



# Fire Insurance: Are You Covered?

FIRE Safe Marin

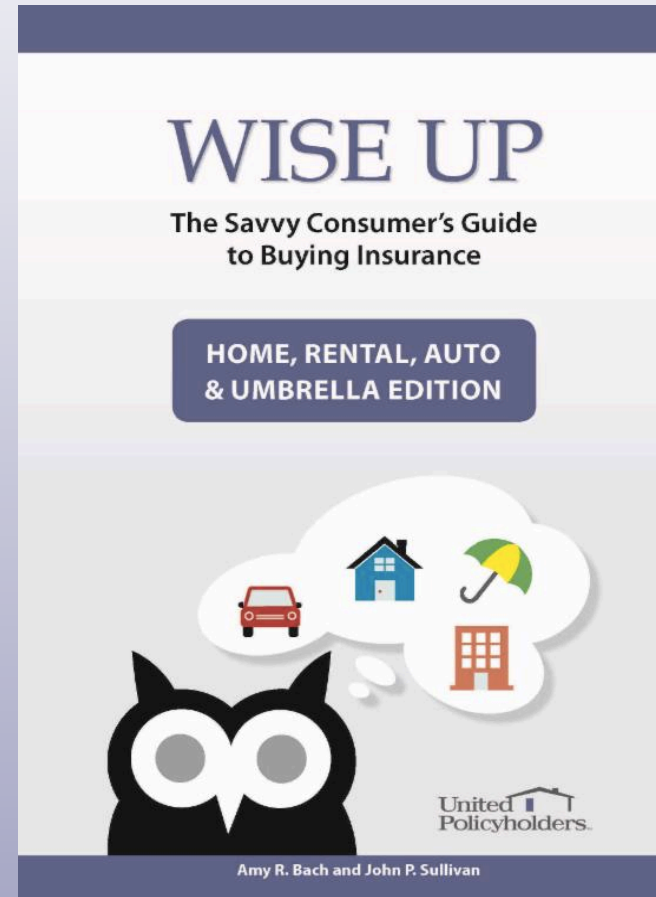
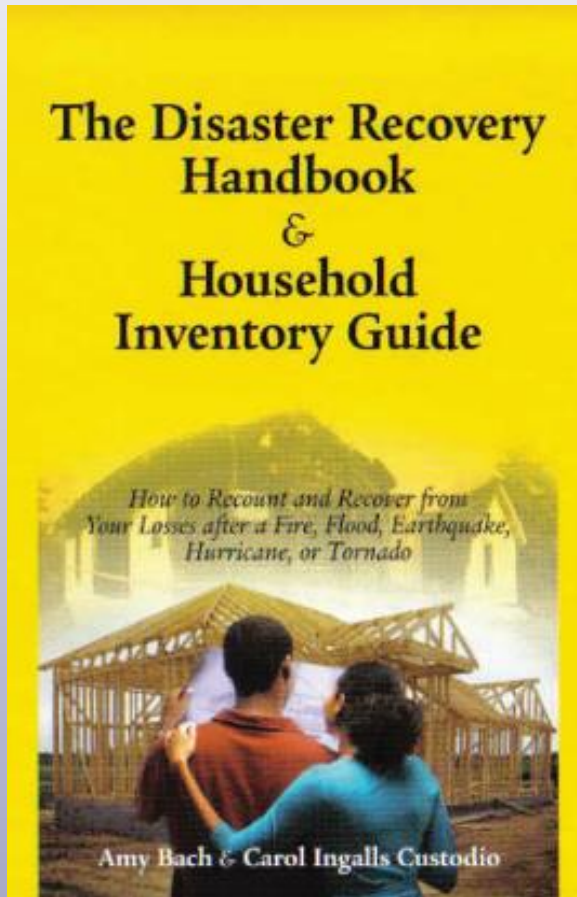
July 27, 2021

