



## Dropped by your insurer? Where to go for help in CA:

If you recently have been dropped by your insurer (“non-renewed”), you can seek help by contacting the California Department of Insurance at 1-800-927-HELP (4357) or online at [www.insurance.ca.gov](http://www.insurance.ca.gov). Their website makes it easy to shop for a replacement policy from a different company. There you can also file a complaint with the CDI and they will investigate whether the non-renewal was valid and possibly get it reversed. The CDI has been successful in getting reversals in certain fact situations, which usually fall into a few categories:

- 1. Dropped after a total loss from a declared disaster:** In this case, CIC Section 675.1 protects the insured's first renewal at the policy expiration after the loss. In the few cases the CDI has seen, they have been successful in getting dropped policies renewed. However, the statute only protects for one renewal. The CDI cannot protect the subsequent non-renewal, except as provided below.
- 2. Dropped after partial loss, no loss, or second renewal (after the 675.1 was triggered):** Any case, except those that fall under CIC Section 675.1, is subject to the insurer's own renewal guidelines. In these cases, the CDI makes sure the insurer has renewal guidelines in place, that these guidelines are in line with any applicable laws, and that they are applied consistently. As long as that is the case, the CDI has very little authority to prohibit insurers for non-renewing a policy. These non-renewals could be for poor condition of the property, defensible space, or other risk factors.
- 3. Dropped for not having “defensible space”:** There is no statute or law prohibiting an insurer from non-renewing a policy based upon the property owners' failure to clear brush so as to meet a specific defensible space requirement. Insurers can decide the amount of clearance they require. The 100 foot clearance statute (**PUBLIC RESOURCES CODE SECTION 4291**), contains a specific caveat that insurers *can* require more than 100 feet. Insurers lobbied for this carve-out. The CDI cannot dictate whether that clearance should be 100 feet or 1000 feet. Some insurers do require a 1000-2000 foot clearance. The CDI's current authority is limited to making sure that the clearance requirement is contained in the insurers' Eligibility or Renewal Guidelines and that it is applied consistently. If you have cleared brush and made your home more fire-safe, your local Fire Chief *may* be willing to contact your insurer and advocate on your behalf.

If you do not succeed in getting your current insurer to reinstate/renew your coverage, use our buying tips at [www.uphelp.org](http://www.uphelp.org) to find a financially healthy company that may be cheaper, even better, than your current company. If you cannot find any company to insure you, the California Fair Plan is an option. Please notify United Policyholders if you have trouble finding affordable coverage for your property by emailing [info@unitedpolicyholders.org](mailto:info@unitedpolicyholders.org) or by calling 415-393-9990

United Policyholders is a national 501(c) (3) non-profit organization serving insurance consumers since 1991. UP helps solve insurance problems and advocates for fairness in insurance transactions. The organization is funded by foundation grants and donations. Our work is divided into 3 program areas: Roadmap to Recovery™, Roadmap to Preparedness, and Advocacy and Action. We offer free tips, information and resources in print and online at <http://www.uphelp.org>.

The information presented in this publication is for general informational purposes, and should not be taken as legal advice. If you have a specific legal issue or problem, United Policyholders recommends that you consult with an attorney. Guidance on hiring professional help can be found in the “Find Help” section of <http://www.uphelp.org>. United Policyholders does not sell insurance or certify, endorse or warrant any of the insurance products, vendors or professionals identified at our website. United Policyholders respects and protects the privacy of all individuals who communicate with us. We do not sell or share our membership or mailing lists.