



Wildfire Insurance Response and Market Conduct

NAIC Market Regulation and Consumer Affairs (D) Committee Meeting
Wednesday, March 26th, 2025
Indianapolis, Indiana

United Policyholders (UP)

UP is a 501(c) 3 national not-for-profit with a 34 year track record of problem-solving, informing and advocating for insurance consumers and disaster-impacted property owners.

Through our 3 programs we are working to help people pro-actively reduce risk, be properly insured and reach fair claim settlements, and we are collaborating with stakeholders to solve the national property insurance crisis.

Roadmap to Recovery[®] *Currently focused on guiding wildfire-impacted households on timely recovering all available insurance funds and getting damage properly remediated so they can repair, rebuild and return.*

Roadmap to Preparedness *Consumer education on protecting assets, shopping in today's challenging market and reducing risk.*

Advocacy and Action *Facilitating risk reduction, mitigation incentives/rewards, non-renewal protections and public policy solutions*

- Disaster Recovery Centers:
 - West LA, Pasadena, Altadena, Pasadena MARC, West LA MARC (opening in March)
 - 40+ days in the DRCs
 - 27 Volunteers + 3 Staffers:
 - 144 Volunteer Shifts = 1,400+ Volunteer Hours
- 1280 Survivors helped directly
- 25,700 Views:
 - www.uphelp.org/2025cawildfires

- Roadmap to Recovery Workshop Series:
 - Survivor to Survivor Forums (monthly)
 - 1 on 1 Clinics (SAG)
 - Wildfire Recovery Orientation (247)
 - How to Read and Understand Your Policy (400)
 - Replacing Your Wildfire Destroyed Home (470) (options + insurance considerations)
- Upcoming
 - 2/26 Navigating Your Contents Claim
 - Underinsurance
 - Survivor to Survivor Forums (monthly)
 - 1 on 1 Clinics



California 2024 and 2025 Wildfire Help Libraries

- Step-by-Step Guidance
- Sample Letters and Claim Forms
www.uphelp.org/samples
- Survivors Speak Tips
www.uphelp.org/survivorsspeak
- Upcoming Workshops and Resources
www.uphelp.org/events
- Links to Pro-consumer Professional Help
www.uphelp.org/findhelp

The screenshot displays the United Policyholders website interface. At the top, the logo "United Policyholders Empowering the Insured" is on the left, and navigation links "LOG OUT", "MY QUESTIONS", "ASK AN EXPERT", and "FORUMS" are on the right. A search bar is also present. Below the header is a main navigation bar with "HOME", "ABOUT", "MEDIA", "RECOVERY HELP", "GET PREPARED", "ADVOCACY", "COMMUNITY", "EVENTS", and "SUPPORT UP". The "RECOVERY HELP" menu is expanded, showing options: "ROADMAP TO RECOVERY", "DISASTER RECOVERY HELP", "CLAIM GUIDANCE LIBRARY", "STATE BY STATE HELP", "SAMPLE LETTERS AND CLAIM DOCUMENTS", "PROFESSIONAL HELP DIRECTORY", and "ASK AN EXPERT". The "DISASTER RECOVERY HELP" page is shown, featuring a breadcrumb trail: "Home » Roadmap to Recovery » Disaster Recovery Help". Two featured articles are visible: "2025 California Wildfires – Insurance Claim and Recovery Help" (JAN 7, 2025 – ACTIVE) and "2024 California Wildfires – Insurance Claim and Recovery Help" (NOV 1, 2024 – ACTIVE). The 2025 article mentions resources for the Palisades Fire and Eaton Fire in Los Angeles County. The 2024 article lists resources for the Franklin Fire, November 2024 Mountain Fire, September 2024 Airport Fire, Boyles Fire, Bridge Fire, and Line Fire, and the July 2024 Borel Fire, French Fire, Hawarden Fire, Lake Fire, Nixon Fire, Park Fire, and Thompson Fire, noting that over 1,817 structures were damaged or destroyed in Butte, Kern, Lake, and Los Angeles counties.

Post-disaster claim challenges

- Insured/Adjuster communications (delays, adversarial, valuation disputes, inconsistent claim handling, limited adjuster authority)
- Out of state adjusters who don't know local regs/laws
- The pain of having to prepare an itemized inventory of a lifetime's worth of possessions
- Loss estimating software that undervalues dwellings/contents
- Excessive depreciation
- Underinsurance (dwelling, ALE, code upgrades)
- Insurers refusing to pay for pre-cleaning testing of smoke damaged homes, and/or thorough/appropriate cleaning and restoration
- TPAs in place of trained adjusters
- Scams, hard sell solicitations, fees that eat up insurance benefits

**WEBSITE PUBLISHED REPORT OF THE TARGETED MARKET
CONDUCT EXAMINATION OF THE CLAIMS PRACTICES OF**

**CALIFORNIA FAIR PLAN ASSOCIATION
NAIC # 33665 CDI # 0000-0**

**AND ITS PRACTICES AND PROCEDURES RELATING TO
HOMEOWNERS/DWELLING INSURANCE CLAIMS**

AS OF MARCH 18, 2021

ADOPTED MAY 25, 2022

FAIR Plan's policy form language, as reportedly utilized by FAIR Plan, provides less coverage than the coverage required under the standard form fire policy because it limits coverage for fire loss through its definition of "direct physical loss," as "any actual loss or physical damage, evidenced by permanent physical changes, to the covered property . . ."

CFPA's handling of smoke damage claims is in violation of CIC §2070 and is an unfair practice under CIC §790.03(h)(3) and CIC §790.03(h)(5).

Reforms that are helping

- Required advances of Loss of Use/Temporary rent funds make it feasible to sign longer term cheaper monthly rent leases
- Required advances of contents benefits w/out itemized inventory reduces stress
- Mandatory inclusion of code upgrade coverage facilitates rebuilding
- Allowing phs to replace by rebuilding OR buying helps get people out of harm's way and expedites claim settlements
- Requirement that insurers adjust limits down when there's no longer a home to insure is common sense fairness
- Anti-price gouging laws, 7 days no solicitation protect consumers
- Requirements that insurers factor in a detailed list of cost elements when setting dwelling limits prevents underinsurance
- DOI claim dispute mediation programs reduce litigation