



Impact of Post-Disaster Insurance Processes & Legislative Fixes

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United Policyholders, a nonprofit organization

2003 Cedar Fire Survivor







ROOM Upstairs Bathroom - "UB" (Kids bathroom)

Item #	Item	Qty.	Repair Est.	Date of Purchase	Original Cost	Current Cost	Co. use only
1	Kids wash	1				2.50	
2	Ukalo Kitty accessory	1				3.99	
3	baby lotion	1				2.50	
4	night light	1				7.99	
5	Kids detangler	1				2.44	
6	lotion (regular)	1				7.79	
7	Snug tub	1				12.99	
8	Potty seat	1				8.99	
9	baby shampoo (general)	1				4.99	
10	thermometers & alcohol	3				13.33	
11	plunger	1				2.79	
12	baby nail clippers	1				1.43	
13	combs	2				7.98	
14	tooth paste	1				2.19	
15	Johnson baby shampoo	1				2.79	
16	Johnson baby wash	1				2.79	
17	Scrunchies	1				2.99	
18	WASTE BASKET	1				19.99	
19	Shower curtain	1				19.99	
20	Toothbrush holder	1				8.99	
21	Tub mat	1				5.99	
22	Shower Hooks	1				9.99	
23	Bath Rug	1				19.99	
24	Shower Liner	1				5.99	
25	nail clippers (regular)	1				1.49	
26	puffs	1				4.29	
27	Kids Shampoo	1				2.44	
28	Sunscreen	1					
29	medicine for Kelly,	2				55.00	
30	step stool	1				8.25	

Disaster Claims - 12 Month Status Survey Results

www.uphelp.org/data-collection-surveys

	% That had <u>NOT</u> settled the dwelling portion of their claim	% That report being under-insured on their dwelling	% That report delays by the insurance company in answering questions and/or phone calls and/or e-mails	% That report the insurance company/ adjuster made a "lowball" settlement offer
2017 No Bay Fires - California	53%	66%	34%	31%
2013 Black Forest Fire - Colorado	57%	46%	31%	23%
2011 Central Texas Wildfire	56%	80%	25%	11%
2010 Fourmile Canyon Fire - Colorado	36%	57%	59%	65%

Communities and Economies
Lose When Disaster Survivors
Are Slowed In Their Recovery
by Unnecessary/Stressful/
Time-Consuming Insurance
Recovery Processes

Decreased Local Tax Revenue

Disasters survivors commonly have their property reassessed. Re-assessed value is lower without the home on the land. This results in decreased local tax revenue. Tax revenues finance crucial local services/ infrastructure. Until the home is rebuilt and property re-assessed, local tax revenue is decreased.

Local Businesses Suffer

Disaster survivors often have to relocate to neighboring communities while they navigate the insurance recovery process. While displaced, local businesses lose these customers. The longer the insurance recovery takes...the more revenue local businesses lose.

Risk of Job Loss

Disaster survivors are often stretched extremely thin:

- (1) Navigate time-consuming and draining insurance recovery process;
- (2) Navigate the rebuild process;
- (3) Countless disaster recovery-related tasks, (e.g., replace documents, etc.);
- (4) Trying to hold down employment;
- (5) Regular day-to-day commitments (kids, grocery shopping, wash, etc.)

Creates risk of job loss/advancement loss

Families Lose

When Disaster Survivors Are
Subjected to
Unnecessary/Stressful/Time-
Consuming Insurance Recovery
Processes

Legislative Ideas to Export to Your Own State



REBUILD OR BUY

- Allows disaster survivors to use their dwelling benefits to rebuild **OR** purchase a replacement home at a different location
- Good for everyone - Particularly helpful for seniors who may not want to spend several years navigating the disaster recovery process
- Codified in CA Insurance Code Section 2051.5(c)

Extended Time to Collect ALE AND Full Replacement Cost (Up to 36 Months) When Loss Occurs in a Natural Disaster

- Helps disaster survivors avoid personal financial ruin by recognizing the realities of rebuilding after a natural disaster, (demand surge for building supplies & labor, and other common delays)
- Supporting the financial health of disaster survivors makes financial sense for local communities and local businesses
- Codified in CA Insurance Code Sections 2051.5(b)(1) and (2)

Copy of Complete Insurance Policy

- Insurance company must provide a complete copy of the insurance policy to the insured within 30 calendar days of receipt of request from the insured
- Recognizes the realities of disaster survivors who may have fled their homes and had to leave all paperwork behind
- Codified in CA Insurance Code Section 2084

One Insurance Policy Renewal After A Declared Disaster

- Recognizes the challenges Disaster Survivors face in obtaining new coverage for a property that is in the middle of an existing claim
- Insurance is a crucial financial safety tool
- Codified in Ca Insurance Code Section 675.1b

Insurer Must Provide List of Items Covered by ALE Upon Request

- Losses are best paid for by insurance funds
- Ensures that Disaster Survivors have the information needed to utilize all available policy benefits
 - This lessens the need for publicly funded assistance
- Codified in CA Insurance Code Section 2060

What legislative fixes are still needed?

- Underinsurance
- Personal Property Inventory Waiver
- Lowballing

About UP

- United Policyholders is a not-for-profit charity
- Our Roadmap to Recovery program provides tools and resources for solving insurance problems after a natural disaster or other adverse event.
- We're funded by donations and grants
- Learn more about our work at www.uphelp.org