



2020 Colorado Wildfires Survey Report: *One Year Recovery Status*

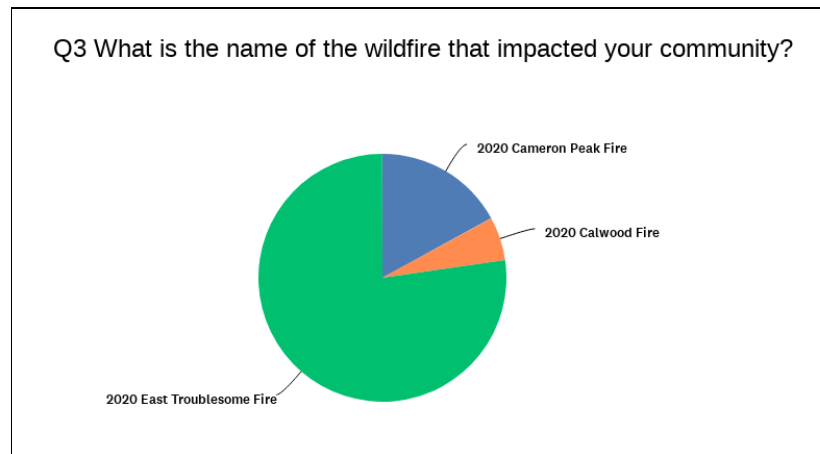
This United Policyholders' Roadmap to Recovery® survey collected data from Colorado households that sustained partial or total losses in 2020 wildfires ("2020 CO Wildfire Survivors".) This survey was conducted in partnership with the Colorado Division of Insurance. Survey outreach was conducted via all available household email addresses, media alerts and assistance from partner entities, including the Colorado Division of Insurance and Grand, Boulder and Larimer County public officials and agencies.

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 mirror those of the Mid Year Survey: Two-thirds of the impacted homeowners are significantly underinsured (policy limits that are too low to cover the actual cost of replacing destroyed assets). Additional findings include widespread insurer non-compliance with a state law that requires that an advance of 30% of contents benefits be paid to claimants and high levels of stress associated with the insurance claim process. At the one year mark, many survivors are still working with their insurers to reach a settlement of both the dwelling and contents portions of their claim.

Survey Sample Size and Information:

This survey was open from October 29th, 2021 to December 29th, 2021. This survey captures data approximately one year after the August - October 2020 Colorado Wildfires in Grand, Larimer and Boulder Counties. Sample Size: 112 households representing a total of 246 individual fire survivors. ***This report tabulates the results of the insured sample size.***

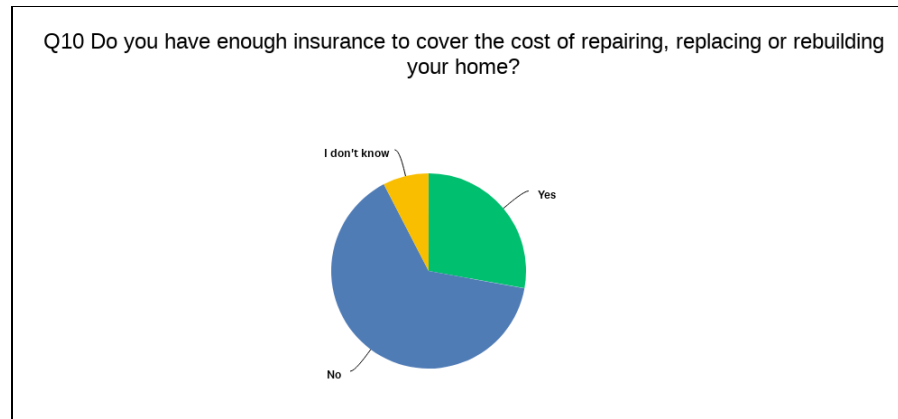


- 38% of survey respondents reported that the home that was damaged or destroyed was their primary residence.

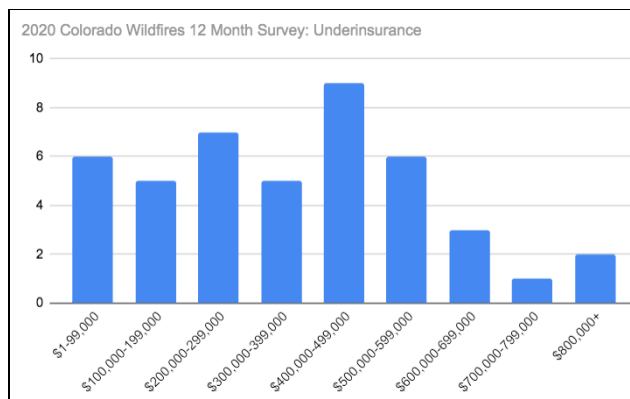
Insurance Claim Progress:

- 54% of survey respondents have not yet settled the dwelling portion of their claim.
- 72% of survey respondents reported that their insurer's estimates of loss and/or claim payments do NOT reflect current building costs in the area.
- 35% of survey respondents from the East Troublesome Fire reported it took three months or longer for their insurer to give them their first "dwelling" payment.

Underinsurance:



- 64% of survey respondents reported they **do not** have enough insurance to cover the cost of repairing, replacing or rebuilding their home.
- 28% of survey respondents reported they have enough insurance to cover the cost of repairing, replacing or rebuilding their home.
- 8% of survey respondents reported they do not know yet if they are underinsured.



