



**COLORADO**

**Department of  
Regulatory Agencies**

Division of Insurance

## **Bulletin No. B-5.44**

### **Concerning the Communication of Certain Coverage Limits by Homeowners' Insurance Companies to Policyholders that Experienced a Loss Resulting from the Boulder County Fires**

#### **I. Background and Purpose**

The December 30, 2021 Marshall and Middle Fork Fires (“Boulder County Fires”) were the most devastating fires in Colorado history. More than 1,000 residential structures were destroyed resulting in a significant number of total loss claims.

The purpose of this bulletin is to inform insurance carriers and affected consumers of the Division of Insurance’s position concerning the communication of certain coverage limits of liability for policyholders who experienced a loss claim resulting from the Boulder County Fires.

Bulletins are the Division’s interpretations of existing insurance law or general statements of Division policy. Bulletins themselves establish neither binding norms nor finally determine issues or rights.

#### **II. Applicability and Scope**

This Bulletin is intended for all insurers issuing homeowner insurance policies in Colorado that have claims resulting from the December 30, 2021 Boulder County Fires.

#### **III. Division Position**

With more than 1,000 residential structures destroyed by the Boulder County Fires, the Division is directing that all insurance companies expeditiously communicate the coverage limits available for the Dwelling and Other Structure Coverages to policyholders who experienced a loss resulting from the Boulder County Fires.

The Division provides the following guidance to consumers and insurance companies:

- Insurance companies are required to provide a complete copy of the policy within three (3) business days of a policyholder’s request. If requested, the insurance company shall provide a certified copy of the policy within thirty (30) days of the policyholder’s request.
- Within ten (10) days of a policyholder’s request, insurance companies shall provide policyholders with a written explanation of the coverages and coverage limits applicable to the loss. This information is meant to supplement the information contained in the declarations page (the declarations page of the policy informs the policyholder of the coverage limits for each coverage under the policy). This explanation must include the following information:
  - A description of each property coverage, including any special limits or additional coverages, applicable to the loss and consistent with the requirements in C.R.S. § 10-4-110.8(7)(a).
  - Payment requirements or limitations under each applicable coverage;
  - Documentation requirements for each applicable coverage; and
  - Whether the additional applicable coverages are subject to or in addition to the applicable limit of coverage.

- The Division instructs carriers to provide information to their policyholders who have experienced a total loss about the Boulder County Debris Removal Program and its impact on their coverage limits.
- Due to the extent of the destruction for policyholders who experienced a total loss, the Division requests carriers to maximize the payout on additional coverages without requiring the policyholder to incur the actual costs before reimbursement.
- If applicable, policyholders must be notified that any payments issued under coverages requiring policyholders to incur costs could be subject to repayment should the policyholder elect to relocate and not rebuild.

#### **IV. History**

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