

THE PROTECTION GAP: Monitoring and addressing the extent to which US homes are under/uninsured: A national imperative

In early August, 2019 at a national meeting of insurance regulators and stakeholders from across the country, United Policyholders helped set the stage for the important conversation that needs to be happening about the increasingly large gap between disaster recovery costs and the amount of those costs that insurance policies are covering.

We know that two thirds of wildfire victims are coming up short on insurance funds to pay for replacing their destroyed assets.

We know that insurers have raised deductibles for catastrophic losses which means property owners are carrying more of the risk themselves.

We know standard home insurance policies exclude flood and earthquake and provide only limited coverage for mold, earth movement and many types of water damage.

We know that less than 6 million American homes have insurance for flood damage, and fewer for earthquake damage.

So where are disaster victims getting the funds to pay for what insurance won't cover? Government aid? Charitable aid? Or are underinsurance disaster victims just not restoring their assets? If that is the case...what is the economic impact on property values, real estate sales, local and state tax bases and the economy at large?

Those are questions that we as a country would be wise to know the answer to.

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Source:

<https://uphelp.org/the-protection-gap-monitoring-and-addressing-the-extent-to-which-us-homes-are-under-uninsured-a-national-imperative/> Date: June 18, 2026



UP thanks and appreciates **Rhode Island Insurance Commissioner Elizabeth Dwyer** and the **National Association of Insurance Commissioners** for giving UP this important opportunity. See page 5 of the [minutes of the Property and Casualty C Committee](#) from this meeting. At the next NAIC meeting in December, 2019, representatives of the Property Casualty industry will present their views on this same topic.

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