



2020 California Wildfires Survey Report: *Recovery status at 6 months*

This United Policyholders' Roadmap to Recovery™ survey collected data from California households that suffered partial or total losses in wildfires that occurred in 2020 in various parts of the state. This report reflects the responses of all households that reported damage or destruction when completing the survey.

We used all available channels to reach those households including direct outreach to identifiable individuals, partners who assisted in distributing the survey link, and social and traditional media. Our survey partners include the California Office of Emergency Services, Voluntary Organizations Assisting in Disaster, Long Term Recovery Group members and local organizations. United Policyholders is engaged with on providing guidance and support to wildfire-impacted households. The goal of the survey was to identify individual and common insurance and recovery problems and progress and assess the claims handling performance of insurers in the region. Aggregated survey data can be viewed at www.uphelp.org/surveyresults. UP maintains the confidentiality of survey participants' personal and identifying information.

Significant findings include pervasive underinsurance (policy limits that are too low to cover the actual cost of replacing destroyed assets), and inconsistent insurer compliance with the voluntary agreement to advance four months of "Loss of Use"¹ policy benefits and 25% of contents benefits without requiring an itemized inventory. For claims arising after January 1, 2021, those advances are now mandatory in the event of a total loss in a declared disaster. Another significant finding is that most insurers appear to have reverted to strictly enforcing their requirement that total loss

¹ Loss of Use benefits cover reasonable expenses an insured incurs due to losing the use of their home. Some insurers label this category of benefits as "Additional Living Expenses" or "Temporary Living Expenses." Examples of these expenses are rent or hotel charges and transportation and food expenses that are above and beyond what a household normally incurs.

victims provide detailed, itemized personal property inventories. Under pressure from public officials and United Policyholders, some insurers had been relaxing that requirement for some claimants, as documented in previous UP surveys.

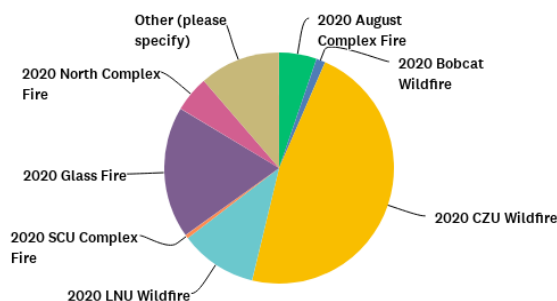
Survey Sample Size and Information:

This survey was open from February 26th, 2021 to April 30, 2021. This survey captures data approximately 6 months after the August and September 2020 California Wildfires.

Sample Size: 498 households representing a total of 1,016 individual fire survivors in 17 counties.

This report tabulates the results of the insured sample size: 95% of survey respondents filed an insurance claim following the 2020 California Wildfires. The sample size of insured households represents 953 individual fire survivors.

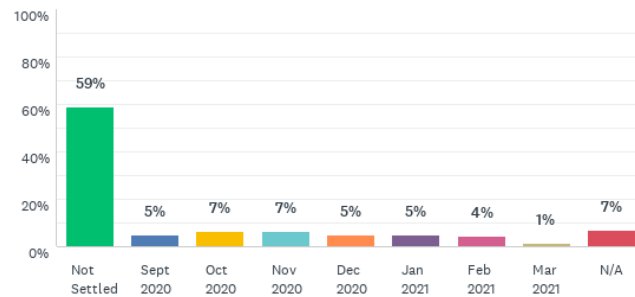
Q3 What is the name of the wildfire that impacted your community?



Insurance Claim Progress:

- 59% of survey respondents have not yet settled the dwelling portion of their claim.

Q15 Has your insurance company offered you the full amount of your available "dwelling" benefits? If so, when did you settle on that amount?



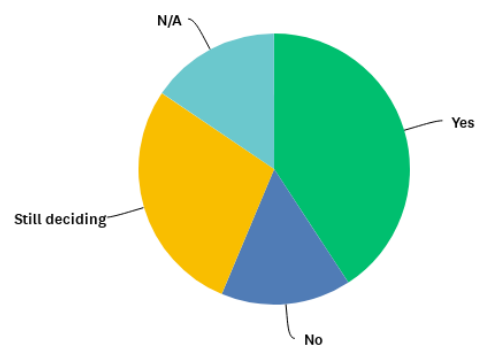
Underinsurance (Policy limits that are inadequate to cover actual losses):

- 23% of survey respondents reported they have enough insurance to cover the cost of repairing, replacing or rebuilding their home.
- 41% of survey respondents reported they **do not** have enough insurance to cover the cost of repairing, replacing or rebuilding their home.
- 36% of survey respondents reported they do not know yet if they are underinsured.

Rebuilding vs. Buying a Replacement Home:

- 48% of survey respondents plan to rebuild.
- 19% of survey respondents do not plan on rebuilding.
- 33% of survey respondents are undecided.

Q17 Do you plan to rebuild at the original location?



