

## [California wildfires: What you need to know about insurance for your losses](#)

San Francisco Chronicle

As still more wildfires rage in the Bay Area, many wonder how to handle the practicalities if they must evacuate — or worse, if their home is lost or damaged. Here are answers to common questions about insurance, money and real estate.

### **Q: I had to evacuate and don't yet know my home's status. What should I do?**

A: The first thing, said Amy Bach, executive director of [United Policyholders](#), a nonprofit that helps consumers navigate the insurance maze, is to get a copy of your complete insurance policy to see what it does and doesn't cover. You can ask your agent, call the company or log on to the company website to download a copy. She recommends printing one out so you can highlight and take notes on it.

### **Q: What should I look for in my policy?**

A: Find out the maximum benefit available, any limitations that will affect the flow of those funds, how much money you'll have for repair or rebuilding, when you can access that money, and what you have to do to access it.

### **Q: My home is lost or damaged. What do I do?**

A: After reviewing your policy, notify your agent and make a claim. If your house is uninhabitable, focus on securing temporary housing ASAP. But Bach cautions that you should avoid making major financial decisions in the first month.

"People are not in the best mental state after going through a profound trauma like this," she said. "They aren't sleeping well; it's not a great time to make big decisions."

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The California Department of Insurance offers a helpful list of [10 tips](#) for wildfire claimants.

**Q: Will insurance pay for living expenses while I'm evacuated?**

A: Most homeowner policies cover displacement expenses if you can't use your home due to a covered peril, such as a wildfire or mandatory evacuation. That includes money for a temporary living space, moving expenses, boarding pets, buying clothes, eating out if you don't have kitchen access. Make sure you keep receipts for every expense.

**Q: How long does displacement coverage last?**

A: People have [complained](#) to the California Department of Insurance after this summer's wildfires that their additional living-expense benefits were cut off after two weeks, unless they could prove their property was still uninhabitable, even if they were still under evacuation orders. Others complained that those benefits were discontinued even while there was no power or water service at their homes. California Insurance Commissioner Ricardo Lara issued a notice this month urging insurers to cover more than two weeks of living expenses, as well as expenses for those without water or power.

SB872, which passed the Legislature with broad bipartisan support, would address this by extending the two-week limit and providing coverage when an undamaged home cannot be lived in for other reasons, such as loss of water or power caused by a covered peril. Gov. Gavin Newsom has until Wednesday to sign the bill. His office did not respond to an inquiry about his plans.

**Q: When will I get displacement money?**

A: Insurers sometimes prefer to reimburse after you pay out of pocket, which can be a hardship. SB872 (see above) would require insurance companies to pay four months of living expenses in advance, as well as 25% of payments for lost contents, without you submitting an inventory form.

Meanwhile, Lara issued an [emergency notice](#) asking insurance companies to give survivors flexibility with deadlines and documentation and cover a quarter of lost possessions without inventories. "It's a request, not an order," said Michael Soller, a spokesman for the California Department of Insurance. "Anyone whose insurance company is not complying should call us" at 800-927-4357.

**Q: My insurance company says my home is habitable now, but I don't think it's safe yet. What should I do?**

A: This is an increasingly common problem, Bach said, noting that some in Boulder Creek, which endured the CZU Complex fires in Santa Cruz County, were essentially told, "Here's a sponge and bottle of cleaner, have at it."

An air quality expert — not an adjuster — should determine when it's safe to move back in, she said. Homeowners should get a professional's estimate on remediation costs for smoke and other damage.

**Q: I'm a renter and have renter's insurance. What do I do?**

A: Get a copy of your policy. Inventory and value all losses, including possessions, moving expenses, extra rent. Notify your insurer and file a claim.

**Q: I'm a renter and do not have renter's insurance. What are my options for help?**

A: The Red Cross often offers cash cards for about \$300 and two or three nights in a hotel, Bach said. Localities may offer shelter space. You can also apply for a [FEMA individual assistance grant](#).

**Q: What if I'm worried my insurance company will drop me?**

A: Companies generally cannot cancel your policy before its term ends, and must give 45 days' notice of a nonrenewal. If your policy is canceled or not renewed, ask your insurer for steps you can take to keep it, and then shop for other options.

"We hear the same stories again and again: people having a hard time finding insurance, keeping insurance even when they can find it, and seeing the costs rise due to wildfire risk," Soller said.

If you can't find insurance, the state offers a last resort: the [California Fair Access to Insurance Requirements \(FAIR\) Plan](#), 800-339-4099. It is expensive and limited to just fire and smoke; it does not cover water damage, mold, theft or liability, for example. You can buy a supplemental policy called "[Difference in conditions](#)" to address shortcomings.

**Q: How can I protect my home against wildfires?**

A: Experts recommend clearing perimeter brush for a “defensible barrier” of 5 feet, preferably 10. Clear gutters of leaves and debris, and screen or cover eaves, vents and other openings where embers could land. If you can afford it, changing to a metal roof is recommended.

Both the Department of Insurance and United Policyholders hope to persuade insurers to offer incentives for taking these steps.

Consider increasing your coverage.

“Two-thirds of wildfire victims find themselves severely underinsured,” Bach said.

If you’re a renter, especially in a wildfire-prone area, consider renter’s insurance.

“People don’t realize that if you don’t have a renter’s policy, you’re not covered for your possessions,” Soller said.

**Q: What insurance resources should I tap?**

A: [The California Department of Insurance](#) encourages consumers with questions to call 800-927-4357.

“We have staff ready to help,” Soller said. “We can help people get the most out of their policies.”

It will hold a virtual hearing on wildfire insurance Oct. 19 from 1 p.m. to 5 p.m.

[United Policyholders](#) has a library of information about the [2020 California wildfires](#) and holds frequent webinars on topics such as navigating claims and what renters can do. It welcomes questions at [info@uphelp.org](mailto:info@uphelp.org).

**Correction**

An earlier version of this story misstated eligibility for FEMA assistance. People of all income levels are eligible.