

INSURANCE

This resource provides an overview of some legal issues individuals may face after a disaster. This material was drafted in 2024 and we cannot guarantee that all information is current. This resource will not answer all of your questions. It is designed to set out some of the issues you may have to consider, to help you understand the basics about each issue, and to point you in the right direction for help. Much of the information is general, and you may need to contact legal aid organizations or federal, state, city, or county officials to obtain more specific information and advice. This resource was prepared by various law firms, legal aid organizations, and other nonprofit organizations as a free resource. Although the authors hope that it will be helpful by providing background material, we cannot warrant that it is accurate or complete, particularly since circumstances may change. It is not intended to constitute legal advice and should not be relied on as legal advice. Readers should seek tailored advice from their own legal counsel. If you cannot afford to hire a lawyer, you can contact (888) 382- 3406 for referral to a nonprofit legal aid organization.

UNDERSTANDING YOUR INSURANCE COVERAGE

Where can I turn to for help with my specific insurance questions?

United Policyholders is a nonprofit organization serving insurance consumers, and its website, www.uphelp.org, provides a wealth of information for individuals who are dealing with disaster recovery.

My real or personal property was damaged or destroyed during the disaster. What insurance policies might provide coverage for my loss?

If your home, personal property, or vehicle has been damaged or destroyed as a result of a disaster, several different types of insurance policies – homeowners, renters, condominium, and vehicle policies – could all provide some coverage.

Typical homeowners, renters, and condominium insurance policies cover losses to real and personal property resulting from fire, smoke, wind, theft, riots, vandalism, and water (excluding flood damage). “Comprehensive” vehicle and boat insurance policies typically cover damage not caused by collision, including damage caused by fire, theft, vandalism, and windstorm. Fire insurance specifically covers losses from fire. Very few Californians carry flood insurance, which covers flood damage and mudflow. Earth movement (landslides and mudslides) is typically excluded from standard homeowners insurance policies. This is a complicated issue, and you will likely want to consult your insurance agent or an attorney or other expert if you find yourself facing this type of damage.

What type of property does my policy cover?

Coverage depends on the type of insurance policy you hold and the specific terms of your policy. Every policy is different:

- **Homeowners insurance** typically covers damage to personal property (e.g., furniture, clothes, and appliances), dwellings (your house and other buildings on your premises), and landscaping (on a limited basis), as well as additional necessary living expenses (including food and temporary housing) incurred as the result of a covered loss.
- **Renters insurance** usually covers the loss of personal property and the loss of use of the rented property. It may also include liability and medical payments coverage.
- **Condominium insurance** usually covers personal property and improvements made to the condominium unit you own. Condominium associations typically purchase insurance for the building structure and common areas, while a condominium owner’s individual condominium insurance policy typically covers the interior contents of the condominium unit.
- **Comprehensive vehicle insurance** ordinarily covers physical damage to the insured vehicle (either the cost of repairs or the fair market value of the vehicle) not caused by collision.
- **Fire insurance** covers the listed real property (dwelling and other buildings on the property) and the personal property (such as furniture) that is customarily used at that property. Some policies also often provide coverage for debris removal, landscaping, and additional living expenses.
- **Flood insurance** can cover building property, the personal contents in a building, or both. Typically, flood insurance does not cover avoidable moisture and mold damage, outdoor property (e.g., decks, fences, patios, landscaping, wells and septic systems, and hot tubs and pools), additional living expenses, or vehicles. Flood insurance also provides limited, if any, coverage for below-ground rooms like crawl spaces and basements.

A summary of the coverage types and limits can be found on the declarations page of each policy, and the detailed disclosure regarding the limitations on coverage can be found in the underlying policy documents. Exclusions will be listed in your insurance policy. It is important to carefully review your policy to learn which claims are excluded from a particular policy and to understand each policy’s deductibles and coverage limits. It may be advisable to consult with an

attorney about your policy's terms and conditions. If you cannot afford an attorney, please refer to the **Lawyer Referral Services & Legal Aid** chapter of this handbook.

Does my insurance policy cover the removal of debris from my property?

Your homeowners policy may provide coverage for at least some of the costs associated with debris removal due to floods, mudslides, landslides, or wildfires. To determine if it does, review the declarations page and the underlying policy documents. Before deciding whether to clear the debris, review the **Housing** chapter of this handbook. Be sure to carefully document (video or photograph) and itemize recognizable items because your insurance company may request evidence to validate claims of loss.

My property was not damaged by the disaster, but I had to evacuate. Does my insurance policy provide coverage for temporary living expenses?

Even if your property did not suffer direct damage from the disaster, your homeowners, condominium, or renters insurance policy's additional living expense coverage may provide full or partial reimbursement of food, temporary housing, pet boarding, and other similar expenses if you had to evacuate as a result of the disaster. Carefully review your policy to determine if it provides such coverage (and whether it distinguishes between mandatory and voluntary evacuations), and be sure to document costs (keep copies of receipts and credit card statements) incurred as a result of the evacuation. Most policies contain a dollar limit or a time limit.

