

When filing a wildfire insurance claim, there are many factors that need to be taken into consideration. To help you navigate the process, we have put together several talking points for you to review. Having a full understanding of each of the below bullet points is crucial to documenting, filing, and successfully settling your insurance claim.

If any of these questions give you pause, please feel free to reach out to us for a no-cost discussion about your claim.

### General

- How can I minimize the emotional toll on my family?
- How much of my time will this take?
- How large an advance should I expect?
- How has my insurance company handled past wildfires?
- What is demand surge? Will my insurance cover it?
- How can the adjuster represent both me and the insurance company?
- Can my agent really help me or not?
- Why it's important to have a strategy.
- What is the difference between a deliberate decision and an emotional decision?
- Get educated.
- Successful evaluation of damages hinges upon a well-coordinated effort between estimators, inventory specialists and consultants. Do you have the right experts lined up? Should you trust the insurance company's cadre of experts?
- Are you familiar with how your insurance company has handled other wildfires? How can that knowledge help you?
- Has the public adjuster you are talking to handled other wildfires? How many? What can he/she tell you?
- Is the scope of this disaster large enough that political and grass roots pressure will have an impact?
- How long am I really going to be out of my house?
- My adjuster says I have to use my advance to buy furniture for the rental home. But the rooms are different sizes and I don't know what my color scheme will be and I am under so much stress right now. Do I have to? Why can't I just rent the stuff?
- How much time over the next several months will you need to put aside to handle your claim properly? How will all those hours affect your family? Your job?
- What is the emotional investment that you will need to commit to the process?
- Can you get paid for your time?
- Are you entitled to an advance from the insurance company? What is reasonable?
- What is your broker or agent's role?
  - Will he/she be adjusting the claim?
  - How many claims has he/she handled?
  - Will his/her role be active or passive?
  - When faced with supporting your position or the insurance company's, where will he/she stand?

- Are you familiar with the forms/practices below and what their request/issuance is telescoping?
  - Request for a Proof of Loss.
  - Reservation of Rights letter.
  - Request for an Examination Under Oath.

## **Structure**

- Contractors may tell you they can do what public adjusters can do. Can they really? What is their background and education in insurance? Are they bonded? In many states, like California, it's even against the law!
- What is the insurance company's motivation in preparing a reconstruction estimate for you?
  - The policy says it is your responsibility. Why are they willing to do it? How do they benefit?
- What is the difference between functional replacement and true replacement? Should you care? Why?
- How is actual cash value determined?
- Can you do the rebuild yourself?
  - Are you entitled to the profit that a contractor would typically charge?
  - Are you entitled to the overhead that a contractor would typically charge?
- What are the benefits and the pitfalls of replacing your home versus cashing out?
- Do you have to replace on the same site? Can you buy or build elsewhere?
- Can you collect code coverage allowances if you build elsewhere?
- How quickly can you get started rebuilding?

## **Personal Property**

- What is the insurance company's motivation in preparing an inventory for you?
  - The policy says it's your responsibility. Why are they willing to do it? How do they benefit?
- Typical residential inventories are 3,000 to 10,000 items. They need to have ages, source documents to support replacement prices, and condition coding to secure settlement. What is the time commitment necessary to prepare your inventory? How will it affect your family's lives?
- All items will be depreciated prior to initial payment. How is depreciation determined? Where does the insurance company get its schedule? Can you challenge their schedule? How?
- Marijuana. A crime? Or personal property?
- What are the pros and cons of a lease to own strategy?
- Distinguishing between business personal property and personal property. One is usually not covered!
- Can you get paid for a personal shopper? An interior decorator?

## **Additional Living Expenses (ALE)**

- What is a comparable standard of living?
- What if comparable is not available?
- What if you are willing to live "smaller?" Do you get anything?
- What is a reasonable period of time for the insurance company to pay for you to rent a home?
- What is considered a permanent purchase/replacement of a personal property item and what is considered temporary and therefore covered under ALE?
- Can you get paid to live with other family members in their home?
- Can you get paid to live in a vacation home or rental home you own?