



Roadmap to Preparedness Program

Challenging times for California property owners: Navigating the Property Insurance Crisis



About United Policyholders

- In business since 1991 as a consumer advocacy non-profit that helps people with insurance matters
- Three main programs, various initiatives (WRAP, RISC)
- Trustworthy, plain language info
- Working hard to help Californians in wildfire-prone areas keep their homes insured during the current crisis
- UP Roadmap to Recovery program provides free guidance on insurance, replacing, rebuilding and navigating the recovery process after a partial or total catastrophic loss

Amy Bach, UP Executive Director



- Co-founder, United Policyholders,
- Leading the Roadmap to Recovery®, Roadmap to Preparedness and Advocacy and Action programs since 1995
- A professional insurance consumer advocate since 1984
- Official Consumer Representative, National Association of Insurance Commissioners
- Member, Federal Advisory Committee on Insurance (US Treasury)
- Architect of the UP WRAP initiative

Help us continue to monitor and contribute
to solving CA's property insurance crisis!

Please disseminate our...

www.uphelp.org/CAhomeSurvey

The data collected will help us help you.

THANK YOU!!!

The Lingo

Dropped/Nonrenewed: Your insurance company no longer wants to insure your home when the current contract expires (usually a one year term).

Cancelled: Your insurance company can cancel your insurance if you do not pay your insurance bills or your home is in very poor condition.

Difference in Conditions (“DIC”) Insurance that can fill gaps in a CA Fair Plan policy.

Admitted/Non-Admitted: Two kinds of insurers. Fully or Lightly regulated, CIGA/not

CA Guarantee Assn. (CIGA): Pays claims of admitted insurers that run out of money.

Protection Class: 10 categories insurers use to evaluate your city/town. Considers fire department, water supply, alarm/communication systems.

Risk Score: A number assigned to your home’s wildfire risk level by a modeling system produced by a private company, generally not an insurer.

What are the current rules?

- Insurer must give 75 days notice before non-renewing
- Depending on zip code, there are currently few to no options other than the CA Fair Plan
- CA Fair Plan must “take all comers” (w/a few exceptions) and give a discount of up to 15% to those who meet Safer From Wildfires standard
- Insurer must tell you your Risk Score, provide an appeal
- Insurance pricing must be prior approved, not excessive or unfairly discriminatory, some mitigation discounts are available, others pending
- “Sustainable Insurance Strategy” is in process not implemented. Insurers, DOI and some stakeholders are at loggerheads.

Dropped by your Insurer?

- Start shopping right away
- Talk to neighbors and friends, shop on your own AND get help from a professional agent/broker
- Use UP's resources <https://tinyurl.com/2p8r2k27>
- Ask good questions, keep good notes
- If the Fair Plan is your only option, aim for add-ons if affordable

United Policyholders
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LISTOS CALIFORNIA

Dropped by your home insurer? Steps to take in California

Act Promptly
Read the paperwork from your insurer. Contact them and ask if there are home improvements you can make that will get them to reverse their decision to drop you. Note: The non-renewal notice must be sent to you **75 days before** the policy expires. www.uphelp.org/droppedca

Know Your Rights & Get Help
If you believe that you are being non-renewed in violation of the law, file a "Consumer Complaint" with the California Department of Insurance www.insurance.ca.gov/01-consumers