I own a small business that was damaged or destroyed. Does my insurance policy provide coverage for my loss?

If your business has suffered property damage or destruction, including collateral damage or economic loss (such as loss of business income, extra expenses, computers, valuable records, and data-processing material) as a result of the disaster, the evacuations, or other governmental actions related to the disaster, you may be able to file claims based on an insurance policy that your business holds. Coverage depends on the specific terms of the policy that your business holds. (Earth movement, such as landslides and mudslides, is typically excluded from standard business insurance.)

Typical policies include:

- all risk/all perils policies;
- business owner property policies;
- computer policies;
- commercial loss policies;
- commercial general liability policies;
- homeowners and renters policies;
- valuable papers and records policies;
- building and personal property policies; and
- umbrella and excess coverage policies.

Damage to vehicles such as automobiles, recreational vehicles, mobile homes, or boats may be covered under business or personal automobile policies, motor carrier policies, mobile equipment policies, garage coverage policies, and marine policies. If you or your employees were injured, you or they may be covered by your workers' compensation policy, your or their health insurance policy, or short- or long-term disability policies.

NOTIFYING YOUR CARRIER AND NAVIGATING THE CLAIMS PROCESS

How do I make an insurance claim?

If you have not done so already, you should contact your insurance agent or insurance company *as soon as possible* to start the claims process. All insurance policies require policyholders to provide timely notice of a claim, and many have a one-year statute of limitations, starting from the date of loss. Some policies have even shorter limits for filing claims. Most insurance carriers provide toll-free telephone numbers to facilitate the claims-filing process. A list of these numbers can be found at the end of this chapter.

When dealing with your insurance company, it is important to carefully document every conversation. Be sure to write down the name of the person you speak to and the date and the substance of your conversation, including the nature and scope of the information you provide to the insurance company's agent. Confirm all conversations and agreements in writing (an email to the insurance company representative or a letter), and, if appropriate, note on your correspondence that the listed losses represent only a partial list of your losses and that you will forward additional claims when discovered. Keep a written inventory of all losses. This can help in future dealings with the insurance company.

For insurance claim help, see <https://uphelp.org/claim-guidance-publications/>.

What should I do if my insurance policy documents are lost or destroyed?

If your insurance documents were destroyed, or if you cannot locate your insurance documents for any other reason, do not panic. Call your insurance agent or insurance company. They should have copies of your policies on file and must provide a copy to you. If you do not know the name of your insurance company or insurance agent, check with your mortgage lender, your bank, or your auto dealer, as applicable. They may have records of your insurance information. If those options are unavailable, call the California Department of Insurance at (800) 927-4357 (TTY (800) 482-4833). For a sample letter requesting a complete copy of your homeowners policy, see <https://uphelp.org/claim-guidance-publications/sample-letter-requesting-complete-copy-of-homeowners-policy/>.

Are there specific documents I need to prove my loss?

The insurance company or insurance adjuster (a person professionally trained to assess the damage to your property) will ask to examine any evidence you may have to validate claims of loss. Examples of such evidence may include:

- pictures (videos or photographs) taken before and after the property loss;
- an inventory of all property damaged, along with an estimate of its actual cash or replacement cost value;
- records and receipts for all living expenses incurred due to the property loss (including all food, hotel, and staples bought to maintain a normal standard of living); and
- repair estimates obtained from third parties (e.g., contractors and auto mechanics) or receipts for any repairs already completed.

For more information on documenting and proving your losses, see <https://uphelp.org/claim-guidance-publications/the-scoop-on-scope-of-loss/> and <https://www.uphelp.org/pubs/sample-letters-and-documents>.

My house is uninhabitable. How do I get money now to pay for living expenses, extra transportation costs to and from work or school, storage costs, etc.?

While assistance may be available from family, friends, and government agencies (please see the **FEMA** chapter of this handbook), some living expense coverage is often a standard part of homeowners, condominium, and renters insurance policies and can provide coverage for hotel or temporary rental fees, food and meal expenses, pet boarding costs, and other similar expenses incurred as a result of a covered event, such as a fire or flood. Review your policy to determine whether it provides any living expense coverage, and, if need be, ask your insurance company for an advance on your insurance proceeds. Funds disbursed in the form of an advance will be deducted from the final settlement.

For homeowners insurance, what is the difference between “replacement cost value” and “actual cash value” policies?

“Replacement cost” coverage provides you with money to repair damaged items or replace destroyed items with new items of a similar type. Your policy should pay enough to purchase the new items, but it may or may not contain an overall limit. “Actual cash value” coverage provides an amount necessary to replace the damaged or destroyed item with an item of similar value. You will likely receive less money from an actual cash value policy than a replacement cost policy because the actual cash value policy takes depreciation (e.g., age and wear and tear) into account.

Under either form of policy, you will probably still have an applicable deductible (an initial amount of money that you must pay yourself before the insurance company starts to pay) unless that requirement is waived by the insurance company, and you may also be subject to an overall limit or cap.

If I did not have renters insurance, am I covered under my landlord’s policy?

