

[California Insurance Commissioner Ricardo Lara Holds Malibu Town Hall](#)

The Malibu Times

Even six months after the Woolsey Fire, some fire victims are still having difficulties collecting what they're owed by their insurers; that includes residents with partial damage to their homes as well as those experiencing total losses.

To help smooth the way, California's top insurance official, Insurance Commissioner Ricardo Lara, came to Malibu City Hall last Sunday with his team of experts. Lara, who just took office January 7, is an LA native.

In an interview before the Town Hall, couple Keith Cantor and Karen Schoen, who suffered a partial loss of their home, said they were having real problems with Mercury Insurance. Although they finally got a new roof, wall and windows in their house, Keith said "they made us jump through hoops to prove stuff, and then the first payment was short by 25 percent.

The couple explained that since the fire, their original insurance agent has been "MIA" and they have had four different adjusters.

"The company kept delaying and reassigning people," they said. "They were constantly sending different construction people out to the property to take 'one more look'" in a strategy that seemed designed to wear them out.

"It's war, and people who aren't savvy get killed," Keith said. "And there's no way to figure out the numbers on the paperwork they give you, like references to 'prior payments.' They exhaust people and that's the game."

Cantor and Schoen said it would have been more useful to victims if Lara had come to Malibu three

months after the fire instead of six months, since many people with claims have already settled for less with their insurance companies.

During an audience Q&A, there were a lot of questions from people who were underinsured. Many said their insurance agents had reassured them each year at policy renewal time that they had enough insurance, only to find out after the fire that there wasn't anywhere near enough to rebuild what they had—construction costs per square foot had skyrocketed, new building codes and regulations added significant expense, and some policies don't cover new foundations or debris removal.

"Why am I going through all this insanity after the fact, when it could've been done at the time I bought the policy?" one asked. "The department of insurance should demand upfront explanations of policies by insurance agents at the time of renewal and purchase."

Another said, "However you craft legislation going forward, insurance companies need to be required to stop underreporting the costs to rebuild."

City Council Member Skylar Peak commented that "The insurance companies keep making it impossible for people to move forward because they're withholding the money. You need to figure out a way to make this process easier, because it's a freaking nightmare."

State Senator Henry Stern introduced Lara, describing him as a "dear friend and mentor" and someone "diligent, substantive and [who] does his homework."

Stern expressed the concern that some Malibu residents have about insurers dropping or cancelling fire coverage.

"I want to keep Malibu as an insurable environment," Stern said, "but it'll take innovation."

Lara said he intends to "double down" on his department's outreach efforts. He said he realized it causes "real anxiety" to read an insurance contract because of all the "legalese," and his department intends to simplify insurance policy language in the future.

Like Stern, he was concerned that insurers will begin to pull out of fire prone areas, saying, "We're working to figure out how insurers can remain in our communities. We want accessible, affordable

insurance to continue.”

Lara assured residents that “Our fraud investigators are here on the ground if you feel you’ve been a victim of insurance fraud.”

Deputy Commissioner Tony Signorelli said people having problems with insurance claims, besides scheduling a one-on-one appointment, could also call their consumer hotline 800.927.4357 or file a case with them at insurance.ca.gov/0500-about-us/05-contact).

“We want to do everything we can to make sure the insurance company fulfills its obligations under your policy,” Signorelli said.

There’s also a third-party resource for people finding it difficult to deal with insurance companies; the nonprofit organization United Policyholders—Empowering the Insured provides free help navigating claims and has no ties to the insurance industry. Executive Director Amy Bach explained her organization offers support in terms of workshops and libraries.

“We want to make sure you max out the protections you paid for,” she said. See uphelp.org/blog/woolsey-fire-insurance-claim-help for information.

After the one-hour Town Hall, four hours were set aside for one-on-one private meetings between homeowners and state insurance experts.