

If you lost your home or business in the wildfires, here's what to do next

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With thousands of structures destroyed by wildfires that continue to rage out of control around Los Angeles, homeowners and business owners face a long road ahead to recoup their losses.

Filing an insurance claim is one of the many tasks to take care of after the loss of a home or business. It is lengthy process that has become more fraught as insurance companies have canceled or scaled back coverage in fire-prone areas.

After any natural disaster, horror stories invariably crop up about insurance companies skimping or dragging their feet on payments to vulnerable homeowners. Here's how you can prepare to get the best possible settlement.

The home I own was damaged or destroyed. What should I do?

Once you and your family are in a safe place, call your insurance company and file a claim. You will be asked to detail what happened. An insurance adjuster will then investigate your claim to determine whether the insurance company is liable and how much to pay out.

A wildfire property claim can take several months to resolve — and sometimes years depending on the insurance provider, the complexity of the damage and the volume of claims filed in an area.

But I need relief now. What can I expect?

If your house is completely destroyed in an event that resulted in a state of emergency being declared in California — as is the case with the current wildfires — your insurance company is required to immediately pay you a minimum of one-third of the estimated value of your personal belongings (also known as contents) and a minimum of four months' worth of rent for the local area in which you live.

Those payments are required whether an adjuster has inspected your home or not, said Michael Soller, a spokesperson with the California Department of Insurance. The department has a list of 10 tips for wildfire claimants [here](#).

You can also ask your insurance provider for cash advances for living expenses, such as renting furniture. There are companies that can come to your temporary home and furnish it down to towels, sheets and kitchen utensils.

What can I do to make the insurance process as smooth as possible?

Start a recovery diary and take detailed notes on whom you talked to and when, the numbers you called and what was said, said Annie Barbour, a coordinator for United Policyholders, a nonprofit insurance and consumer rights advocacy group. Keep your paperwork organized, and take photos of receipts — such as hotel bills and pet boarding — so you have them easily accessible.

At your home, take photos before any cleanup or debris removal happens. Carefully inventory all of your damaged and destroyed property, Barbour said.

Every time you interact with your adjuster, send a follow-up email to confirm what was discussed.

“You want that paper trail: ‘I talked to you on this date, this is what I heard you say,’” Barbour said. “That’s huge. It keeps you from having to take two steps forward and one step back,” especially as adjusters often get reassigned midway through the process.

What should I do after the insurance adjuster inspects my home?

If the adjuster makes you a settlement offer on the spot, Barbour advised getting a second opinion from an experienced construction professional and to review your policy carefully before accepting.

Usually, however, the process takes a while, with incremental payments made along the way.

“It’s all a negotiation and you don’t want to settle too soon,” Barbour said. “You can accept checks as long as none of them say final payment.”

You can also hire an independent public adjuster to help you with your claim. A public adjuster works on your behalf and can navigate the complexities of your policy and the negotiations process. They charge a

fee, typically a percentage of your claim settlement.

That said, the Department of Insurance recommends trying to settle your claim directly with your insurance company instead of hiring a public adjuster or lawyer.

“The most important thing: We don’t want people signing documents under duress,” Insurance Commissioner Ricardo Lara said. “Be aware of out-of-state adjusters that come in who may not know what the consumer protection laws are in California. We see this time and time again.”

How much can I expect to receive from my insurance company?

It depends on your insurance policy and what specific coverage benefits you paid for.

In general, your insurance company is only required to cover damage in “like and kind,” which means you are entitled to an amount needed to rebuild or repair a home of similar quality and value.

“So if you had an older home and it didn’t have any crown molding, it didn’t have wood floors, they’re not going to give you an upgrade,” Barbour said.

Anything else?

Visit one of the local assistance centers in your area. Volunteers can help you get new copies of documents such as passports, driver’s licenses and birth, death and marriage certificates that were lost in the fires, and can assist in getting your property taxes reevaluated. There will also be mental health resources available.

Post-disaster, you might feel overwhelming anxiety that can “push you to make decisions you’re not ready to make,” Barbour said. Instead, hit pause on making big decisions right away.

“Nothing good is going to happen right off the bat if you rush,” she said. “There are things that you need to be aware of: scams, builders who may not know what they’re doing. Everything needs to be vetted. Don’t sign anything until you’ve had a chance to breathe.”

You should also register with the Federal Emergency Management Agency if the event becomes a federally declared disaster.

What if I don't have home insurance?

"If you don't have homeowner's insurance, there is no clear path," Barbour said. "It's very difficult to recover."

If the wildfires are declared a federal disaster, there will be some FEMA support available, but "it won't be enough to bring back your house," Barbour said. "Hopefully you can piece together some resources and see where that takes you."

I'm a renter. What will my insurance cover?

If your rented home was affected in a wildfire, your renter's insurance won't cover the damage to the structure itself — that's the landlord's responsibility. But your policy will likely cover the cost of lost belongings and temporary housing.

In fire-prone areas of California, some renter's insurance policies will cover house fires but not wildfires, due to the elevated risk of damages. Check with your insurance company to find out what kind of protection you have.

I lost my business to one of the fires. What should I do?

Contact your insurance provider to file a claim. Your insurance company will either send you a proof of loss form or arrange a time for an adjuster to evaluate your property.

Collect business records you'll need to complete your claim, including documents that prove the value of damaged inventory, equipment or structures. Depending on your policy, you could receive coverage for commercial property damage, loss of income and the cost of relocating your business, if necessary.

If it is safe to visit your property, document the damage in as much detail as you can, do your best to secure the property and make temporary repairs to prevent further damage.

My business was my main source of income. How will I pay my bills?

Many insurance plans include business interruption coverage, which is designed to compensate for lost income and cover ongoing costs. Make a list of business expenses you'll continue to incur after a wildfire, such as payroll.

You'll need proof of the income your business was generating prior to the damage, so gather financial

documents including tax returns, business contracts, financial statements and budgets. You will also need to provide the cost of conducting business from a temporary location, if applicable.