



More FAQs on Fire Claims

Q: What if my covered loss exceeds my policy limits?

A: The first step is to establish the amount of your loss by getting estimates on the cost to rebuild/repair your dwelling and replace or repair your personal property. If the estimates exceed your policy limits for the coverages on your dwelling and personal property, work with your insurer for a policy limits payout respectively.

Q: What if my covered loss is below my policy limits?

A: The insurance company will pay out the amount of covered losses, up to the limits as specified in your policy, whichever is less. For example, your policy limit may be \$500,000 but the estimates to rebuild your home are \$300,000, the insurance company will only pay out \$300,000.

Q: What is Replacement Cost and Actual Cash Value?

A: Replacement cost coverage pays for the cost of rebuilding or repairing your dwelling if it is damaged by fire, other specified perils, or by direct physical loss. Replacement cost coverage can also pay for damaged personal property. Actual cash value (ACV) is a settlement provision to Replacement cost. ACV coverage pays to repair or replace your property at its replacement value minus depreciation.

Many policy Replacement cost provisions require the payment of ACV first and payment of the withheld depreciation upon the completion of repairs or replacement. Continue to work with your insurance company or agent on your property claims and the process of Replacement cost benefits if applicable.

Q: What is loss of use coverage, also known as Additional Living Expense (ALE) insurance?

A: If your dwelling is damaged or destroyed by a covered peril and is uninhabitable, your loss of use coverage would reimburse you for the cost of housing up to your coverage limit and increased living expenses while your dwelling is being repaired or rebuilt. Most insurance policies will place a limit as a percentage of your dwelling coverage. For example, if your limit is 30% and your dwelling coverage is \$200,000, you would be covered for up to \$60,000 under your loss of use coverage.

Q: What should I do if I run out of ALE?

Mauirecovers.org is the official County of Maui website for recovery efforts related to the August 203 wildfires. You can visit mauirecovers.org for updated information on resources related to housing and financial support.

Q: What can I do if I have trouble with my claim?

Please contact the Insurance Division if you have any questions about the claims process. We can be reached at (808) 586-2790 between 7:45 a.m. and 4:30 p.m., Monday through Friday.



This brochure is for informational purposes only and should not be construed as legal advice.