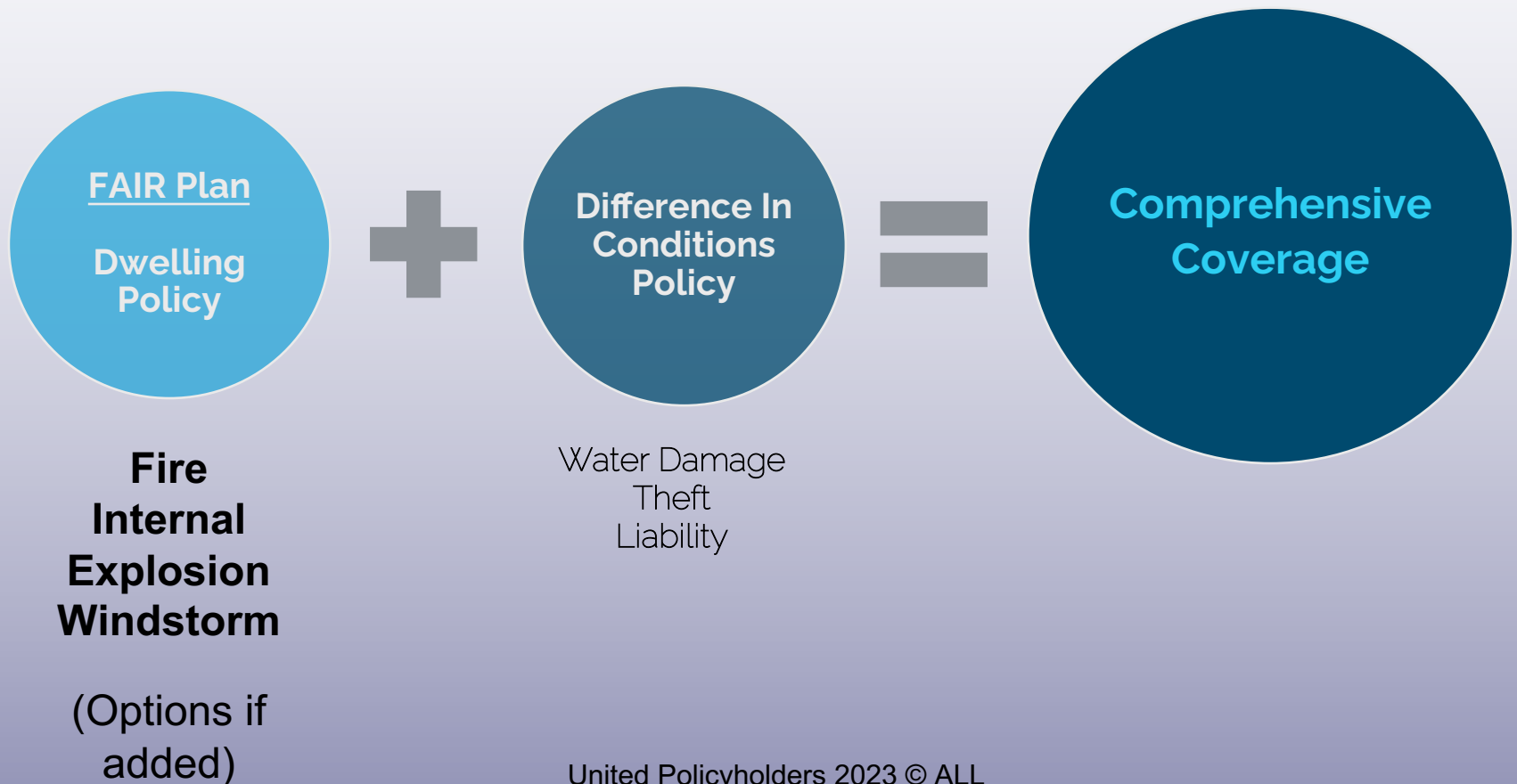
Shop for Options
Work with a good agent to find all options including "non-admitted" insurers. Watch UP shopping help videos and use CDI tools: www.uphelp.org/cainsurancehelp

Be Prepared to Pay More, Avoid Cutting Coverage
Aim to insure your home for what it would cost to rebuild it and the risks you face in your area. Keep good notes of your conversations. Avoid being in the 1/3 of homes in the US that are underinsured. www.uphelp.org/checkup

Last Resort
The California FAIR Plan (CFP) offers basic fire protection if you can't find a "regular" company to insure you. Consider pairing a CFP policy with a "difference in conditions" policy to fill gaps in what CFP policies don't cover. www.uphelp.org/CFP

