

For some home insurance policyholders, every day is Earth Day

Some home insurers are offering you some green for going green.

Through add-ons to policies, home insurance companies are covering eco-friendly updates to a home after it has sustained an insurable loss, such as damage from a fire or storm. Some policyholders even can score premium discounts for certified environmental features that already are in place.

“One of the few silver linings to having your home damaged or destroyed in a disaster is being able to repair or rebuild by using sustainable materials and integrating energy-efficient systems,” says Amy Bach, executive director of United Policyholders, a nonprofit that helps insurance consumers.

Some home insurers offer coverage that lets you repair or replace a damaged house and incorporate “green” features into the rebuild.

“Because traditional insurance policies will pay only for replacing ‘like kind and quality’ to what you had, people struggle to negotiate with their insurers to cover the costs of repairing or rebuilding ‘green.’ We hope that will change soon,” Bach says. “As long as the costs aren’t completely out of line, insurers should give consumers the flexibility to do the right and smart thing.”

At Fireman’s Fund Insurance, you can qualify for a 5 percent discount on your insurance premium if you own a home that’s already LEED-certified. LEED is a green building certification program run by the U.S. Green Building Council.

If you’re a Fireman’s Fund policyholder, you also can buy what’s called a “Green Upgrade.” This policy add-on costs \$70 a year for every \$1 million in insured value; if your non-green home is damaged or destroyed, repair or replacement with green materials is covered. Eco-friendly fixes must be certified by the Green Building Council.

The coverage pays to replace damaged materials and equipment — such as lighting, windows, and heating and air-conditioning systems — to meet Green Building Council standards. It also lets you replace damaged or destroyed electrical appliances with equivalent Energy Star appliances. Furthermore, eco-friendly demolition and debris removal is covered.

Janet Ruiz, a spokeswoman for Fireman’s Fund, says: “Normally, insurance puts back exactly what you

had, or similar to it. This is actually new — to have something replaced with green innovation.”

Fireman’s Fund has nearly 31,000 green home insurance policies in 36 states.

Other home insurers have gotten in on the green game, including Liberty Mutual Insurance, Travelers Insurance, Farmers Insurance and Lexington Insurance.

If you’ve got home insurance with Farmers, you can buy extra “Eco-Rebuild” coverage. Among other things, it supplies up to \$25,000 for costs you rack up to replace or rebuild a home so that it incorporates green materials. Lexington’s “Upgrade To Green Residential” is a similar program.

Loretta Worters, vice president of the Insurance Information Institute, says green home insurance makes sense.

“A green home uses less water, less energy and less chemicals that are harmful to the Earth, and uses practices and products that help to minimize the impact on global warming,” Worters says. “It boils down to the use of energy. Consumption of energy has a direct influence on environmental quality, because of the inherent pollution through greenhouse gases and other emissions.”