- The average amount survey respondents reported being underinsured by is \$355,000

Rebuilding:

- 66% of survey respondents plan to rebuild.
- 13% of survey respondents do not plan on rebuilding.
- 21% of survey respondents are undecided.

Loss of Use / Additional Living Expense Coverage:

- 32% of survey respondents reported their insurance company allowed them to use their Additional Living Expense benefits for a creative housing solution (something other than paying rent or staying in a hotel.)
- 52% of survey respondents who reported they had Loss of Use / Additional Living Expense coverage, reported their policy contains a dollar limit on their ALE coverage.

Personal Property Claim:

When asked if the insurer paid personal property / contents benefits without requiring an itemized home inventory:

- 22% of survey respondents reported they received 50% or more of their personal property benefits without having to submit a detailed, itemized home inventory.
 - That includes 8% of survey respondents that reported receiving 100% of their personal property limit.
 - The companies that waived the requirement include Amica, Chubb and American Family.
- 23% of survey respondents reported they received 30% of their personal property benefits without having to submit a detailed, itemized home inventory as required by Colorado law.
- 55% of all survey respondents reported they **did not** receive any of their personal property benefits without submitting a home inventory.

Depreciation

- 43% of survey respondents reported their insurance company did not explain “depreciation” or “hold backs” and what they need to do to collect full replacement value.

Home Inventory Process:

- 66% of survey respondents reported being required to list and describe every single damaged or destroyed item.
- 45% of survey respondents reported being required to list when and where each item was obtained.
- 43% of survey respondents reported being required to submit inventory on a specific form
- 42% of survey respondents reported their insurer imposed a time limit for submitting their inventory.
- 32% of survey respondents reported their insurer allowed them to do a *less specific inventory* with similar items grouped together.
- 17% of survey respondents reported their insurance company changed the information they provided on their home inventory to a different brand, quality or price.

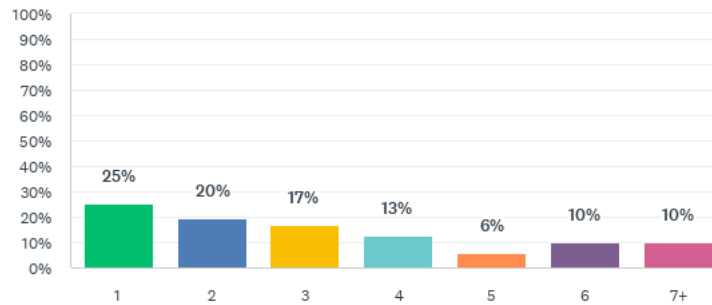
Claim Issues:

- 51% of survey respondents reported delays of payments of policy benefits.
- 49% of survey respondents reported experiencing delays in communication such as answers to their questions and/or responses to phone calls or emails.
- 33% of survey respondents reported receiving a “lowball” settlement offer.
- 38% of survey respondents reported they *have not* had any problems with their insurance claim or with insurance company representatives.

Rotating Adjusters

- 42% of survey respondents reported the insurance company switching adjusters as a claim problem
- 39% of survey respondents have had 4 or more adjusters assigned to their claim.

Q18 How many adjusters have been assigned to your claim?



Post-Disaster Stress:

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

- 69% - insurance claim process
- 49% - rebuilding stress
- 42% mental health stress

COVID Considerations

- 38% of survey respondents reported that COVID has impacted moving their recovery and/or insurance claim forward.

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 have truly appreciated your guidance through this process from the beginning, it is overwhelming at times. - C.Y., Cameron Peak Fire

Losing our home of 16 years was very difficult, however everyday since we feel traumatized MORE by the insurance claim games. We paid premiums for 16 years and they have purposely created a system to keep from making us whole, especially in a natural disaster with a Total Loss to the structure and possessions. We have had to hire an expert in claims (Public Adjuster)

unnecessarily (at great cost) to navigate their roadblocks and also we are now hiring an attorney to try to get the extended 20% rebuilding costs portion of our policy. We hope DORA and the State Legislature can make some key changes to the law and impose stiff penalties on all the insurance companies involved with this type of consumer abuse. - J.K., East Troublesome Fire

The stress of an already ballooning growth in our County is being greatly impacted by the Troublesome fire rebuilds. Our resources for building and rebuilding are being pushed beyond our limits. - J.M, East Troublesome Fire

UP's support and resources have been invaluable. The insurance process has been more traumatic than the fire given how long it has been drawn out (and no where near done after 1 year). We are looking at years to settle claims and significant financial hits. We cannot rebuild from a financial perspective, it just doesn't make sense to do so. It's been the equivalent of a part time job to deal with insurance without resolution in sight. It's demoralizing and exhausting and we are the lucky ones compared to so many neighbors. - J.B., East Troublesome Fire

We need legislative support and media attention to the insurance and rebuilding woes up here. - K.G., East Troublesome Fire

I am very grateful for all the information we have received from United Policyholders. The laws in Colorado concerning insurance in natural disasters need to change. Especially the 30% personal property payout. If we received 80% I would not be spending the 3 years turning in receipts for what they owe us. This is tremendously stressful! - S.S., Cameron Peak Fire

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. For more information on United Policyholders' work assisting in the 2020 Colorado wildfire recovery, visit:

www.uphelp.org/COwildfires. For questions or comments, please email: emily.rogan@uphelp.org