Loss of Use / Additional Living Expense

Coverage:

- 49% of survey respondents reported receiving an advance of 4 months of Additional Living Expense Coverage.

- 25% of survey respondents reported their insurance company allowed them to use their Additional Living Expense benefits for a creative housing solution.
 - Purchasing an RV was the most common creative housing solution reported.

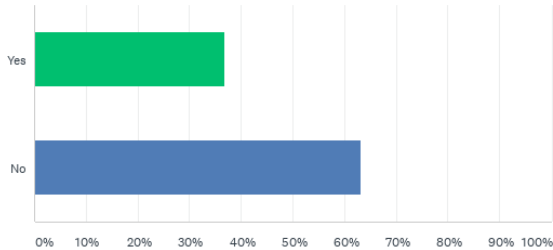
Personal Property Claims:

- 10% of survey respondents reported receiving 100% of their personal property limits without having to complete an itemized home inventory.
 - 65.5% of survey respondents who reported receiving their personal property limits reported being underinsured.

Respondents reported having the following insurance companies: American Modern (10) , AAA/CSAA (5) , Allstate (3) , CA FAIR Plan (2), Farmers (2), Foremost (2), Homesite (2), Amica, Geico, Lloyds, State Farm, USAA (1)

- 37% of survey respondents reported specific belongings were uninsured or underinsured due to fine print in their policy.

Q20 Were any of your personal property items underinsured because of fine print in your policy that capped or excluded them specifically?



Types of under/uninsured items reported include: Antiques/Collections, Cash, Coins, Computers, Fine Art, Firearms, Jewelry, Musical Instruments, Trailer, Tools/Equipment.

- 47% of survey respondents reported their insurance company did NOT explain “depreciation” and what they need to do to collect full replacement value on depreciated items.

Claim Issues:

- 44% of survey respondents reported experiencing delays in communication such as answering questions, phone calls or emails.
- 38% of survey respondents reported delays of payments.
- 35% of survey respondents reported receiving a “lowball” settlement offer.
- 28% of survey respondents reported the insurance company has switched adjusters.
- 35% of survey respondents reported they have not had any problems with their insurance claim or with insurance company representatives.
- 34% of survey respondents who report having a problem with their insurance claim have filed a complaint with the California Department of Insurance.

COVID Considerations

- 37% of survey respondents reported that COVID has impacted moving their recovery and/or insurance claim forward.

Post-Disaster Stress:

When asked “what are your biggest sources of post-fire stress”, insured fire survivors responded:

- 67% - insurance claim process
- 48% - overwhelmed by too many decisions
- 45% - rebuilding stress

At the end of the survey, we ask survivors: is anything else you would like to share? Here are quotes from survivors in their own words:

"I am so grateful for your assistance and education. As stated we are now members of a club we never wanted to join but are beyond appreciative of your help."

"I can't thank United Policyholders enough for the service you provide. We were severely underinsured, but were able to get our insurance provider to reform our policy without hiring an attorney. I can't thank you all enough. We would love to support you in the future!"

"The insurance process has been incredibly difficult and stressful to manage. I feel like I am pretty well equipped to manage it, and have confidence I'll get through it. However, it makes me very upset thinking about how some insurance companies are taking advantage of people that have less time to manage the process, or less tools and skills to navigate the (confusing by design) process. Hope to help others once I can resolve my insurance claim."

"UP has been super helpful and gave wonderful support! You provided the idea to file the DOI claim that was so integral in getting State Farm to respond. Thank you!!"

"A note of profound and deep gratitude for the UP programs and staff overall; outstanding."

"Your organization is phenomenal! I cannot tell you how much great help and information you have provided for us. We would be lost without the resources you provide! Thank you so much!!!"

"Just gratitude that you are there helping people like me who have been affected by wildfire. The information you provide homeowners is very empowering and helped me to get the attention of my adjustor."

"We didn't lose our lives, but we did lose everything else! My husband and I have been married almost 45 years and I thank God every day that at least we have each other. I couldn't imagine going through this nightmare of paperwork, red tape and government intrusion with their "one size fits all" mentality, by myself. I would like to thank United Policyholders for all their support and help getting our insurance settled...finally!"

About Roadmap to Recovery Surveys:

United Policyholders routinely conducts post-disaster surveys to collect data from impacted households on the long term recovery process, insurance claims, repairs and rebuilding. Our organization uses the collected data to identify problems, progress, community and individual needs. The survey results inform the Roadmap to Recovery™ workshop, webinar and website guidance and services we provide in disaster-impacted communities. 97% of survey respondents found United Policyholders services helpful. For more information on United Policyholders' work with 2020 California wildfire survivors, visit: www.uphelp.org/2020wildfires. Thank you to the California Office of Emergency Services, Santa Cruz Long Term Recovery Group, and all the local community organizations that helped with survey outreach. For questions or comments, please email emily.rogan@uphelp.org.

May 2021 v1