

INSURANCE BASICS AFTER A WILDFIRE

If you have damaged or destroyed property as a result of wildfire, the following information is for you. More information about how to get help is available at wildfire.oregon.gov and at OregonLawHelp.org.

What insurance options can cover my belongings in the event of a wildfire?

If you own your home, you more than likely have homeowner's insurance. This should protect your home in the event of a wildfire.

If you rent, you need renter's insurance in order for your property to be protected. The owner of your rental property's insurance will likely not cover loss of your property due to wildfire.

In the event of damage to an automobile, your car insurance may cover wildfire damage. If you maintain comprehensive vehicle coverage, your vehicle is probably covered. If you have the minimum car insurance required by law, liability insurance, your vehicle is not covered by insurance in the event of wildfire damage.

What should I do if my property is damaged or destroyed by fire?

Step one is to locate and review your insurance policy. If your policy was destroyed in the fire, then you should contact your insurance company and request a copy immediately. If you are unclear about the identity of your insurance company, check with your bank (or other sources) to see if they have a record of checks or premium payments that show the identity of your insurance company. If your home is located in an area designated as a wildfire disaster by Governor Brown's Executive Order 20-35, you may have additional rights. (See <https://dfr.oregon.gov/insure/home/storm/Pages/wildfires.aspx>)

Notify your insurance company immediately about your loss. There is typically a deadline for filing claims, and the sooner you notify them the better. Request a full and complete copy of your policy. Start a notebook about your claim: the notebook should include the claim number, the name and date of each person you speak to, along with copies of anything you receive from the insurance company.

What about temporary housing?

For those who have lost their homes or been forced to evacuate, finding a place to live may be your top priority. Generally, renter's insurance and homeowner's insurance will cover the cost of alternative housing and the added cost of meals, pet boarding, and other expenses associated with the displacement from your home. This is referred to in many policies as additional living expenses (ALE) or loss of use. Your insurance company may be able to help you secure temporary housing. Ask your insurance company to provide you with a list of commonly reimbursed expenses, so you know exactly what you can be reimbursed for.

Review your policy carefully as some insurance companies may not cover costs if the government has not ordered you to evacuate your home or if the damage to your home did not require you to

incur these additional expenses. **KEEP COPIES OF ANY RECEIPTS FROM MEALS, PET BOARDING, HOTEL STAYS, ETC.**

What if I need some money immediately, before my claim is final?

You may be able to get a cash advance from your insurance company to assist in covering expenses or purchasing replacement items needed immediately. Talk to your adjuster about this option. If your home is covered by the emergency wildfire order, the Oregon Insurance Commissioner has requested that insurance companies advance at least four months for insureds who suffered a total loss. If you receive an advance, it is important that you carefully read any document the insurance company asks you to sign as a condition for the cash advance. Be certain to communicate clearly to the insurance company that you are not releasing your right to other money because you have taken the advance.

What happens after I file?

The insurance company will begin an investigation, including assigning an adjuster to evaluate your claim and the property lost. Do your best to create a detailed written inventory of your belongings - start with one room of your house or apartment and work your way through your home. It may take some time, so don't rush if you need more time. Some insurance companies want you to use their forms, although those in an area covered by the emergency wildfire order should be allowed to use any type of inventory form. In addition, **WHEN IT IS SAFE**, go back to your home to take pictures of the extent of the damage. Be very careful to not hurt yourself or make the damage worse. If possible, this should be done before there is any cleanup or debris removal.

If you are a property owner, then debris removal is your responsibility, but your policy should cover this as a necessary expense, and you should coordinate this with your adjuster.

Due to the unprecedented wildfire season, it may take a long time for your insurance company to resolve your claim. Be patient, but be forceful in protecting your rights.

The insurance company should not pressure you to accept their offer within a certain time frame. Remember, insurance claims are business deals which are subject to negotiation. Insurance companies are businesses and they do not necessarily have your best interests in mind while they evaluate your claims.

Be wary of the friendly claims adjuster. Be courteous and respectful, but remember that they may be using friendly tactics in order to give you less money than you are entitled to. You must cooperate with reasonable requests for information from the insurance company, but review their requests and proposals carefully.

If you are concerned about the information provided by your insurance company or how they are dealing with your claim, you can contact the State of Oregon's Department of Business and Consumer Affairs. They have Insurance advocates available from 8 a.m. – 5 p.m. every day, at 888-877-4894 (toll-free).

What do I need to know as I work through the claim with my insurance company?

You are not required to use a contractor recommended by your insurance company to make repairs on your home. You are free to work with other contractors to receive competitive estimates from them.

Insurance companies are generally allowed to depreciate the value of certain items you are seeking to have replaced. Depreciation is a decrease in the value of the item because it is not brand new. The insurance adjuster should detail the amounts depreciated from each damaged item, and you should challenge any values that seem too low, especially if you can demonstrate that some items are much newer than other items. There are some items (both personal property and parts of a damaged structure) that should not be depreciated at all. So, don't accept a uniform depreciation amount for all your items.

If you would like to talk to an attorney about your rights, you can find contact information for a legal aid office near you at <https://oregonlawhelp.org/find-legal-help>.