

HOW TO FIND (OR KEEP) FIRE INSURANCE

After several years of record-breaking California wildfires, insurance companies have responded by imposing huge premium increases on property owners, or even worse, flat-out denying coverage and canceling policies. Here are some tips to help property owners maintain their current insurance plan or, if necessary, find a new one.



TIPS FOR
HOMEOWNERS
IN WILDFIRE
ZONES

1

KNOW YOUR RIGHTS!

If your insurance company is not going to renew the policy on your home, they must notify you in writing at least 45 days before the expiration date. If you didn't receive the proper notice, contact the California Department of Insurance (DOI) at **1-800-927-HELP** or online at **www.insurance.ca.gov**. Check to see if your policy has a guaranteed renewal provision. You may also be entitled to a renewal under laws applicable to homes that are lost in a declared disaster.

2

CONTACT YOUR INSURANCE COMPANY IMMEDIATELY

If you receive notice of a rate increase or non-renewal, get in touch ASAP to see if there are fire-hardening steps you can take to change the company's decision.

3

START SHOPPING FOR INSURANCE EARLY!

Filling out applications and getting quotes takes time. Working with an insurance agent can speed things up. The DOI website (Consumers section) has a tool to help you find insurance agents and brokers near you. Check to see if the agent works exclusively with one insurance company or has access to multiple carriers. Keep track of which insurance companies are being contacted to make sure you're conducting a thorough search of all options.

4

CHECK FOR POLICIES WRITTEN BY ADMITTED INSURANCE COMPANIES

Admitted insurance companies are backed by the California Insurance Guarantee Association (CIGA), which provides protections if the carrier becomes insolvent. Check the **Residential Insurance Contact List** on the DOI website for a list of admitted insurance companies.

5

MAKE SURE YOU ARE NOT UNDERINSURED

Before selecting a policy, make sure it will cover the likely cost to rebuild your home in compliance with current building codes. Consider insuring your property for replacement cost value, not just depreciated actual cash value.

6

COMPARE TYPES OF COVERAGE AND LIMITS

If you have any questions, ask your insurance agent. For example: Will the policy cover the cost of rebuilding your home to its pre-loss condition? Does it cover demolition and debris removal? Is there a coverage limit on temporary rent and expenses while the home is being repaired? What causes of loss are **not** covered?

7

CHECK SURPLUS LINES INSURANCE OPTIONS IF NECESSARY

Surplus lines (aka "non-admitted") carriers do not have CIGA protection, but they often have more flexible offerings and may be the best solution. If you can't obtain insurance from an admitted carrier, consider a surplus lines one; just make sure to investigate the overall financial strength by checking A.M. Best at **www.ambest.com** or a similar service.

8

USE THE FAIR PLAN AS A LAST RESORT

If you're out of options, contact California FAIR Plan at **1-800-339-4099**. The FAIR Plan policy can be expensive, and it only covers certain losses by fire and smoke so you will need to buy Differences in Conditions (DIC) insurance to cover other perils such as theft and liability.