



Marshall Wildfire Insurance & Recovery Q and A #3

April 13, 2022

Virtual Workshop/Webinar

www.uphelp.org

About United Policyholders (UP)

- Reputable, established 501(c)3 not-for-profit charitable organization, Platinum Guide Star rating
- A trusted information resource and respected voice for insurance consumers in all 50 states
- 30 year track-record and expertise in disaster recovery
- Not for profit...not for sale
- Funded by donations and grants

Upcoming Roadmap to Recovery[®] Events

<https://uphelp.org/events>

Survivor to Survivor Forum

Tuesday, April 19, 7:00 p.m. PT / 8:00 p.m. MT

Register: www.uphelp.org/apr19

Post-Wildfire Rebuild Financing

Wednesday, April 27, 6:00 p.m. MT

Register: www.uphelp.org/apr27

www.uphelp.org/events

Register for upcoming events.

View recordings of past events and related resources.

Team UP

- Professional staff
- Government and nonprofit partners
- Volunteers
 - Fired UP Survivors - previous catastrophic loss survivors paying it forward
 - Consumer-oriented professionals
 - Damage and repair/rebuild cost estimators
 - Lawyers
 - Public Adjusters
 - Tax and Financial Planning experts
 - Construction and Real Estate professionals

Our Three Programs

Roadmap to Recovery[®]

- *Guidance on insurance, restoring assets and getting back home after a catastrophic loss*

Roadmap to Preparedness

- *Helping households and communities reduce risk and be resilient to disasters and adversity*

Advocacy and Action

- *Enforcing insurance consumer rights and protections*

Fine Print

- This workshop is intended to be information and general guidance only, not legal advice.
- If you have a specific legal question, consult an experienced attorney.
- We do not endorse or warrant any of the sponsors listed at www.uphelp.org or volunteers that present at our events.

Thank you to our Donors and Funders



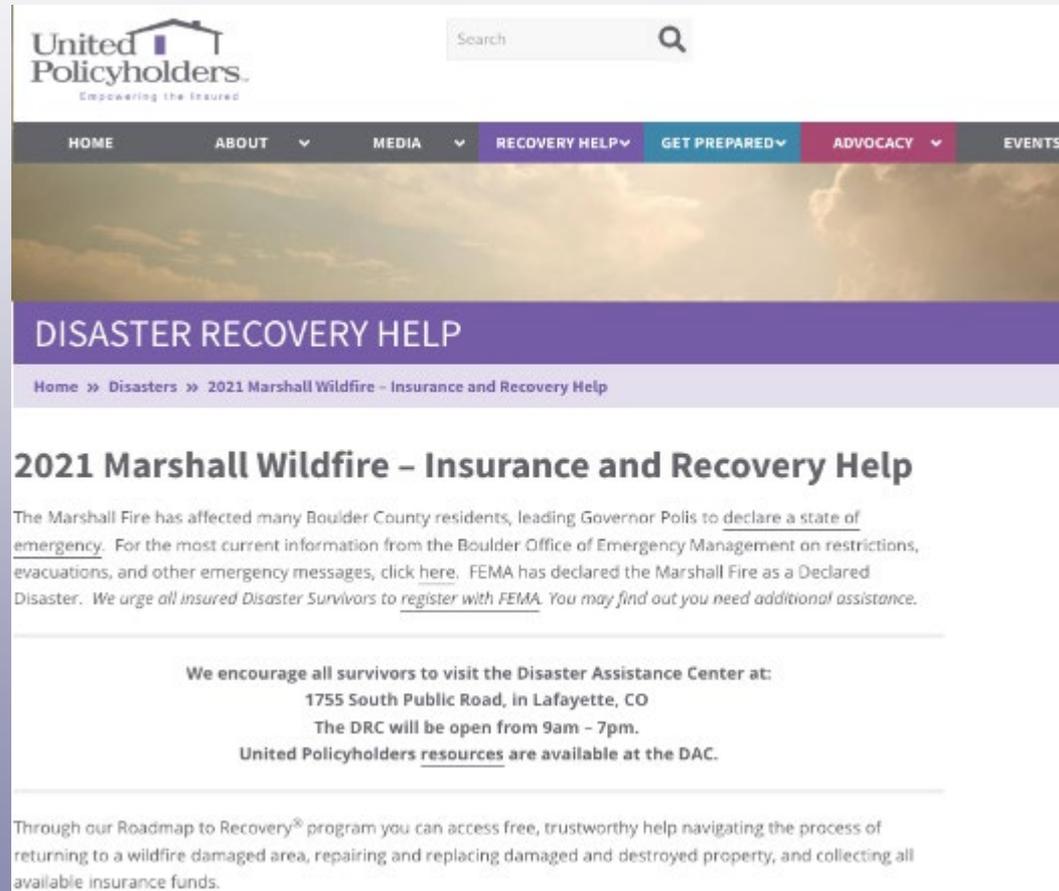
**COMMUNITY
FOUNDATION
BOULDER COUNTY**

INSPIRING IDEAS. IGNITING ACTION.®

Marshall Fire Help Library

www.uphelp.org/marshallfire/

- Colorado Specific Resources with Step-by-Step Guidance
- [One Click Link to Sign UP for Events And Email Notifications](#)
- Links to Pro-consumer Professional Help
www.uphelp.org/findhelp
- Sample Letters & Claim Forms
www.uphelp.org/samples
- Survivors Speak Tips
www.uphelp.org/survivorsspeak
- Upcoming Workshops And Resources
www.uphelp.org/events