Presenter: Amy Bach, Executive Director

# About United Policyholders (UP)

- A voice and information resource for insurance consumers and disaster survivors since 1991
- Preparedness, Recovery, Advocacy
- Not for profit, subject matter experts in insurance and disaster recovery
- Funded by donations and grants
- Team UP includes volunteers from prior disasters and knowledgeable, consumer-oriented experts
- Trusted and respected nationwide
- Learn more about our work at [www.uphelp.org](http://www.uphelp.org)

# UP Guidance and Tools



# Inventorying and Insuring Assets

- 2/3 of people who lose homes in wildfires are underinsured
- Don't blindly trust insurer/agent to place adequate coverage
- Use UP's resources to shop smart and avoid gaps
- Inventory your assets
- Scan important documents and store offsite
- Schedule valuables, fine art, collections
- Brush area/suburban homeowners can "harden" and create defensible space to increase attractiveness to insurers

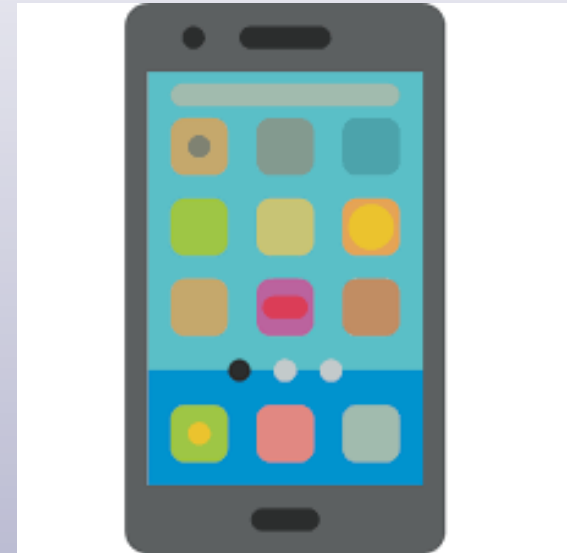
# Shopping for insurance in CA:

- Prices have increased, availability is limited many regions
- The CA Fair Plan is a last resort and they take almost all comers
- 75 notice before your insurer can non-renew, Moratoriums in place
- UP working to establish insurance rewards for mitigated homes
- Shopping tips and tools available @ [www.uphelp.org](http://www.uphelp.org)
  - Recorded webinars with agents, UP and CFP staff
    - [Keeping your home protected when options are limited](#)
      - <https://www.youtube.com/watch?v=O5SMPWVz-RY&t=11s>
    - [How to survive the home insurance crisis](#)
      - <https://uphelp.org/events/how-to-survive-the-home-insurance-crisis/>
  - Publications/Guidance:
    - [Dropped by your insurer in CA – Where to go for help](#)
      - <https://uphelp.org/buying-tips/dropped-by-your-insurer-where-to-go-for-help-in-california/>
    - [The Lowdown from UP on the CA Fair Plan](#)
      - <https://uphelp.org/buying-tips/the-lowdown-from-up-on-the-california-fair-plan-the-last-resort-option-for-insuring-your-home/>

# Easy to inventory assets

## Do it yourself:

- Make a cell phone video, store in the cloud
  - Capture insides of closets, drawers, garages, storage areas
  - Interior and exterior of home
  - Landscaping and outbuildings
  - Unique and high value items
- Lists & Checklists
  - FEMA - [fema.gov/media-collection/emergency-financial-first-aid-kit](https://www.fema.gov/media-collection/emergency-financial-first-aid-kit)
  - United Policyholders - [uphelp.org/pubs/how-create-home-inventory](https://uphelp.org/pubs/how-create-home-inventory)



# Questions to ask insurer or agent

- How much per square foot will my home be insured for?
- Will the policy cover the cost of replacing my home with one of like kind and quality if it's totally destroyed?
- Will the policy cover the cost of repairs to restore my property to a uniform and consistent appearance (matching carpet, shingles, etc.)
- What causes of loss (perils) are excluded/not covered?
- Does the policy limit or exclude Water damage? Mold? Hail? Wind?
- What **deductibles** will apply and how will they be calculated?
- If I increase the deductible, how much will it reduce the premium?
- Is my dwelling and personal property covered for **replacement cost value or actual cash value**?
- How much will it cost to buy coverage for flood and earthquake?
- Does the policy limit payment for specific items such as jewelry, art, collections or business equipment?

