

# [Caught in the Crossfire: One Homeowner's Battle with California's Overwhelmed Insurance System](#)

BNN Breaking

When Lloyd Messineo's homeowners insurance was abruptly dropped due to wildfire risk, he found himself ensnared in a bureaucratic labyrinth. Turning to the California FAIR Plan as a last resort, he faced inexplicable delays and costly force-placed insurance. His story underscores a larger issue that many Californians may face, as the increasing reluctance of insurance companies to cover properties in high-risk areas, combined with escalating rates and regulatory constraints, has created a ticking time bomb. The urgent need for reform in the insurance industry is more critical than ever as the threat of wildfires looms larger each year.

In the sun-drenched hills of Simi Valley, Lloyd Messineo, a longtime resident, found himself ensnared in a bureaucratic labyrinth that threatened to upend his life. His home, a sanctuary nestled in an area of brush fire risk, became the epicenter of a struggle with homeowners insurance.

The saga began when Messineo's insurance provider of many years, Farmers, abruptly dropped his coverage. Despite rigorous protective measures, including a cement tile roof and screened vents, his home was deemed too great a fire risk. Other insurance companies echoed this sentiment, refusing to insure his property.

## A Last Resort and a Costly Delay

Left with few options, Messineo turned to the California FAIR Plan, the state-sponsored insurance of last resort for fire coverage. However, the application process proved to be anything but swift. For over three months, Messineo grappled with inexplicable delays, leaving him in a precarious position.

During this time, his mortgage company, unwilling to risk the uninsured property, secured force-placed insurance. This insurance, intended as a temporary safeguard, came with a staggering monthly cost of \$2,700.

### An Overwhelmed System

Amy Bach, from the consumer advocacy group United Policyholders, shed light on the root cause of Messineo's predicament. The FAIR Plan, she explained, was buckling under the weight of applications, receiving a staggering 4,500 each week. Over the past five years, the policy count had nearly tripled.

The Department of Insurance, saddled with limited authority over the FAIR Plan, found itself under mounting pressure to expedite processing times. However, the insurance industry argued that the high-risk nature of these properties necessitated careful consideration.

### A Glimmer of Hope Amidst the Crisis

After an arduous three-month wait, Messineo's application was finally approved. His story, however, underscores a larger issue that many Californians may face. The increasing reluctance of insurance companies to cover properties in high-risk areas, combined with escalating rates and regulatory constraints, has created a ticking time bomb.

As the threat of wildfires looms larger each year, the plight of homeowners like Messineo serves as a stark reminder of the urgent need for reform in the insurance industry.

The California FAIR Plan, designed to be a last resort, is now grappling with an influx of applications. This surge, coupled with the high costs associated with insuring properties in fire-prone areas, has created a perfect storm. The result? A system that is overwhelmed, expensive, and for many, inaccessible.

Messineo's story is not just about one man's struggle with insurance. It is a reflection of a broader crisis, one that demands immediate attention and action. As the climate changes and wildfires become more frequent, the need for affordable and accessible insurance is more critical than ever.

The question remains: Will the insurance industry and regulators rise to the challenge, or will more homeowners find themselves caught in the crossfire?