The screenshot shows the United Policyholders website. The header includes the logo and tagline "Empowering the Insured", a search bar, and navigation tabs for HOME, ABOUT, MEDIA, RECOVERY HELP, GET PREPARED, ADVOCACY, and EVENTS. The main content area features a purple banner for "DISASTER RECOVERY HELP" and a breadcrumb trail: Home » Disasters » 2021 Marshall Wildfire - Insurance and Recovery Help. The main heading is "2021 Marshall Wildfire - Insurance and Recovery Help". The text below states: "The Marshall Fire has affected many Boulder County residents, leading Governor Polis to declare a state of emergency. For the most current information from the Boulder Office of Emergency Management on restrictions, evacuations, and other emergency messages, click here. FEMA has declared the Marshall Fire as a Declared Disaster. We urge all insured Disaster Survivors to register with FEMA. You may find out you need additional assistance." A call to action box encourages survivors to visit the Disaster Assistance Center at 1755 South Public Road, in Lafayette, CO, from 9am to 7pm, where United Policyholders resources are available. A footer note mentions the Roadmap to Recovery program for free help with insurance claims.

Tonight's panel

UP staff

Amy Bach, UP Co-founder and Exec. Director, Attorney

Valerie Brown, UP Deputy Exec. Director

Kerri Waite, Roadmap to Recovery Specialist

UP partners

Tracy Garceau, Senior Policy Analyst, CO Div. of Insurance

Professional volunteers

Chris Rockers, The Claims Group



Marshall Fire FAQ and Resources

www.superiorcolorado.gov

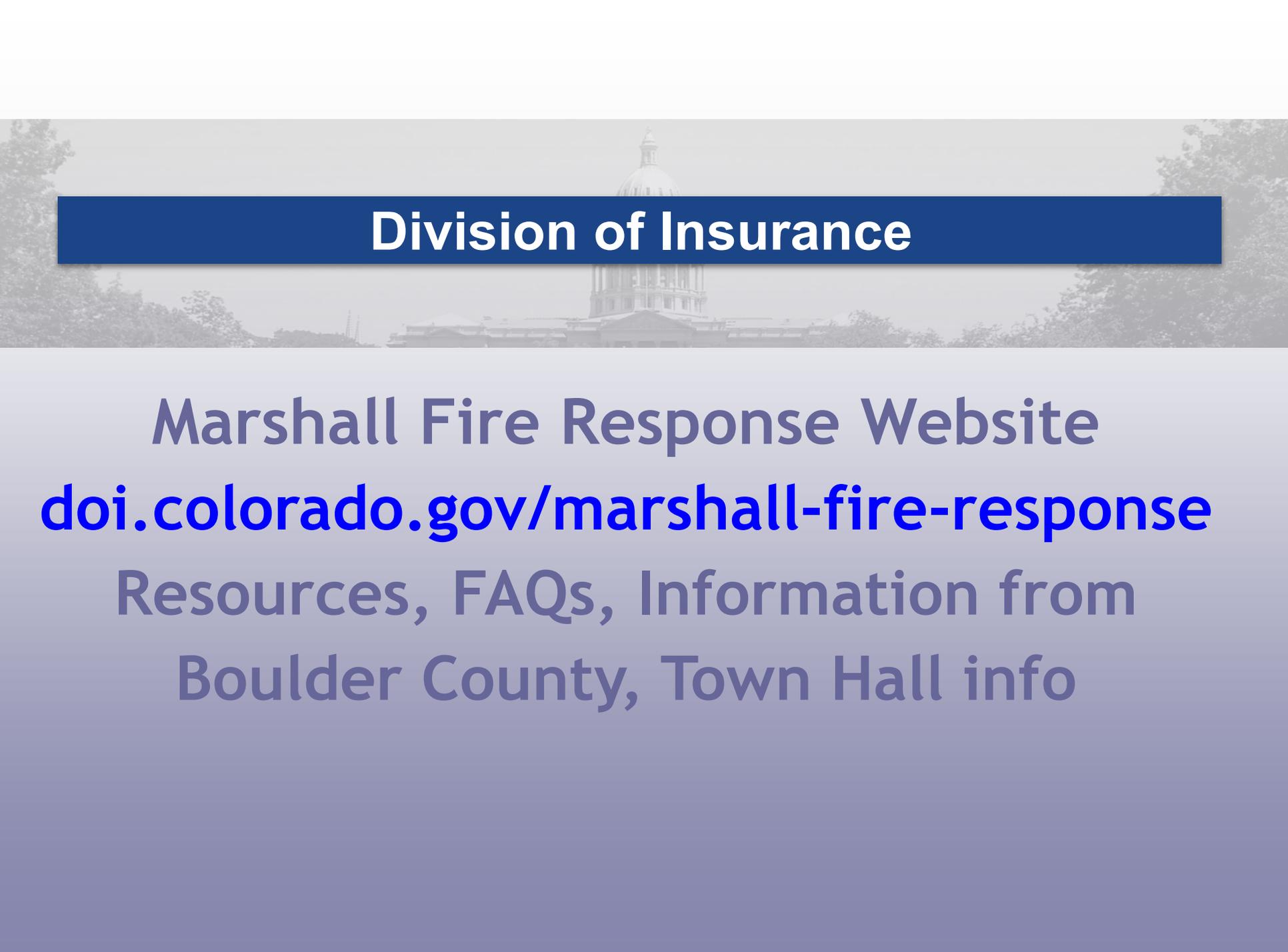
303-499-3675

marshallfire@superiorcolorado.gov

- **Latest updates/resources available at www.louisvilleco.gov/marshallfire**
 - Frequently asked questions
 - Contact info & news
 - Debris removal
 - Insurance/rebuilding
 - Support/resources
- **City Call Center open Monday-Friday from 9 AM to 3 PM**
 - Call 720-824-3100 or email marshallfire@louisvilleco.gov
- **Boulder County Debris Removal Hotline open daily 9 AM to 7 PM**
 - Call 303-214-3203 or visit <https://www.bouldercounty.org/disasters/wildfires/marshall/debris-removal-program/>



**Questions or concerns: Call the
Colorado Division of Insurance at
303-894-7490 or email us at
DORA_Insurance@state.co.us**



Division of Insurance

Marshall Fire Response Website
doi.colorado.gov/marshall-fire-response
Resources, FAQs, Information from
Boulder County, Town Hall info

Knowledge equals power AND...



The more you understand about your insurance benefits, your rights and the value of your losses, the more benefits you will recover to rebuild your home and life **and** the smoother your claim will go...

When interacting with an adjuster
