



Requesting an Extension of Additional Living Expense Benefits: Sample Letter for 2017 Thomas Fire Survivors

As we approach the two year anniversary of the 2017 North Bay Fires, many fire survivors who have not yet rebuilt or replaced their home are concerned about their Additional Living Expense (ALE) Benefits running out. Under California Law, you have at least two years of ALE benefits. It is common for disaster survivors to need an extension of the time limit deadline.

ALE coverage in most insurance policies has a dollar amount limit and/or a time limit. Your first step is to understand exactly what your benefits are and how much you have left to use:

- Do you have a dollar amount for ALE (also called, Coverage D or Loss of Use) listed on your declarations page?
- If yes, find out how much of your limit has been paid to you, and how much do you have left to use. *Keep in mind, if you have a dollar amount limit, an extension of time **does not** increase that dollar amount.*
- Go into your policy: Do you have a time limit? What language is included in the fine print? The 2017 North Bay fires were a declared disaster extending all time limits to 24 months.

Your insurance company can extend the time requirements in your policy if they choose to do so.

The simplest way of getting your insurance company to extend a policy deadline is to make a clear request in writing along with a good reason why you need the extension.

Here are a few suggestions for writing a compelling letter:

- Provide supporting documentation such as your contractors estimated date of completion. This will show you are not asking for an open-ended extension – you have a plan.
- Use your leverage: Will your kids be in school? Will moving be a hardship? How?
- What delays were out of your control? Was your home over excavated by FEMA? Did it take a long time for you to get your permit? (list the time frame for those delays) - The law has already been changed (SB 894 took effect Jan. 2019) to reflect the fact that disaster survivors need at least 36 months of ALE coverage.
- Network with your neighbors with the same insurance company to see if others are getting an extension – what argument was successful?

Try to make your request NOW since the two year anniversary is approaching and ask the insurer to respond within a specific period of time.

The following is a sample letter you must customize to fit your situation:

The information presented in this publication is for general informational purposes, and is not a substitute for legal advice. If you have a specific legal issue or problem, United Policyholders recommends that you consult with an attorney. Guidance on hiring professional help can be found in the "Find Help" section of www.uphelp.org. United Policyholders does not sell insurance or certify, endorse or warrant any of the insurance products, vendors or professionals identified at our website.

**Sample Letter Requesting Extension of
Additional Living Expense/Loss of Use Coverage Deadlines**

NOTE: The sample letter below must be customized to the facts of your individual situation and claim. **All portions that are in parentheses and/or underlined must be completed or revised and anything in italics should be removed before you send it.**

(Date)
(Name of adjuster or highest ranking ins. co. employee)
(Name of Insurance Co.)
(Address)

Re:
Claim Number: _____
Date of Loss: _____
Name of Insured: _____
Address of Insured Property: _____

Dear _____,

We are continuing to do our best to document our loss and cooperate with your company to reach a fair and full settlement. We are writing to request an extension of our ALE/Loss of Use benefits

Please extend our ALE/Loss of Use Benefits from two years to _____ *(fill in the amount of time that you think it will reasonably take you to complete repair/replacement)*.

We need additional time to rebuild and need an extension of our ALE/Loss of Use benefits to do so. *(You can add in whatever facts support your request that you have moved the rebuild along as fast as possible, yet need additional time)*.

The California Department of Insurance recognizes that circumstances beyond our control made it impossible for all homes to be replaced within 24 months, and issued a bulletin on May 28, 2019 officially requesting that you grant extensions as needed. The California legislature also recognizes this and now requires at least 36 months of ALE benefits to be available to disaster survivors. Although that law may not technically apply to our fire, the spirit of the law does, and we ask you to be reasonable.

Thank you for providing a written response to the above request(s) within one week of the date of this letter.

Sincerely,

YOUR NAME
MAILING ADDRESS