

STATE OF NEW MEXICO
OFFICE OF SUPERINTENDENT OF INSURANCE

SUPERINTENDENT

Russell Toal



DEPUTY SUPERINTENDENT

Jennifer A. Catechis

NOTICE

TO: ALL PROPERTY AND CASUALTY INSURERS DOING BUSINESS IN NEW MEXICO

RE: WILDFIRE CLAIMS

I am writing to clarify my April 21 request that all property and casualty insurers who write homeowners insurance in New Mexico take the actions described below with respect to any claims filed by victims of the four major New Mexico wildfires: Nogal Canyon, McBride, Hermit's Peak and Big Hole. These responses are being requested to prevent New Mexico survivors from experiencing challenges when filing claims related to the wildfires.

The United States Federal Emergency Management Agency (FEMA), in response to Governor Michelle Lujan-Grisham's request, has declared these wildfires as disasters (FM- 5433-NM, FM- 5432-NM, FM-5431-NM, and FM-5430-NM).

The Office of the Superintendent of Insurance (OSI) is requesting the following with respect to homeowners claims:

1. For smoke, soot and ash claims:
 - a. Inspect the home when smoke, soot and ash are visible. Authorize repairs/cleaning/replacement as necessary of hard surfaces, HVAC systems, attic insulation and soft goods; and
 - b. If there is a question of habitability by the insured after cleaning, insurance company should offer independent testing at the insurer's cost. Additional Living Expenses should be continued until testing and remediation is complete, pursuant to the terms of the policy.
2. Affirmatively reach out to policy holders within the affected areas to offer assistance, as needed, with claims related to the wildfire events.

3. For total losses, ensure that contents coverage includes options for streamlining inventory documentation for total losses for those eligible for additional replacement cost benefits from their policy, plus:
 - a. Utilize inventory forms that allow grouping by category, itemizing large items, or grouping by room; or
 - b. Conduct individual interviews with policy holder(s).
4. Individual claims filed with regard to a single insured property in the declared disaster areas, as defined by FEMA (www.fema.gov/locations/new%20mexico), and arising from the declared disaster, are to be treated as a single fire loss with one deductible.
5. In accordance with Section 59A-16-20.1, New Mexico Statutes Annotated, no future adverse underwriting actions should be taken based in whole or in part on a claim filed as a result of the Nogal Canyon, McBride, Hermit's Peak and Big Hole wildfire events.

OSI understands that by agreeing to these requests, your company may be agreeing to do more than current state law or your company's policies require. OSI will not use your answers to these questions as part of any future enforcement action related to a failure to comply with these requests, or to set a new legal or regulatory standard in regard to these issues. Rather, these requests are made to help ease the recoveries of those affected by these disasters.

We are extending the time for all property and casualty insurers to provide information to margaret.pena@state.nm.us no later than May 13, 2022 on whether the requested actions will be implemented. Please provide responses on the downloadable excel form available by clicking this link <https://wildfireform.xlsx>.

ISSUED this 5th day of May 2022.

SUPERINTENDENT OF INSURANCE



RUSSELL TOAL