or insurance company rep

Two words describe the approach most likely
to get you what you need:

POLITE
ASSERTIVENESS

A claim journal is *very* important

- Your claim journal will help you stay organized and keep moving forward
- It is very likely that the first adjuster assigned to your claim will be replaced and you'll be dealing with others over time
- Creating a written record prevents delays and frustration and is a paper trail of how the insurer is handling your claim

Deep breath



PRE-SUBMITTED QUESTIONS

Rebuilding Questions

I am uncertain if I am going to rebuild or buy a home in another location. I have not discussed this situation with my adjuster. I understand that I should first settle with insurance on the cost to rebuild my Fire Marshall destroyed home as it was on 12/29/21. The adjuster has given me his estimate to rebuild, has told me his estimate is low and that he expects the cost to rebuild will exceed dwelling coverage. But he has left it to me to prove. I can't find a builder that will assist me in reviewing and commenting on adjuster's estimate without my signing an intent to build and upfront dollars. A professional estimator costs about \$3K, which I don't have to spend. Any recommendations on working with the adjuster to increase his estimate without expending additional dollars? (Lynn T.)

Rebuilding Questions Cont'd.

I may decide not to rebuild but buy a house that is ready to move into. If I buy a house does it have to be "like property?" Example, if my destroyed home was 2,000 sq ft must the home I buy be similar in sq ft? If insurance insists on like property, what rationale can be used to change mind of insurer? I ask the question from the perspective I may relocate to an area where housing dollars buys a bigger home.

I may buy another property vs. rebuilding on the site of destroyed home. My insurance adjuster indicated that if I buy another property, they will deduct from potential proceeds the value of the land on the new property. What language should I look for in my policy that indicates this is allowable? (Lynn T.)

Rebuilding

- Buy or Rebuild? FAQs on replacing a dwelling after a total loss

<https://uphelp.org/claim-guidance-publications/buy-or-rebuild-faqs-on-replacing-a-dwelling-after-a-total-loss/>

- Collecting Every Dime

<https://uphelp.org/events/collecting-every-dime/>

No land value deduction

HB22-1111 (Pending, actively moving legislation)

(II) USE THE PROCEEDS FROM THE POLICY TO PURCHASE AN EXISTING RESIDENCE AT A NEW LOCATION, IN WHICH CASE THE CALCULATION OF THE REPLACEMENT COST OF THE INSURED OWNER-OCCUPIED RESIDENCE SHALL NOT INCLUDE CONSIDERATION OF THE VALUE OF THE LAND UPON WHICH THE EXISTING RESIDENCE IS LOCATED.

