

[Even with insurance, being made whole takes work](#)

SF Gate

Owners or renters of the homes destroyed or damaged in the fire that tore through a San Bruno neighborhood Thursday are staring at a long and challenging process to recoup their losses. Getting paid the full amount they're entitled to for their dwellings, possessions and future expenses will require understanding insurance better than most people care to, and very possibly securing legal assistance, said Amy Bach, executive director of United Policyholders, a San Francisco consumer rights group focused on educating the public about insurance. She offers some tips for people who suffered losses:

Q: What steps should people whose homes were lost or damaged in the fire take to get reimbursed from their insurance companies?

A: One is you file a claim or notify your agent that you had a loss. That starts the clock running on all kinds of legal duties the insurance company has with regard to investigating your loss and helping tally up what you need in order to recover. Two is getting a complete, current copy of your policies. No. 3 is to get in the habit of taking notes of who you talk to and when. You have to be more proactive than people realize. People are going to have to deal with a steep learning curve ahead of them or they're going to end up getting less than they're owed. If they can't handle it, we recommend hiring some help.

Q: Are there any precautions they need to keep in mind before filing their claims, anything that could inadvertently undermine their case?

A: We advise people to stick to

the facts. Don't offer opinions about what might have caused it. You have suffered a loss, and your focus should be on adding up your damages, figuring out how much money it's going to take to get back to where you were.

Q: Do many policies have exclusions for situations like this?

A: I never say never in this day

and age. In the past five years, there has been what I call "exclusions gone wild." But I highly doubt that any insurance company is going to claim that these losses are excluded.

Fire is not a cause of loss that has been excluded by the insurance industry, like floods, earthquakes or mold, so there shouldn't be any arguing.

Q: Will most policies cover other costs, like possessions and the expenses people incur while waiting for homes to be fixed?

A: Generally you get an advance on

both living expenses and contents right away to get you started. What the insurance company will pay early on in the claim process will be only cash value, then once you prove you've replaced things they'll pay you the full replacement cost.

Q: What kind of deductibles will people be looking at?

A: I'm expecting the deductibles

to be a non-issue. I'm expecting to see here \$250 to \$1,000 deductibles. This isn't like earthquake insurance, where you get these crazy 10 and 15 percent of the damage deductibles.

Q: If PG&E or some other party is found to be at fault here, what are the implications for policyholders?

A: It's a backup source of

recovery for insurance gaps, and it will be the only compensation for people who have lost a loved one or suffered emotional damages that you can't claim under your insurance. Our view is that the insurance companies should make the policyholder whole, and then they can go after the utility to recoup what they pay out.

But the issue will be: Did the insurance company really make them whole? If they didn't, the person doesn't want to sign away any rights.

People will need legal advice to make sure they've gotten everything they're entitled to from their insurance and everything they're entitled to from whoever is found to be at fault for the fire.

Q: Will insurance companies be particularly cautious in what they pay out, to guard against any possibility of victims exaggerating claims?

A: The publicly traded companies that have to answer to shareholders are definitely on payout lockdown as much as possible. So for sure, I think that adjusters are on orders to be extremely careful about what they pay, when and how. Give your insurance company a chance to do the right thing, but understand that a certain amount of work on your part is required if you want to get a fair settlement.

More information

Visit the United Policyholders site at www.uphelp.org. Click on the "property damage claims" link under the "claim tips" category. Or e-mail info@uphelp.org to request a flash drive with advice and tools or a free copy of the organization's book, "Disaster Recovery."

E-mail James Temple at jtemple@sfchronicle.com.