

Wildfires and Insurance

Homeowners in Washington state -- especially rural homeowners -- need to be aware of the threat of wildfires.

In rural areas, many homes are isolated and surrounded by forests and bush-covered grasslands. During hot, dry seasons, these areas can be a fire threat to homeowners. In addition, firefighters may have a hard time getting to these homes. Rural homeowners should make sure their property and possessions are adequately protected by insurance.

Tips for homeowners:

- **Review your insurance policy** – Check your coverage regularly to make sure that it includes adequate replacement-value coverage, in the event you suffer a loss. Be sure to ask your agent about guaranteed-replacement-cost coverage.
- **Make sure you have enough coverage** – If you suffer a total loss, 80 or 90 percent of your home's value may not be enough money to repair or replace the structure. Also make sure your policy includes additional living expenses. This coverage pays for your living expenses if your home is deemed unlivable due to a covered loss. Under most policies, insurance pays the difference between the cost of temporary living quarters and what it would cost to live at home. Your policy may include restrictions on this coverage, so check with your agent or insurance company.
- **Insurers may require your home to meet certain criteria** – Insurers base homeowner coverage and rates on certain assumptions. These assumptions may include the fire protection available to your home, such as fire hydrants and fire department location. They also may include standard expectations, such as whether your home has electricity, running water, etc. In some very remote areas of the state, or for homes that do not conform to these standards, a homeowner may have to buy fire-only or nonstandard coverage. Some type of coverage should be available everywhere in the state.
- **Protect your rural home** – Rural homeowners should do everything they can to limit their fire exposure. At a minimum, this means clearing a natural firebreak between your home and outbuildings, and trees, bushes and uncut fields. Other measures you can take include installing a pump or using a nearby water source. You can also use fire-resistant roofing and building materials. If you are not able to do these things, and losses occur, insurers should not hold it against you. However, a little prevention may help avoid a loss.
- **Buy special coverage** – As with any homeowner policy, you may want to buy special coverage to protect specific valuables, such as jewelry, fine art, and other items that may have limited coverage under your homeowner policy. As a homeowner, you should prepare an inventory

of appliances, furnishings, and possessions in the event your home is destroyed or damaged. Videotapes and photos are a good way to document these possessions. Keep a copy of the inventory and any video or photos in a different location, such as your safety deposit box. In general, the more detailed your inventory, the easier it will be to file a claim.

- **Keep a priority list of family items** – Insurance can replace your TV, stereo and camera, but it can't replace old family snapshots or recreate a child's first A+ on a math test. Prepare a family-priority list of irreplaceable items and refer to it if a disaster forces you to leave your home.
- **Keep your family safe** – Remember, nothing -- absolutely nothing -- is more important than removing you and your family from harm's way!

A concern in many rural areas is an unfounded fear by homeowners that man-caused wildfires are not covered because they fall under an arson exclusion. Fire is one of the "basic perils" listed in homeowner insurance, and all fires should be covered, provided they were not intentionally set by the insured person.

The Office of the Insurance Commissioner can help you!

If you have any questions or need additional information about your rights, call our Insurance Consumer Hotline at

1-800-562-6900

or visit our Web site at

<http://www.insurance.wa.gov/>