**

A: You need to apply for unemployment benefits. You can do this by going to the walk-in FEMA Disaster Recovery Centers set up near a disaster area. You also can contact FEMA at 1-800-621-FEMA (3362).

**Q: If a disaster leaves me disabled can I receive Social Security benefits?**

A: The Social Security Administration has two programs that pay a monthly benefit to people who are disabled and cannot work, but you must apply and qualify for these benefits.

**Q: Can I tap into my retirement plan if I experience a disaster?**

A: Ask your employer about the rules for borrowing against your retirement plan. It is also good to know that if you are disabled because of a disaster you can withdraw money from your retirement plan without penalty.

**Q: If I decide I need financial advice, what should I look for in choosing an advisor?**

A: Contact a professional association to ask for recommendations and always interview several advisors before making a selection.

**Q: What should I look for in a health insurance policy?**

A: When you are looking into details of a health insurance policy, know what's covered. Find out what your out-of-pocket costs might be if you are seriously injured in a disaster so you can anticipate (and save for) these costs.

**Q: What should I do if I don't have health insurance?**

A: It depends on your situation. If you are changing jobs, look for a company that offers a group health insurance plan. Additional options include purchasing an individual plan or finding out if you are eligible for government programs.

**Q: What about disability insurance?**

A: Disability insurance pays a monthly income to disabled individuals who qualify. If your job offers disability insurance, make sure you understand the plan and know

what it provides. Also, be aware that when you leave a job the plan could be terminated.

**Q: What about life insurance?**

A: When considering life insurance, take a look at how many dependents you have, their ages and needs, your debts and the ability of your spouse to make a living.

**Q: Should I have a safe deposit box?**

A: Protect your records and other irreplaceable items from disaster by placing them in a safe deposit box or in a home safe.

**Q: What should I include in my safe deposit box?**

A: Consider placing birth, death and marriage certificates, divorce and child custody papers, adoption papers, passports, social security cards, stock and bond certificates, insurance policies, trust documents, military records and anything that would be difficult to replace.

**Q: If something were to happen to me how do I plan my estate?**

A: Hire a lawyer to help you set up your estate plan. Talk to your attorney about a living trust and/or will, durable power of attorney, health-care proxy, living will and beneficiary documents.

**Q: How can I get a copy of the guide or get additional information on the topic?**

A: To order bound copies of the guide, visit [www.cpa2biz.com/store](http://www.cpa2biz.com/store), call 1-888-777-7077 or fax 1-800-362-5066 and refer to product no. 017232. Also, a PDF of the guide has been posted on the American Red Cross Web site located at [www.redcross.org/financialplanning](http://www.redcross.org/financialplanning). Additional resources on this topic are also available on the AICPA's financial literacy Web site located at [www.360financialliteracy.org](http://www.360financialliteracy.org).