NOTE: Not law yet but suggests what lawmakers expect insurers to do

Accurately scoping your dwelling loss

State Farm's offer is nowhere near our policy limits. We met almost 3 weeks ago with our builder and adjuster and haven't yet received our revised estimate of loss. A phone call from adjuster indicated that his revision will not be to our policy limits (where we need to be to rebuild). In your experience, how long did this back and forth negotiation with insurer take? At what point should we call an attorney? (Regina P.)

- The Scoop on “Scope” (of loss)
<https://uphelp.org/claim-guidance-publications/the-scoop-on-scope-of-loss/>

Agreeing on “as was” scope

The builder we're planning on using doesn't have staff to work with our insurance company during the rebuild process. I think our claim situation is fine--we've already been paid our dwelling limit and the estimate is a bit past our 20% OID increase--our adjuster seems confident we'll receive that too. But I'm nervous--our builder's plans are very different from our old home and includes upgrades that our old home didn't have, so it seems possible our insurance won't pay for those. Its making me consider going with a different builder just to have someone to handle that back-and-forth. Am I too worried about this? How can I prepare for this step? Maybe I should hire someone to handle that? Any thoughts are appreciated. Thanks! (Mark S.)

- Rebuilding 101: A Guide to the Reconstruction Process
<https://uphelp.org/claim-guidance-publications/rebuilding-101-a-guide-to-the-reconstruction-process/>
- Building Code, Ordinance or Law Compliance
<https://uphelp.org/claim-guidance-publications/building-code-ordinance-or-law-compliance/>

Extended Replacement Costs for Purchase of New Home

It was stated that we can use the Dwelling A funds to purchase an existing home. Are we able to use Extended Replacement funds to help with that purchase? Or do Extended Replacement funds require being used for building a home only? (Kevin K.)

- **HB22-1111:** (a) A POLICY OF HOMEOWNERS INSURANCE MAY NOT LIMIT OR DENY A PAYMENT OF THE BUILDING CODE UPGRADE COST OR A PAYMENT OF ANY EXTENDED REPLACEMENT COST AVAILABLE UNDER THE POLICY COVERAGE FOR A POLICYHOLDER'S STRUCTURE THAT WAS A TOTAL LOSS ON THE BASIS THAT THE POLICYHOLDER DECIDED TO REBUILD IN A NEW LOCATION OR TO PURCHASE AN EXISTING STRUCTURE IN A NEW LOCATION IF THE POLICY OTHERWISE COVERS THE REPLACEMENT COST OR BUILDING CODE UPGRADE COST; EXCEPT THAT THE MEASURE OF INDEMNITY MAY NOT EXCEED THE REPLACEMENT COST, INCLUDING THE UPGRADE COSTS AND EXTENDED REPLACEMENT COST FOR REPAIRING, REBUILDING, OR REPLACING THE STRUCTURE AT THE ORIGINAL LOCATION OF THE LOSS.

NOTE: Not law yet but suggests what lawmakers expect insurers to do

Getting O&L Payouts

Can you get O&L payouts by buying elsewhere? How do I persuade my insurance company to do so? (Dominick M.)

- Building Code, Ordinance or Law Compliance
<https://uphelp.org/claim-guidance-publications/building-code-ordinance-or-law-compliance/>
- Sample Letter Requesting Extension of Policy Benefits for Building Code Upgrades
<https://uphelp.org/claim-guidance-publications/sample-letter-requesting-collecting-policy-benefits-for-building-code-upgrades/>

CO DOI Bulletin B-5.44 (issued 2/8/22)

“...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....”

- <https://uphelp.org/wp-content/uploads/2022/02/Bulletin-No.-B-5.44-Concerning-the-Communication-of-Certain-Coverage-Limited-by-Homeowners-Insurance-Companies.pdf>

Unfair Depreciation

In the rebuild estimate provided by the insurance company, why would fees such as building permit fees, plan review fee, architectural and engineering fees be depreciated?

Also, if purchasing a new home, they said they would deduct the value of the land from the total purchase price. Does that make sense? In one way it does, but I remembered something from a previous webinar about land being deducted so wanted to confirm.(Carolyn L.)

<https://uphelp.org/claim-guidance-publications/depreciation-basics/>

Why depreciation of labor and professional fees is unfair

“When insurers reduce actual cash value claim payouts by depreciating labor, they are failing to meet their duty to indemnify insureds for the necessary cost of restoring insured assets to pre-loss condition. Improper depreciation of labor by insurance companies creates shortfalls in repair and rebuilding financing for property owners and negatively impacts the local, state, and federal government entities that have an interest in communities’ successful economic recovery and the restoration of property tax bases.”

“...labor—logically and by its very nature—cannot depreciate in value over time the way materials can.”

