

Hail is the Number One Cost Driver of Insurance in Colorado

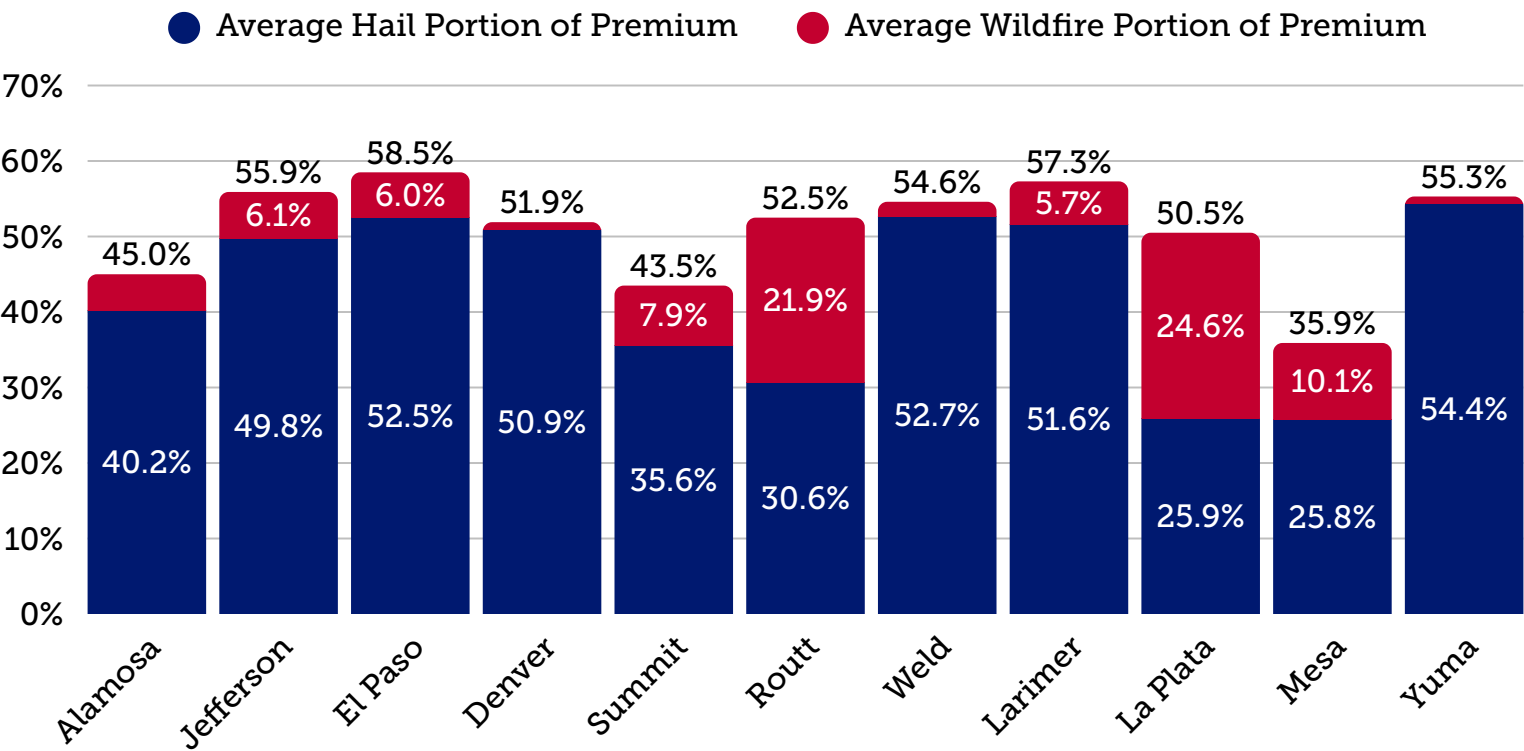
Hail mitigation could lead to a decrease in statewide home insurance premiums, saving Coloradans money.

The Division of Insurance (DOI) requested data from 20 homeowners insurance carriers, representing 80% of the total market premium, to calculate average homeowners insurance premiums for 11 counties, including how much of a policyholder’s premium is attributable to hail risk and wildfire risk. In addition, the DOI analyzed what homeowners insurance premium savings could be realized if consumers chose to mitigate their homes for hail and/or wildfire risks.

