



# George Petersen Insurance Agency

## News You Can Use

### PROPERTY RISK

## Protecting Your Business from Threat of Wildfire

**T**HE WEST is experiencing a drought and flood cycle in real time. As seasons change and we go from winter/spring green to summer/fall gold, all this green vegetation that is vigorously growing will dry out, go dormant, or die - increasing the wildfire fuel in the West's forests and wildland urban interface. Now is the time to plan and prepare for wildfire season.

Whether you own or operate an apartment complex, winery, golf course, motel, restaurant or other retail establishment, the steps you take now can save you from the risk of costly repairs or rebuilding if a wildfire strikes.

#### A Basic Fire Mitigation Plan (FMP) from Wildfire Services, Group, Inc.

Systems-based Fire Mitigation Plans are essential to reduce the risk of damage and loss of property caused by wildfires.

Below is an outline of a wildfire mitigation plan to help protect your home or business:

### MITIGATION SPECIALISTS CAN HELP PROTECT YOUR PROPERTY

*Property maintenance and having a wildfire plan is more important now than ever before.*

We know the process of choosing a wildfire mitigation provider can be overwhelming. That's why we want to introduce you to Wildfire Services Group (WSG). With a team of experts and a proven formula for assessing and mitigating wildfire risk, WSG is a full-service wildfire mitigation company.

#### WILDFIRE SERVICES

*The full-service solution for identifying risks and improving wildfire resilience.*

#### Assess

Systems-based 100 + Point Risk & Mitigation Report

#### Mitigate

Structure hardening & defensible space

#### Maintain

Wildfire resilience & insurance

George Petersen's clients are already utilizing WSG's service to help protect their assets. Discover how they can help you mitigate your wildfire risk too.

**Get started on your wildfire mitigation plan today**

**LEARN MORE**

**Structure hardening:** Hardening homes and businesses against wildfires is critical to reducing the risk of damage. Some strategies for structure hardening include:

- Using fire-resistant building materials for roofs, walls, and windows.
- Installing non-combustible vents and screens.
- Creating a defensible space around buildings.
- Ensuring that gutters and roofs are free of debris that could ignite during a wildfire.

**Vegetation management:** Vegetation management is a critical component of wildfire mitigation. Here are some strategies for vegetation management:

- Creating defensible spaces around structures.
- Maintaining healthy trees and vegetation by pruning and thinning.
- Creating firebreaks by removing vegetation in strategic areas or creating islands to control fire.
- Creating fuel breaks by removing highly flammable vegetation along roads, property lines, and other strategic areas.

See 'Make Sure' on page 2



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### CONTACT US:

If you have a question about any article in this newsletter or coverage questions, contact your broker at one of our offices.

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# Make Sure Your Firm Has Property Coverage for Fires

**Hazardous fuels reduction:** Hazardous fuels, such as dead or dying vegetation, can increase the risk of wildfire. Here are some strategies for hazardous fuels reduction:

- Removing dead or dying vegetation.
- Regularly mowing and trimming grass and vegetation.
- Creating firebreaks by removing highly flammable vegetation.
- Using prescribed burns to remove hazardous fuels in a controlled manner.

**Addressing flashpoints and conduits for fires:** Consider installing:

- **Roofing** – Choose a Class A fire-rated roof covering, and keep the roof and gutters clear of debris. Businesses that share a roof are particularly vulnerable if the entire building is not well maintained.
- **Vents** – Attic and crawl space vents are vulnerable entry points for wind-driven embers. Cover with 1/16-1/8-inch metal mesh screens.
- **Attached Structures** – Awnings, decks, patios and porches also can act as a wick, bringing flames to the building. Even if you have non-combustible siding like stucco, a burning deck or other ignited combustible items close to the wall will present a direct flame exposure to the doors, windows or sliding glass doors.
- **Windows** – Radiant heat from a wildfire can break single-pane windows. You should install dual-pane windows with tempered glass for increased protection.
- Open windows can be entry points for embers. Educate tenants

and employees about the importance of closing all windows before evacuating if fires draw near.