# Flood, EQ damage not covered unless purchased separately

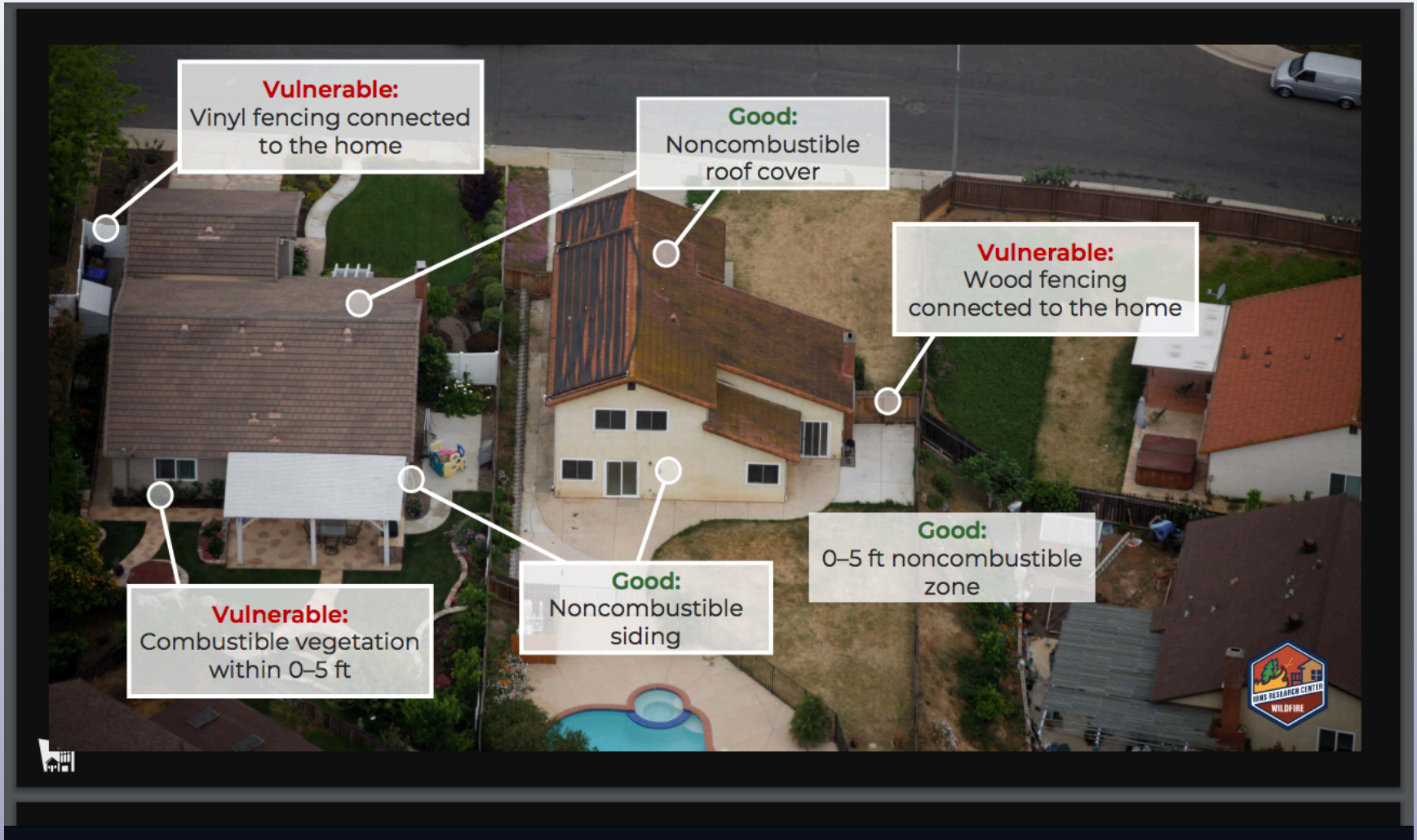




# Shopping considerations:

- Agent doesn't want to lose your auto biz
- CFP + DIC?
- Surplus/Non-Admitted
  - No state guarantee fund protection
  - Policy language less regulated
  - May be better option than CFP + DIC...or not

# What we know...



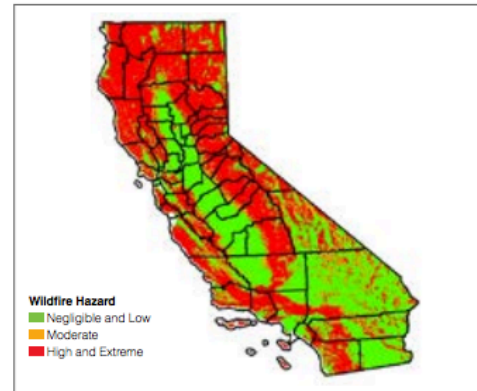
# Knowing the score

## FireLine® State Risk Report – California

### Wildfire Risk at a Glance

Number of Housing Units <sup>1</sup>	13,680,100
Number and Percentage of Housing Units at High or Extreme Risk	2,048,800 15%
Largest Insured Wildfire Loss <sup>2</sup>	\$13 billion (2017)
Number of Acres Burned in 2017 <sup>3</sup>	1,266,224
Largest Historical Wildfire Since 1998 <sup>3</sup>	Rush (2012) 315,200 acres burned

Sources: 1. U.S. 2010 Census, 2. PCS<sup>2</sup>, 3. National Interagency Fire Center (NIFC)



According to U.S. Census data, California has 13,680,100 housing units. Following is a breakdown of the percentage and number of housing units broken out into the low, moderate, and high wildfire risk categories.

Negligible and Low		Moderate		High and Extreme	
Percentage	Number	Percentage	Number	Percentage	Number
73	9,946,500	12	1,684,800	15	2,048,800

### Top five counties by number of housing units in high and extreme wildfire risk category

County	Number of Homes
Los Angeles	443,300
San Diego	254,400
San Bernardino	111,500
Ventura	77,900
Alameda	77,000

