



PUBLIC SERVICE ANNOUNCEMENT

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Wildfire season is approaching ... Is your insurance ready?

Consumers should check coverage now

Despite the promise of spring showers, Colorado's warm, dry weather brings potential for a severe wildfire season throughout the state. Business owners and residents, particularly those near grasslands and forested areas, should take steps now to prepare for the high-risk season.

While fire prevention is key, recent fires near Ordway, Fort Carson and Carbondale serve as timely reminders for Coloradans to review their homeowners and business insurance policies to be sure there is ample coverage for both structures and the belongings inside them.

Colorado's Hayman fire, in summer of 2002, burned 138,000 acres in the blaze that took three weeks to bring under control, and many residents wisely took precautions to reduce the chance of another fire reaching their homes. Although removing brush and trees near structures, having adequate water supplies, and using fire-resistant materials can all help reduce chances of fire, when a fire rages out of control, residents may be looking to their insurance policy to see how they can afford to rebuild buildings and replace belongings.

"Review your policy and contact your insurance company to evaluate your coverage limits," recommended Marcy Morrison, Colorado's Commissioner of Insurance. "An annual review of insurance coverage can help prevent problems before a loss occurs. Be sure your coverage is adequate to cover potential losses."

Homeowners and business owners usually carry insurance on property, but often fail to evaluate and increase their coverage over time. Inflation can increase the cost of rebuilding or replacing, and additional valuables acquired over the years may require special riders to be sure they are covered. Policyholders need to understand the difference between "replacement value" and "actual cash value" as well, as the type of coverage determines whether your structure is rebuilt to original standards or whether the policy provides the "market value" of property at the time of the loss.

If you have especially valuable items, you need to let your insurance company know. You may be asked to provide proof, such as photographs and/or receipts in case of loss. Valuables can

include anything from artwork, your grandfather's stamp collection, an antique quilt, musical instruments, wine, jewelry or antiques.

“Creating a current inventory of your personal belongings will help determine the appropriate level of coverage,” said Commissioner Morrison. “And, an inventory list will streamline settlement of your claim in the event of a loss.”

A list of valuables, along with copies of receipts, photos and even videotape of possessions, can be helpful should you need to file a claim. Be sure the only copy of your inventory list isn't kept where it could be lost in a disaster. In addition to storing copies away from the business or home, consider uploading lists and photos to the Internet, where it can be reached when needed.

Your insurance coverage may need to be reviewed to be sure it covers what you want:

- Document the exterior appearance of your property with photographs from different angles
- Write an inventory list of your valuables and send it to yourself in an email so you will be able to retrieve it, should your original be lost in a disaster
- Document valuables with photographs and/or a home video tour and store the images in a safe place, away from home
- Check to see if your homeowners coverage has kept up with inflation – do you have “replacement” coverage so your house will be rebuilt if needed, or do you have “cash value” insurance that covers the cost of the mortgage?

For more information, visit the Colorado Division of Insurance on the web at <http://www.dora.state.co.us/insurance/consumer/homemain.html> or contact your insurance agent for a review of your policy.



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