[Excerpted from one of the *many* “friend of the court” briefs that United Policyholders has filed in opposition to unfair depreciation]

<https://uphelp.org/wp-content/uploads/2022/03/22-03-09-O-Amicus-Curiae-Brief-00449019xA892B.pdf>

Partial Loss Questions

CONTENTS

- In CO, is it required to take condition into account when calculating depreciation? What if our adjuster doesn't request that we include condition in our inventory? What legal means do we have to push back that they need to take that into account?
- Many of us are dealing with insurance companies wanting to restore items that we would rather replace. What guidance do you have based on recent DOI announcements (which were fairly vague) for those of us pushing to replace items like soft furniture, clothing, and electronics? We've already had to purchase replacement headphones, keyboards, and other items because either we couldn't wait for them to be properly remediated OR they had failed. I plan to include these in my inventory.
- I've heard conflicting advice on items such as untreated wood, spices in glass jars, wine, etc. Is there a standard list that UP has created that recommends which things should automatically be added to the list of non-salvageable items?
- What if I want to purchase something slightly different when I'm replacing items? My sleeper sofa is worth \$2,500 ACV, and to replace that exact sofa it's \$5,000. I've decided that I don't want to buy another sleeper sofa. Instead, I'd like to buy a sectional by the same manufacturer that costs \$6,000. Can I purchase the sectional and get insurance to cover \$5,000 of it?
- For some items, if we can't agree with insurance on depreciation, people will likely decide to replace items to receive full payment. Is there any recourse on the part of insurance companies if one were to purchase something to replace it and then later return it for a refund? (Cathryn M.)

Partial Loss Questions (cont'd.)

REMEDIATION

- My first restoration company did a terrible job. I felt like I was forced to prove that the house was making me sick in order to hire a second company and have ALE covered since we moved out again. I'm going to push for the insurer to cover the IH testing both BEFORE and AFTER this cleaning. What advice do you have regarding how best to get insurance companies to cover this cost? (Cathryn M.)

ALE

- I've heard from some folks that ALE adjusters are denying reimbursement for restaurant meals if the hotel has a kitchen. What tips do you have for dealing with adjusters related to ALE? (Cathryn M.)

CO DOI Guidance

Contents, Remediation, ALE

CO DOI Bulletin B-5.43 (issued 1/3/22)

“...When handling the smoke, soot, ash, or water damage claims, the Division directs insurers to consider the related long-lasting effects on electronics, furniture and other property when estimating the total damage. Merely cleaning the walls and property will not necessarily return the property to pre-loss condition. Companies must consider their policyholders’ concerns about faulty wiring, inoperable electronics, and soft material contamination. Health related issues, including respiratory difficulties, directly caused by exposure to smoke, soot, ash, or mold are damage and loss, and insurers shall consider reasonable substantiation to make appropriate coverage decisions.”

- B-5.43 Concerning Policyholder Benefits in the Immediate Aftermath of the Marshall and Middle Fork Fires
<https://uphelp.org/wp-content/uploads/2022/01/B-5.43-Concerning-Policyholder-Benefits-in-the-Immediate-Aftermath-of-the-Marshall-and-Middle-Fork-Fires.pdf>
- Marshall Fire Response - Frequently Asked Questions - ADDITIONAL LIVING EXPENSES (ALE)
<https://uphelp.org/wp-content/uploads/2022/01/1.8.22doialefaq.pdf>

United Policyholders Guidance

Contents, Remediation, ALE

- Insurance Claim Tips for Partial Fire Losses <https://uphelp.org/claim-guidance-publications/insurance-claim-tips-for-partial-loss-fires/>
- Thermal (“extreme heat”) damage from a nearby wildfire
<https://uphelp.org/claim-guidance-publications/thermal-extreme-heat-damage-from-a-nearby-wildfire/>
- Smoke Restoration Guide
<https://uphelp.org/claim-guidance-publications/smoke-restoration-guide/>
- Survivors Speak: Additional Living Expense (ALE)/Loss of Use
<https://uphelp.org/claim-guidance-publications/survivors-speak-additional-living-expense-ale-loss-of-use/>
- Catch UP on Additional Living Expense (ALE) Alternatives with Natasha O’Flaherty
<https://uphelp.org/catch-up-on-additional-living-expense-alternatives-with-natasha-oflaherty/>

CDOI Consumer Advisory (March 14, 2022)

For smoke, soot and ash claims:

Regarding the repair and testing for smoke, soot and ash, along with extending ALE coverage until necessary cleaning, testing and repairs are complete:

- A) Inspect the home when smoke, soot and ash are visible. Repairs / cleaning / replacement as necessary of hard surfaces, HVAC systems, attic insulation and soft goods.
- B) If there is a question of habitability after cleaning, insurance company should offer independent testing at the insurer's cost. ALE continued until any testing and necessary remediation is complete

<https://doi.colorado.gov/news-releases-consumer-advisories/consumer-advisory-boulder-county-fires-improving-policyholders>

Mitigation Quotes Higher Than Payment

We have a payment from State Farm, and 2 quotes for smoke mitigation, both higher than the claim payment. What is our role for resolving the differences with insurance adjuster and mitigation quotes? Do we play middleman or turn it over to the State Farm adjuster? (Doug W.)

