# Wildfire

## **Mitigation** Solutions

# for California Property Insurers



evolving climate, we must adapt and improve how we manage this risk. Over the past five years wildfires have been particularly devastating across the state. **Translation?** Thousands of California wildfires

Wildfires are a part of California's

history, and with a continually

## burning millions of acres, with a five-year average of 7,406 fires and

2,106,210 acres scorched.

## Insurance (CDI)'s Regulatory Response The CDI is now requiring insurance carriers to incorporate 12 mitigation factors into their rating plan. In turn, there will be

Department of

actions that a property owner takes. Of course the new requirements make sense. Still, they do create challenges for insurers as they must incorporate additional science and functionality into their rate plans and

credits associated with each of these mitigation

workflows in just a matter of months.

## A comprehensive risk score on a scale 0.1 of 0.1 - 100 that evaluates the mitigation factors

A Tool For Insurers: CoreLogic®

Wildfire Mitigation Score™

mitigation as required by the CDI. The lower the score, the lower the risk of wildfire to the property or area in question. This score is designed for insurers to incorporate into their rating system to help insurers comply with new CDI standards.

of a community,

It is a simple way for insurers to measure the risk and associated

property, or

structure.

are pondering right now:

Filing a new risk scoring system with the CDI is no small task. There are so many burning questions that insurance carriers

**How Can You Stay** 

**Compliant With New CDI** 

Requirements?

What's the foundation for updating our

rating model to include the mandatory

CoreLogic's Wildfire Mitigation Score will function as the foundation of your new rating system. To help carriers achieve compliance, this score takes all 12 mandatory factors into account. The 0.1-100 scoring range makes it easy to

factors set by the CDI?

and Machine Learning (ML) to

in place for different structures.

identify which mitigating factors are

Okay, but, how can we streamline into

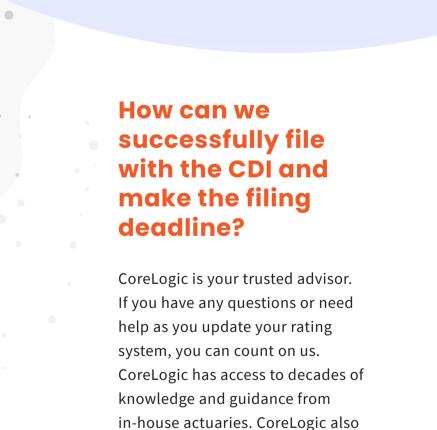
We understand the need for efficiency and integration into carrier's workflow.

our operational

workflows?

incorporate into your existing rating system. Wildfire Mitigation Score is backed by science and technology that makes it extremely reliable. We leverage Artificial Intelligence (AI)

It can be integrated into existing platforms, including RiskMeter, other programs through API's, or through batch delivery.



has curated documentation for the CDI that explains the model and

assists with filing.

differentiate from other offerings as a foundation for remodeling our risk scoring system to accommodate new CDI requirements? Simply put, we have an **in-house wildfire product suite**. CoreLogic developed highly granular 30m resolution deterministic and **probabilistic models** to create a score that differentiates hazard within

neighborhoods down to the parcel level. The new model uses Al and ML to

structure vulnerability to wildfire. The advanced model offers more precise

measure risk reduction from a dozen mitigation factors that influence

risk assessment, differentiation, and reduction to reflect the unique

characteristics of every structure.

**How does CoreLogic's solution** 

What are the outcomes of using a simple,

all-encompassing scoring system to

readjust your rating system?

all while ensuring that scoring is consistent across your entire portfolio. CoreLogic's Wildfire Mitigation Score turns data into actionable insights so that you will never have to make a calculation manually. As a result, insurance companies are better prepared for losses caused by wildfires.

With Wildfire Mitigation Score integrated into a carrier's workflows, insurers will realize greater efficiency during the underwriting process. You will also save time because this scoring system removes the complexities from rating,

Reference

<sup>1</sup> California Department of Forestry and Fire Protection (CAL FIRE). (n.d.). Stats and events. Cal Fire Department of Forestry and Fire Protection. Retrieved November 8, 2022, from https://www.fire.ca.gov/stats-events/

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