**Other considerations:** Prepare for a wildfire emergency:

- Have plenty of fire extinguishers on location, and get them inspected regularly.
- Back up important documents that could be destroyed.
- Have an evacuation plan in place to safely exit the building in case of a wildfire.
- Practice your evacuation plan, so each employee will know how to exit the building calmly and safely.
- Follow local smoke detector and sprinkler system ordinances.
- Have flashlights and extra batteries available in case your home or business loses electricity.

In summary, a Fire Mitigation plan should include strategies for structure hardening, the 0, 1, 2, 3 zones, vegetation management, and hazardous fuels reduction around homes and businesses. By implementing these strategies, property owners can reduce the risk of damage and loss caused by wildfires.

## Insurance

Your property insurance will generally cover damage from fires, but damage can also affect the operations of your business. Hence, it's important that you also consider business interruption coverage, which will pay for any lost revenues that you may incur as a result of an interruption.

## PROTECTING YOUR COMMERCIAL PROPERTY

- **Zone 0 (0-5 feet):** Immediate surroundings of structures. This zone is the most critical and requires the most attention to mitigate wildfire risk.
- **Zone 1 (5-30 feet):** This zone should be treated as an extension of Zone 0 and requires careful management to reduce wildfire risk.
- **Zone 2 (30-100 feet):** This zone requires careful vegetation management to reduce wildfire risk.
- **Zone 3 (More than 100 feet):** This zone requires regular fuel reduction to reduce the risk of wildfires spreading to more populated areas.





## FLOOD INSURANCE

# Coverage Important as Storms Grow More Intense

**A**S THIS year's winter in California has proven, even in a state under severe drought, storms can bring record amounts of rain, flooding homes and businesses in some areas.

The floods in California from the atmospheric rivers that pummeled the state in December and January caused up to \$1.5 billion in insured losses, including flood losses, according to Moody's Investor Services.

And as weather systems and storms grow more frequent, wetter and more severe, more areas that were once considered safe from flooding are now exposed.

That puts many homeowners in a quandary. They may live in an area that's considered low risk by the Federal Emergency Management Agency and their mortgage lender didn't require insurance as a condition of their home loan. But if their home were to be flooded, their homeowner's insurance won't pay for the damage.

Currently, only 2% of California homes are insured for flood damage, according to the California Department of Insurance.

As more areas outside of FEMA-designated flood zones experience flooding, homeowners need to consider their risk and if they should consider purchasing flood insurance. After all, homeowner's insurance policies will not cover damage from floods.

### Insurance

The majority of homeowners purchase their flood insurance from the National Flood Protection Insurance Program, which is run by FEMA. There are private insurers in the market, but not many.

The average cost of flood insurance through the NFIP is \$874 per year, but the amount you pay depends on your location.

### WHAT POLICIES COVER

Policies pay for direct physical damage to your insured property up to the replacement cost or actual cash value of the damage or the policy limit of liability, whichever is less.

- 1. Building property, up to \$250,000.** This includes the shell of the home, its foundation, plumbing, electrical systems, HVAC systems, cabinetry, flooring, etc. A detached garage will also typically be covered.
- 2. Personal property (contents), up to \$100,000.** This will typically include certain appliances, furniture, electronics, clothing, freezers and lost food, and various valuables (though limits exist).

### The takeaway

Flood insurance isn't mandated, but many homeowners still need to purchase coverage as a requirement of their mortgage lenders if they live in a high-risk area.

Flood insurance is also a good consideration if you live within a floodplain, even if your area isn't designated as high-risk.

Also, if you are near a coastal area susceptible to storm surges, or near creeks or rivers that overflow in heavy rains, you may want to consider flood coverage.



## NO SURPRISES ACT

# New Law Prevents 9 Million Surprise Medical Bills

**A**S MANY AS 9 million surprise medical bills have been prevented since January due to the impact of the No Surprises Act, according to a new report.

This is the first data that indicates the law, aimed at eliminating surprise medical billing for patients getting emergency treatment, is working. The number of claims subject to protections of the law have far exceeded expectations, the report by AHIP Health Policy & Markets Forum and the Blue Cross Blue Shield Association found.

If you have not made your employees aware of this groundbreaking law, you should, as Americans are tagged with billions of dollars a year in surprise bills when they go out of network, even if they don't know it.