- Smoke and ash damage from a wildfire
<https://uphelp.org/claim-guidance-publications/smoke-and-ash-damage-from-a-wildfire/>
- Survivors Speak: Partial Loss Remediation Tips
<https://uphelp.org/claim-guidance-publications/survivors-speak-partial-loss-remediation-tips/>

Unfair claim handling re: Remediation

Our adjuster refuses to pay for an industrial hygienist to inform cleanup and they will not acknowledge the toxicity of ash from debris which has been reported by BCPH.

They solicited a bid from one of their preferred vendors ServiceMaster of Boulder County. The vendor submitted a very superficial lowball estimate which is inadequate for repairing our damage.

We told Farmers the estimate from ServiceMaster Boulder was not acceptable. They insist they will not pay more for vendors doing a more thorough job. And they are no longer extending ALE. What recourse do I have to get the proper work done by an acceptable repair company paid for by insurance? (Michael M.)

Industrial hygienists

- <https://uphelp.org/wp-content/uploads/2020/09/SAMPLE-RESIDENTIAL-REPORT-REDACTED.pdf>

Smoke smell

After completing numerous remediation activities, the house still smells of smoke. State Farm with an IH report says the smell is coming from outside. I don't agree. bTW my house is in the red/burn zone (Rachael B.)

Boulder County Health Dept. Guidance

“BCPH also recommends that residents monitor their indoor air quality. Ash and soot resulting from the Marshall fire may contain Volatile Organic Compounds (VOCs) and other harmful contaminants, such as heavy metals, that can linger in homes if not properly removed. Take precautions to ensure you are not tracking ash into your home on shoes or clothing, as these potentially harmful particles are microscopic and may not be visible. If you experience non-specific health effects (headaches, eye irritation or nosebleeds), BCPH recommends consulting a professional regarding cleaning and restoration as these may be symptoms of odor-free contaminants that can cause irritation.”

Source: <https://www.bouldercounty.org/disasters/wildfires/marshallfireaq/>

Reimbursement for Yard Remediation

My home is smoke damaged. We've been advised to remove the top 2" of soil from the property by the county. My entire yard is xeroscaped with rock and wood mulch. Is that something I can ask for reimbursement from the insurance company? (Terre L.)

➤ Debris Removal After a Partial or Total Loss

<https://uphelp.org/claim-guidance-publications/debris-removal-after-a-partial-or-total-loss/>

Recent news release:

[View as a webpage](#) / [Share](#)



Testing Shows Soil Safe in Marshall Fire Burn Areas

Seguido en Español

Boulder, CO – Results from testing conducted by Boulder County Public Health (BCPH) in areas affected by the Marshall fire show the levels of metals and asbestos in the soil do not pose a significant health risk and are, in most cases, consistent with surrounding areas that were not impacted by the fire.

BCPH selected 26 test sites. Twenty locations were chosen because a home or structure was completely destroyed. Six locations were selected outside the burn areas to set a baseline for the amount of metals normally found in soils in the region.

CO DOI Bulletin B-5.44 (issued 2/8/22)

“...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.”

- <https://uphelp.org/wp-content/uploads/2022/02/Bulletin-No.-B-5.44-Concerning-the-Communication-of-Certain-Coverage-Limited-by-Homeowners-Insurance-Companies.pdf>

Deep breath – Smoke free



Replacement of Contents

Given the 50% advance provided, in buying replacement items, does my reimbursement for what I spend to replace my items that exceeds depreciation happen on a line-item basis or only when I can document having spent a total of replacement cost exceeding the 50% amount? (Steve D.)

Maximizing Contents Coverage

My insurer has been really good about providing me with funds in a timely manner. I have received 100% of my dwelling and outside structures coverage, 60% of my contents and substantial 6 months of ALE advance. My major struggle is completing my detailed inventory of contents so that I can get 100% of my covered amount. I will be moving into my rental home soon and I am initially renting furniture and other house hold items. What is the best way to maximize my contents coverage? Are there certain items that I am better off purchasing so I have receipts and get 100% reimbursement? I used to have very nice furniture (solid wood), some irreplaceable antiques, lots of high-end kitchen stuff, fishing, sports, camping gear, tools and art work. (Maria M.)

- Home Inventory and Contents Claim Tips
<https://uphelp.org/claim-guidance-publications/home-inventory-and-contents-claim-tips/>
- Navigating Your Contents Claim
<https://uphelp.org/events/navigating-your-contents-claim/>

CDOI Consumer Advisory (March 14, 2022)

- CDOI requests that insurers pay no less than 60% of contents limits without requiring inventory (for owner-occupied, primary residences).
- CDOI requests that insurers provide options for streamlining inventory documentation for total losses for those eligible for additional replacement cost benefits from their policy, including: inventory forms that allow grouping by category, itemizing large items; and grouping by room or individual interviews with the policyholders.

<https://doi.colorado.gov/news-releases-consumer-advisories/consumer-advisory-boulder-county-fires-improving-policyholders>

Publicizing insurers' cooperation/non-cooperation puts pressure on insurers that is helpful...

