

Residents in high fire risk California zones cancelled, turned down by insurances

The San Francisco Times

Getting insurance has been a struggle for people residing in fire-risk areas, and for those who had got one were being priced out of their policies.

Beth Quintana was among the residents who experienced the fire's rage three years ago. In August 2018, the Holy Fire ravaged 23, 000 acres.

"Three years ago, this whole hillside was completely in flames," Quintana shared, who is now finding it hard to get insurance at her home in Lake Elsinore.

"We got notice from our insurance agent that we were being canceled due to it being a fire risk now," she said.

A 31 percent increase in the 2018 to 2019 period was observed on the number of people who were let off by their insurance companies. Out of this percentage, about two-thirds are located in moderate and very high fire risk areas.

There were also insurers who did not accept new policies filed from the state.

"We are seeing insurers pulling out of the market, limiting their exposure to risks," according to Valerie Brown of nonprofit agency United Policyholders.

"People are increasingly getting priced out at the market if they can find insurance and a lot of it is predicated on what's called their fire wise score," Brown noted.

The fire zones were changing as the wildfires continued to emerge, making the then low-risk areas into

high risk.

“What are the algorithms that are being used to determine what that fire risk score is? So people were just getting canceled because of these fire risk scores without getting any sort of transparency or any logic of how they were able to determine that,” State Insurance Commissioner Ricardo Lara said Ricardo Lara.

Lara pushed in February a requirement for insurance companies to make a home’s wildfire risk score known to homeowners. “We want the rates to reflect the risk of where people are living,” he said.

Insurance companies are also banned from dropping their wildfire-affected homeowners for one year, as imposed by the state insurance commissioner.

But some residents have to purchase a California FAIR plan coverage.

“California FAIR plan I guess, if you’re in a fire risk area it’s in addition to your insurance, and it can get costly,” Quintana said, as reported by [ABC7](#).

To avoid increasing rates or getting dropped by insurance companies homeowners are told to lessen fire risks around their property, insurance experts said.