### Top five counties by highest concentration of housing units in high and extreme wildfire risk category

County	Percentage of Homes
Alpine	88
Trinity	81
Tuolumne	80
Mariposa	78
Nevada	75

# Mitigation standards/Insurance rewards

Advocacy Blog Roadmap to Preparedness

## Wildfire Risk Reduction and Asset Protection — UP’s WRAP Initiative

JUNE 1, 2020



By launching and advancing a “Wildfire Risk Reduction and Asset Protection” (WRAP) initiative in 2017, UP is helping property owners across California keep their assets insured during a **home insurance availability and affordability crisis** that is affecting many parts of the state. This crisis is hitting people hard in the pocketbook. Insurers have dropped (“non-renewed”) thousands of

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6 Tips to Streamline Insurance Payment on Home Damage Claims. Thanks to the @oanow for using UP as a source. Glad to share out tips with Alabama home owners!

<https://oanow.com/lifestyles/home-and-garden/real-estate/6-tips-to-streamline-insurance-payment-on-home-damage-claims> via @oanow

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United Policyholders @UPHelp · 4 May

# Guidance from UP = The straight scoop



- Email questions to [info@uphelp.org](mailto:info@uphelp.org)
- Support a non profit that has your back when insurance matters ([www.uphelp.org/donate](http://www.uphelp.org/donate))
- Volunteer by emailing [TeamUP@uphelp.org](mailto:TeamUP@uphelp.org)