Insurance Company Responses

| Companies | 1a) Smoke, soot, ash - clean / replace | 1b) Habitability testing / extend ALE | 2) 60% contents payout | 3) Streamline inventories | 4) Single deductible | 5) No Adverse Under-writing |
|--------------------------|--|---------------------------------------|------------------------|---------------------------|----------------------|-----------------------------|
| Acuity | YC | Y | Y | Y | N | Y |
| AIG Prop & Casualty | Y | Y | Y | Y | Y | Y |
| Allied Prop. & Casualty | YC | YC | Y | YC | YC | YC |
| Allstate Fire & Casualty | Y | Y | Y | Y | Y | Y |
| Allstate Indemnity | Y | Y | Y | Y | Y | Y |

Underinsurance/CO Insurance Rights

Could you please clarify the requirements mandated by Colorado law CRS 10-4-110.8 around insurers' responsibilities to "offer" coverages such as 24mo ALE, 20% structure limit extension, and 10% codes upgrade? What constitutes a valid "offering?" The law seems to put the burden on insurers to explain clearly what is being offered (including "an explanation of the purpose, terms, and cost of these coverages"). And CDOI bulletin B-5.35 makes clear that insurers bear the additional responsibility to document that the coverage and explanations were "offered." Yet we heard in previous presentations a suggestion that the homeowner must prove the offer was *not* made, reversing the burden from what the law seems to state. Could you please clarify? (Steve S.)

- Insurance Consumer Rights in Colorado (2021)
<https://uphelp.org/claim-guidance-publications/insurance-consumer-legal-rights-in-colorado/>
- Bulletin B-5.28 Equitable Payment of Claims Resulting from Natural Disasters

Insurers' duty to offer

Source: Colorado Revised Statutes Title 10. Insurance § 10-4-110.8.

<https://codes.findlaw.com/co/title-10-insurance/co-rev-st-sect-10-4-110-8.html>

(b) All homeowner's insurance replacement cost policies for a dwelling must include additional living expense coverage. This coverage must be available for a period of at least twelve months and is subject to other policy provisions. Insurers shall offer policyholders the opportunity to purchase a total of twenty-four months of ALE coverage and give an applicant an explanation of the purpose, terms, and cost of this coverage.

(6)(a) Before issuance or renewal of a replacement-cost homeowner's insurance policy whose dwelling limit is equal to or greater than the estimated replacement cost of the residence, the insurer shall make available to an applicant the opportunity to obtain extended replacement-cost coverage and law and ordinance coverage. At a minimum, the insurer shall make available law and ordinance coverage in an amount of insurance equal to ten percent of the limit of the insurance for the dwelling and extended replacement-cost coverage in an amount of insurance that is at least twenty percent of the limit of the insurance for the dwelling.

Failure to offer can = unfair/deceptive act

(4) Any insurer who violates the provisions of subsection (1) of this section shall be deemed to have engaged in unfair or deceptive acts or practices prohibited by section 10-3-1104(1)(a)(I) and shall be subject to the penalties provided in section 10-3-1108 and 10-3-1109 .

<https://codes.findlaw.com/co/title-10-insurance/co-rev-st-sect-10-4-111.html>

CO DOI Bulletin B-5.28

Equitable Payment of Claims Resulting from Natural Disasters

“Insurers should provide full transparency and disclosure with regard to the extent of available coverage. If a policyholder approaches his/her coverage limit, the insurer should provide adequate and timely information before coverage is exhausted. “

CO DOI Bulletin B-5.28 Revised 09-07-2017

Equitable Payment of Claims Resulting from Natural Disasters

“...While some insurance contracts offer more, **all homeowner’s insurance replacement cost policies include at least twelve (12) months of Additional Living Expense coverage.**” Note: This applies to primary homeowners

- [B-5.28 Equitable Payment of Claims Resulting from Natural Disasters - Google Drive](https://drive.google.com/file/d/0BwMmWVFE3YMsMi1pcUIPQ1pINzg/view?resourcekey=0-Tdn5DcvGKYpUZQ59VO2ptQ)
<https://drive.google.com/file/d/0BwMmWVFE3YMsMi1pcUIPQ1pINzg/view?resourcekey=0-Tdn5DcvGKYpUZQ59VO2ptQ>

Underinsurance/Agent Error?

State Farms Statement of Loss estimate is \$250,000 above our Dwelling Coverage A Limit. Could this be the basis of an 'Errors and Omissions' claim against our agent? Can you elaborate on what it takes to have a successful errors and omissions claim? (Matt S.)

3 CCR 702-5 Property And Casualty Amended Regulation 5-1-14-4

PENALTIES FOR FAILURE TO PROMPTLY ADDRESS PROPERTY AND CASUALTY FIRST PARTY CLAIMS

...If an insurer fails to make a decision and/or pay benefits due under the policy within sixty (60) days after a valid and complete claim has been received, and there is not a reasonable dispute between the parties, and the insured has complied with the terms and conditions of the policy of insurance...