Average Hail Premium Statewide (percentage of total premium)	Average Wildfire Premium Statewide (percentage of total premium)
26%-54%	0.9%-24.6%

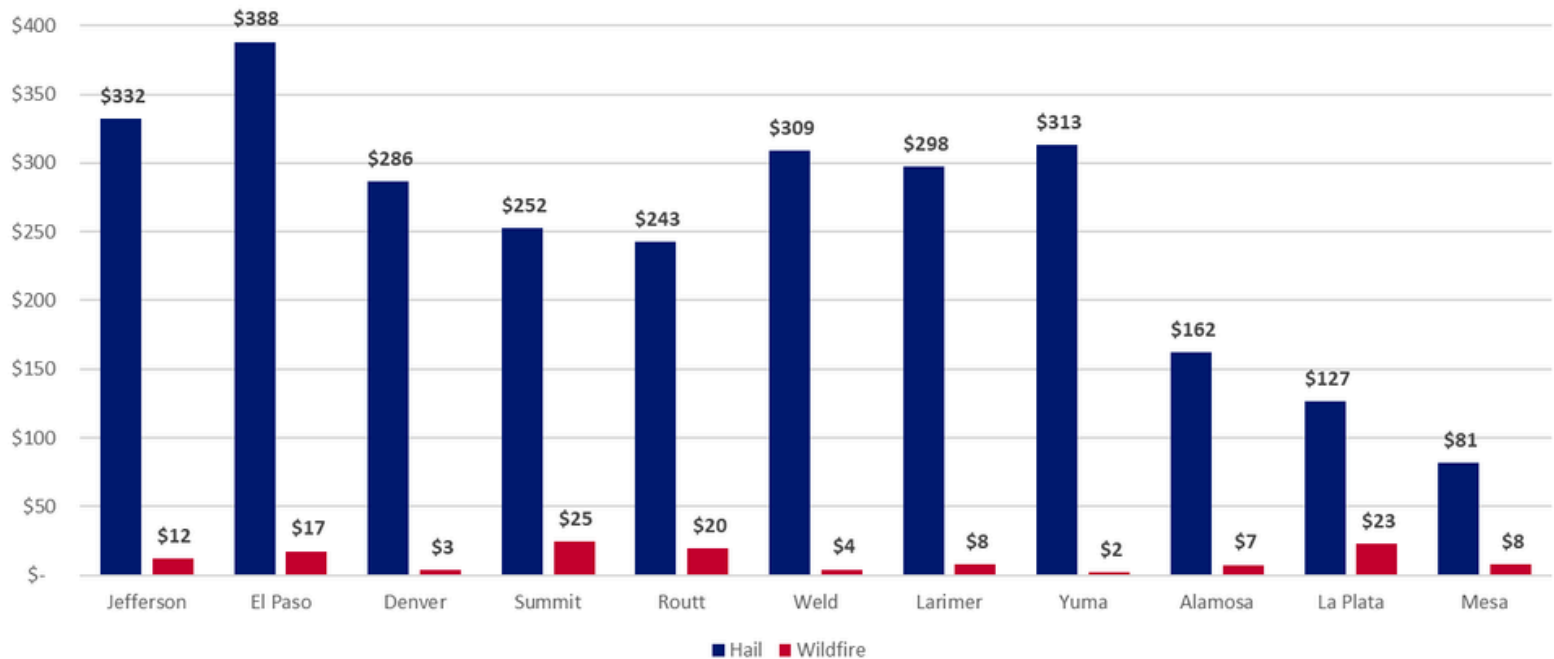
Based on the statewide average hail premium data collected by the Division, insurers are spreading the cost of hail risk across the state. Conversely, the wildfire premium by county shows that carriers are targeting high-risk areas when pricing for wildfire risk.

Average Yearly Homeowners Insurance Percentage Premiums, by County



We can't stop hail, but can prepare.

Average Consumer Savings- Hail and Wildfire Mitigation



The potential for discounts to have a meaningful impact on homeowners premiums is much greater for hail mitigation (i.e. fortified roofs) vs. wildfire mitigation. Across the 11 counties analyzed, hail mitigation has the potential to save consumers an average of \$82-\$387 per year while wildfire mitigation only has the potential to save consumers an average of \$3-\$25. While wildfire mitigation will continue to be key for safety and for availability of insurance coverage, the lack of available discounts for wildfire mitigation work shows that other solutions, like increased authority to mandate discounts or reinsurance solutions, must be considered to address affordability concerns caused by wildfire risk.

County	Average Hail Portion of Premium	Average Wildfire Portion of Premium	Average Homeowner Premium
Denver	\$1,547	\$30	\$3,040
Summit	\$1,233	\$274	\$3,463
Alamosa	\$639	\$78	\$1,590
La Plata	\$562	\$533	\$2,170
Mesa	\$353	\$138	\$1,369

Estimates of average premium attributed to hail and wildfire, in dollars, for select counties