For more information and guidance, visit:
www.uphelp.org/droppedCA

FAIR Plan coverage is very basic – can be enhanced



CA Fair Plan Add-On Options

- Extended coverage for windstorm or hail, explosion, riot, vehicles
- Vandalism
- Add **Replacement Cost Coverage**
- **Contents:** you have to specifically add extended coverage and/or vandalism for contents
- Optional increase of **Fair Rental Value** (up to 20%)
- Optional Increase **Code Upgrade Coverage** (up to 10%)
- Optional - add 5% for **Debris Removal** coverage
- Optional increase of **Other Structures** coverage

Home Insurance Check UP

Questions to ask an ins. agent

- Will this policy cover the **cost of rebuilding** my home to its pre-loss condition?
- What causes of loss are **not covered**?
- Will my insurance cover the cost to upgrade electrical, plumbing and other **building codes upgrades** if I have to make repairs or rebuild my home?
- For how long will my **temporary rent and related expenses** be covered while my home is being repaired or rebuilt after a loss?
- What items are subject to **limits or exclusions** and for which of these limits or exclusions should I consider adding coverage?
- What are my options for insuring my **home-based business** property and operations?
- What **discounts** do you offer and how do I qualify for them?
- How much can I save if I increase my **deductible**? Flat or %?

Tips to save money:

- Seek out a *pro-active* insurance agent/broker
- Do as much mitigation as you can
- Raise your deductible
 - While shopping ask for a quote with different levels of deductible: \$1,000, \$2,500, \$5,000
 - A higher deductible will reduce your premium and you will be less likely to file a small claim
- Reduce/eliminate buckets of coverage you can live without (High dollar limits on contents, Other Structures)

Risk reduction is imperative



Improve Your Home's Chances of Surviving a Wildfire

- Have a Class A fire rated roof
- Install screens to keep embers out
- Gutters should be kept clear of leaves and needles
- Clear plants so there's 5 feet of space around your home
- Remove all combustible materials from under and near decks
- Prune branches near the home
- If wood fencing touches your home, replace at least 5 ft. of it with metal
- To get help with the above, visit the WRAP Resource Center: www.uphelp.org/wrap



firesafe_marin



Fences and Gates

Use noncombustible materials



Despite limited options and high prices, be prepared, not scared:

- Get educated on your options
- Seek out a pro-active, consumer-oriented agent/broker
- Avoid underinsuring your dwelling: Aim to insure for replacement value, including coverage for building code upgrades
- Compare what premiums will be w/various deductibles
- Reduce/eliminate non-essential coverages where feasible
- Create a home inventory, store it safely
- Help your community be Firewise/Fire Safe
- Mitigate! Take steps to “harden” your home and create defensible space - www.uphelp.org/wrap

Yes it's worth it...

(even if your lender isn't requiring)

- Insurance money -- not charitable or government aid -- is the #1 source of money that helps people rebuild and recover after a disaster.
- FEMA money is *needs-based* and the maximum grant is \$41k. Average ~ \$5k.
- SBA loans are low interest but must be repaid.
- Charitable aid generally covers basic needs – not the cost of rebuilding a home.

Get risk reduction help in your area

www.uphelp.org/WRAP

WRAP – SANTA CLARA COUNTY

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SANTA CLARA COUNTY

- FIND LOCAL RESOURCES
- ASSESS YOUR HOME
- CHECK FOR INSURANCE DISCOUNTS
- GET STARTED



**SUBMIT
RESOURCES**



We've got your back when insurance matters

United Policyholders (UP) is a non-profit 501(c)(3) whose mission is to be a trustworthy and useful information resource and a respected voice for consumers of all types of insurance in all 50 states. We don't take money from insurance companies. We give you the straight scoop. Guide you on buying insurance and navigating claims. Fight for your rights.

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