You are probably not covered unless your landlord named you in his or her policy as a “named” or “additional” insured. It is worth asking your landlord to check if you are included in the policy.

My insurance company denied coverage; what can I do?

Insurance companies are required to acknowledge receipt of claims, communicate their decisions on claims, and pay claims in a timely manner. In general, insurance companies should acknowledge receipt of your claim within 15 days and should communicate a decision on the claim within 40 days of receipt of your claim (although it can take longer). Payouts should occur within 30 days of your acceptance of the insurance company’s offer.

If coverage is denied, in whole or in part, promptly ask the insurance company to provide you with its reasons in writing and for the details of its appeals process (if it has one). If you believe your claim has been wrongfully denied, contact the Department of Insurance at (800) 927-4357 (TTY (800) 482-4833) or visit the Department’s website at <http://www.insurance.ca.gov/01-consumers/101-help/>.

Consider whether you want to seek help from an attorney or public adjuster—but be aware that their fees will often reduce your total recovery. Before engaging an attorney or public adjuster to assist with your claim (and before signing an engagement letter or any form of contract), collect references and compare multiple service providers. United Policyholders provides guidance on hiring professional help for an insurance claim at <https://uphelp.org/claim-guidance-publications/hiring-professional-help-for-an-insurance-claim/>.

ACCESSING RESOURCES AND KEY CONTACTS

Are insurance companies taking special measures to respond to those affected by recent disasters?

The following new protections for those affected by disasters in California were recently signed into law. These protections include:

- Insurance companies cannot restrict additional living expenses if a home is rendered uninhabitable due to a covered peril, even if the damage is not to the property itself. This can happen, for example, if the home is not damaged but damaged power and water lines make the home uninhabitable. The insurance company may provide a reasonable alternative that addresses the problem, such as a portable generator in the case of downed power lines.
- In cases of a total loss related to a state of emergency, insurance companies must provide an advance payment of no less than four months of additional living expenses if the consumer requests it, with additional benefits due after the advance period upon proper documentation.
- Insurance companies must offer a 60-day grace period on payment of policy premiums for properties located within the affected area defined in the declared state of emergency.

Further information regarding these protections can be found at: [Bill Text - SB-872 Residential property insurance: state of emergency. \(ca.gov\)](#). (or: https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201920200SB872)

How can I contact the Department of Insurance?

The California Department of Insurance (CDI) can be reached at (800) 927-4357 (TTY (800) 482-4833) for assistance with insurance-related questions. The CDI also maintains a website at www.insurance.ca.gov.

What is the phone number for my insurance carrier?

Toll-free phone numbers for many of the insurance companies operating in California are as follows:

21st Century	
general inquiries	(877) 401-8181
claims	(888) 244-6163
Allied	
general inquiries & claims	(800) 282-1446
Allstate	
general inquiries & claims	(800) 726-6033
American Modern	
general inquiries	(800) 543-2644
claims	(800) 375-2075
Arrowhead	
general inquiries & claims	(800) 669-1889
Auto Club of Northern California (AAA)	
general inquiries	(800) 922-8228
California Casualty	
general inquiries & claims	(800) 800-9410
Chubb Group	
general inquiries	(866) 324-8222
claims	(800) 252-4670
Commerce West (MAPFRE)	
general inquiries & claims.....	(800) 244-1545
CSE Insurance Group	
general inquiries & claims	(800) 282-6848
Farmers Insurance	
customer service	(888) 327-6335
claims	(800) 435-7764
Fireman's Fund	
claims	(888) 347-3428
First American Property & Casualty	
general inquiries & claims	(888) 922-5343
First American Specialty	
general inquiries	(888) 474-7500
claims	(800) 348-3782
Foremost	
general inquiries for all except auto	(800) 527-3905

general inquiries for auto	(888) 888-0080
claims for all except auto	(800) 527-3907
claims for auto	(800) 274-7865
Geico	
general inquiries	(800) 207-7847
claims	(800) 241-8098
Hartford, The	
general inquiries	(860) 547-5000
claims	(800) 243-5860
Kemper (f/k/a Unitrin/FIC)	
general inquiries	(866) 860-9348
Liberty Mutual	
general inquiries	(800) 290-8711
claims	(800) 225-2467
Mercury Insurance	
general inquiries	(800) 503-3724
claims	(800) 503-3724
MetLife Auto & Home	
general inquiries	(800) 638-5433
claims	(800) 854-6011
National General	
claims	(800) 468-3466
Nationwide	
general inquiries	(877) 669-6877
claims	(800) 421-3535
Oregon Mutual	
general inquiries	(800) 888-2141
claims	(800) 934-3809
Progressive	
general inquiries & claims	(888) 671-4405
claims	(800) 776-4737
Safeco	
general inquiries & claims	(800) 332-3226
State Farm	
general inquiries	(800) 782-8332
claims	(800) 732-5246
Travelers	
general inquiries	(800) 842-5075
claims	(800) 252-4633
USAA	
general inquiries	(800) 531-8722
Wawanesa Mutual Insurance Co.	
general inquiries	(800) 640-2920
claims	(888) 929-2252