### The act

Beginning Jan. 1, 2022 the No Surprises Act banned surprise medical billing in most instances. Often these bills come after going to an in-network hospital but either the doctor, the lab or the anesthesiologist was out of network.

Surprise billing is also common in medical emergencies, when an ambulance takes a patient to the closest ER – and frequently at a hospital that's not in their network.

The purpose of the law was to reduce surprise medical billing for insured patients getting emergency treatment.

However, the law provides patients additional rights in some non-emergency situations, as well.

### Emergency services

To help control your employees' medical costs, it's a good idea to make sure workers and their families understand how the law works, so they can assert their rights under the act.

The act prohibits in-network hospitals and other providers from billing patients any out-of-network charges for emergency services.

The most the in-network provider can bill the patient for is their plan's maximum in-network cost-sharing amounts.

Patients must still pay their deductible, copays and coinsurance amounts. Providers cannot bill patients with insurance for anything beyond that.

### Waiving rights

Some providers may ask your employees to sign a document that waives their rights under the law. However, the law prohibits waivers for any of these services:

- Emergency care
- Unforeseen urgent medical needs during non-emergency care
- Ancillary services
- Hospitalist charges
- Assistant surgeon charges
- Out-of-network provider services when no in-network alternative is available
- Diagnostic services.

### TIPS FOR COVERED EMPLOYEES

- You are not required to waive your rights under the No Surprises Act.
- You are not required to use out-of-network providers. You can seek non-emergency care in-network.
- Your plan must cover emergency services without requiring preauthorization.
- Your plan must cover emergency services by out-of-network providers.
- Your plan must apply any amounts you pay for emergency or out-of-network services towards your deductible and out-of-pocket limits.
- If you think you've been wrongly sent a surprise medical bill, visit: [www.cms.gov/nosurprises](http://www.cms.gov/nosurprises).





## WORKPLACE SAFETY

# COVID Non-Emergency Standard Finally Takes Effect



**C**AL/OSHA's COVID-19 Prevention Non-Emergency Regulations were finally approved by the state Office of Administrative Law on Feb. 3, putting the new standard into immediate effect.

The new regulations will remain in place through Feb. 3, 2025, with recordkeeping requirements in effect through Feb. 3, 2026.

With the pandemic waning, the state Occupational Safety and Health Standards Board decided to create a standard that does not have to be updated regularly.

The new rules should simplify compliance for employers in the Golden State and will provide predictability so they don't have to be on the lookout for changes every six or nine months.

The standard that is now in effect has only a few changes to the rules, and most of it should be familiar territory to employers who have contended with earlier temporary emergency COVID-19 standards since the pandemic erupted in 2020.

The biggest relief is that employers do not have to require masks or social distancing in their workplace.

### What stays the same

The standard still requires employers to take steps such as:

- Identifying COVID-19 cases in the workplace and excluding workers from the site if they test positive.
- Providing to their workers no-out-of-pocket-cost COVID-19 testing if they came into close contact with another worker who tested positive.
- Following outbreak protocols if three or more cases occur in the workplace.

### WHAT HAS CHANGED

The following are the main changes that the standard is ushering in:

- The rule uses the California Department of Public Health's current definition of "close contact." This is defined as sharing the same indoor airspace as a COVID case for a cumulative total of 15 minutes or more over a 24-hour period during their infectious period.
- Employers are not required to continue paying workers who are isolating at home after testing positive for COVID-19.
- Employers are not required to provide COVID-19 testing at no cost to workers who have COVID symptoms but did not have close contact in the workplace with someone who had it.
- Employers can include their prevention measures in their current Injury and Illness Prevention Plans. In other words, they do not need to create a separate plan document just for COVID-19 measures.
- To improve ventilation, employers are required to maximize the supply of outside air, use the highest-level filtration level available for their heating and air system, and/or use High Efficiency Particulate Air filtration units.

For most employers, the changes will require just a few tweaks to how they currently comply with Cal/OSHA's COVID rules.

You can get all the details of the non-emergency standard, including fact sheets, FAQs, a model COVID-19 written program and other resources, on [Cal/OSHA's resource page](#).

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