Commissioner of Insurance may impose the following penalties to be paid by the insurer to the insured:... (continued..)

- [5-1-14-PENALTIES-FOR-FAILURE-TO-PROMPTLY-ADDRESS-PROPERTY-AND-CASUALTY-FIRST-PARTY-CLAIMS.pdf](https://uphelp.org/wp-content/uploads/2021/06/5-1-14-PENALTIES-FOR-FAILURE-TO-PROMPTLY-ADDRESS-PROPERTY-AND-CASUALTY-FIRST-PARTY-CLAIMS.pdf) (uphelp.org) <https://uphelp.org/wp-content/uploads/2021/06/5-1-14-PENALTIES-FOR-FAILURE-TO-PROMPTLY-ADDRESS-PROPERTY-AND-CASUALTY-FIRST-PARTY-CLAIMS.pdf>

Amended Regulation 5-1-14 continued....

... Commissioner of Insurance may impose the following penalties to be paid by the insurer to the insured...

If the claim is more than \$100.00, the penalty shall be 8 percent annual interest on the amount of benefits due, computed from the latest of the time a valid and complete claim is received, the reasonable dispute was resolved, or the insured complied with the terms and conditions of the policy, until the time the benefits due are paid by the insurer...

- [5-1-14-PENALTIES-FOR-FAILURE-TO-PROMPTLY-ADDRESS-PROPERTY-AND-CASUALTY-FIRST-PARTY-CLAIMS.pdf](https://uphelp.org/wp-content/uploads/2021/06/5-1-14-PENALTIES-FOR-FAILURE-TO-PROMPTLY-ADDRESS-PROPERTY-AND-CASUALTY-FIRST-PARTY-CLAIMS.pdf) (uphelp.org) <https://uphelp.org/wp-content/uploads/2021/06/5-1-14-PENALTIES-FOR-FAILURE-TO-PROMPTLY-ADDRESS-PROPERTY-AND-CASUALTY-FIRST-PARTY-CLAIMS.pdf>

CO Attorney General and Boulder County Tips For Avoiding Contractor Fraud (1)

- Say no to contractors using high pressure sales tactics or requesting that you make an immediate decision.
- Before you spend any significant amount of money on home repairs, solicit bids from at least 3 different contractors to compare pricing.
- Before you select your contractor, check with your local government to determine if your contractor is properly licensed.
 - Town of Superior Building Department:
<https://www.superiorcolorado.gov/departments/building-department>
 - City of Louisville Contractor Licensing:
<https://www.louisvilleco.gov/localgovernment/government/departments/building-safety/contractor-licensing>
 - For electrical and plumbing contractors, check with the Colorado Department of Regulatory Agencies (DORA): <https://dora.colorado.gov/check-a-license>

CO Attorney General and Boulder County Tips For Avoiding Contractor Fraud – (2)continued...

Prior to selection, check the contractor's complaint and business history with the Better Business Bureau

- Boulder Better Business Bureau:
<https://www.bbb.org/us/co/boulder>
- Denver Better Business Bureau:
<https://www.bbb.org/us/co/denver>
- BBB Serving Northern Colorado and Wyoming:
<https://www.bbb.org/localbbb/bbb-serving-northern-colorado-and-wyoming>

Report fraud at www.StopFraudColorado.gov or call 800-222-4444

➤ <https://coag.gov/app/uploads/2022/01/Boulder-Fire-Advisory-Contract-Fraud-.pdf>

CO Attorney General and Boulder County Tips For Avoiding Contractor Fraud – (3) continued...

- Prior to selection, ask the contractor how long they have been in business and confirm that the company is registered with the Colorado Secretary of State.
- Ask the contractor to provide you with references from prior customers and contact the customers to confirm the contractor completed all work in a satisfactory manner.
- Ask to see a copy of the contractor's liability insurance policy to make sure it covers any negligent repair and a copy of the contractor's workers compensation insurance policy to make sure it covers any potential injuries while working on your property.
- Ask the contractor what bank they use to maintain customer deposits and whether the account is a trust account, separate from their personal account as required by the Colorado Contractor Trust Fund Statute, Section 38-22-107 of the Colorado Revised Statutes. The statute imposes criminal penalties for contractors who fail to keep consumers' funds separate from their personal funds.
- Require your contractor to obtain mechanic's lien waivers from all suppliers and subcontractors.
- Demand the selected contractor sign a written contract that spells out specific details of the agreement including when the work will be started, the quality and type of all materials to be used, and when the work will be completed...

Stay connected to other disaster survivors – S2S Forums

- Great source of information about:
 - Insurance and rebuilding
 - Negotiation and financial strategies
 - Referrals and warnings re: professionals
 - Important source of emotional support
 - No one else understands your challenges and emotions like another survivor
- Find upcoming Survivor 2 Survivor Forums and register at: <http://www.uphelp.org/events>

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