

Insurance struggles

# Claims on losses require tenacity and patience

## Many victims still grapple with claims, coverage a year after blaze

By John Aguilar  
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Tactful assertiveness.

It's what Andi O'Connor, who lost her house of 20 years to the Fourmile Fire, said it takes to make a successful insurance claim on losses from Colorado's most costly wildfire.

"You have to remember that they are working for you and you've paid all this money and you should get what you're covered for," she said.

Even so, the 54-year-old public speaking coach and former professor isn't finished recouping what was taken from her by conflagration, which started one year ago Tuesday and claimed 169 homes. O'Connor's insurance company, State Farm, has paid her a settlement for her destroyed house, which stood on Left Fork Road, but not yet for all the possessions inside.

"We're not done yet," she said. "We're not settled yet."

In a survey of Fourmile Fire victims released Friday, 36 percent reported not having reached a settlement with their insurance company on the dwelling portion of their claim. Forty-three percent don't believe a fair value was placed on their possessions, while 65 percent said they were low-balled by their insurance company.

The survey was conducted

by the nonprofit insurance advocacy group United Policyholders in partnership with Boulder County.

In the year since the wildfire, the Colorado Division of Insurance has received 15 complaints regarding insurance claims involving the Fourmile Fire, and 14 of those have been settled.

### Painstaking process

O'Connor said filing a claim has been a long, painstaking process. First, it took months to get a copy of her homeowner's policy from State Farm. And then she had to analyze every line of the claim sheet to make sure everything she owned was valued properly.

"I had to go back page by page and say, 'No, it wasn't pine trim, it was oak' or, 'It wasn't linoleum, it was tile,'" she said. "Their job is to give you the basic information, but maybe not everything, and your job is to dig up all the information."

Despite the difficulties, O'Connor said her post-blaze insurance experience has had some bright spots. State Farm has paid her a third of her personal property claim up front, and just last week she made handprints in the just-poured foundation of her new house.

Also, her policy provides her with two years of additional living expenses, which covers the rent on the Chautauqua cottage she lives in now. She writes a blog on her experiences following the fire, at [burningdownthehouseblog.com](http://burningdownthehouseblog.com).



Paul Alken | Camera

**Andi O'Connor puts her handprint** in the just-laid concrete slab of her new home on Left Fork Drive last week. O'Connor lost her home in the Fourmile Fire one year ago, and, like many victims, is still working to settle her insurance claim. **See a video interview of O'Connor and more photos at [www.dailycamera.com](http://www.dailycamera.com).**

### Insurance survey

On Friday, Boulder County and United Policyholders released a survey of 59 households affected by the Fourmile Fire.

Among the findings: **64 percent** of victims reported being underinsured on their dwelling by an average of more than \$200,000

**36 percent** have not yet reached a settlement with their insurance company on the dwelling portion of their claim

**35 percent** will run out of "additional living expense" benefits before they rebuild/replace their homes

**43 percent** do not believe a fair value was placed on their possessions

**65 percent** reported they received lowball estimates from their insurance company

### 'World of hurt'

Garry Sanfacon, Boulder County's Fourmile Fire recovery manager, said O'Connor is one of the lucky ones.

Many fire victims, he said, are about to get hit this week with a termination of their additional living expenses, which, in many cases, expires after one year. That means that on top of making ongoing mortgage payments on their incinerated house, they will have to foot the bill for whatever they are living now.

"It's a huge burden on people," Sanfacon said.

Karen Reimus, disaster recovery aid outreach and education coordinator for California-based United Policyholders, puts it a bit more bluntly.

"There is a significant number of people here who are going to be in a significant world of hurt," she said. "Some of them will use their savings, while some of them will stay with friends or family."

A survey conducted by her organization, which has been meeting with Fourmile Fire victims over the past year, revealed that 35 percent of homeowners in the burn zone will see their additional living expenses run out this week.

Reimus said she tells victims to "push back and go up the chain" if they aren't getting satisfaction from their insurance company adjusters.

In the meantime, she encourages the state Legislature to pass a law mandating that insurance companies pay out a minimum of two years of additional living expenses to see people through the lengthy re-

building or relocation process — as is required in other states.

### Underinsured

Another widespread problem is that most Fourmile Fire homeowners — nearly 65 percent — were underinsured, Reimus said, meaning their settlement isn't sufficient to build a comparable replacement home.

That has been O'Connor's experience, as she attempts to replace a 2,500-square-foot home with something a bit smaller. She said she will be forced to use some of the money she gets from her personal property settlement to put toward the cost of constructing the new home.

Carole Walker, executive director of the Rocky Mountain Insurance Information Association, said underinsurance is a

common problem, especially in Boulder County, where stiff new building codes and challenging topography make building a replacement home an expensive proposition.

But she said the onus for researching values and updating a homeowner's policy is on the homeowner.

"Your insurance company representative can advise you, but it's ultimately the homeowner's responsibility," Walker said.

O'Connor doesn't disagree. But she said most people don't realize they lack proper coverage until it's too late.

"You are in charge of your insurance," she said. "You can get as much insurance as you want."

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