

Wildfire Mitigation and Resiliency Standards Work Group – Survey #4

July 15 Meeting – Survey Feedback Summary

Background & Methodology

- 15 responses including insurance agencies, emergency management, trade associations, and state/local governments
- Survey Period: July 15-18, 2025
- Topics Covered:
 - Share comments and questions from July 15th presentations by:
 - Karen Collins, Vice President, Property & Environment, American Property Casualty Insurance Association
 - JulieAnna Anastassatos, Vice President, Wildfire, Verisk
 - Firas Saleh, Director of Product Management, Moody's RMS
 - Bryan Rehor, Director of Regulatory Affairs, Zesty.ai
 - The last survey question invites you to share anything that we did not ask about that you think we should be discussing or considering

High-level Feedback from July 15 Meeting

Karen Collins Presentation

Vice President, Property & Environment, American Property Casualty Insurance Association

- Clarification and Importance of Wildfire Risk Models: Respondents appreciated the explanation of the difference between wildfire risk models and public wildfire hazard maps, and recognition of the critical nature of wildfire insurance issues.
- Transparency and Consumer Access to Risk Scores: Some comments called for insurance companies to share wildfire risk scores with consumers to improve transparency and accountability.
- Concerns About Regulatory Impact on Insurance Availability: There were worries shared that additional regulations might discourage insurers from covering high wildfire risk areas, reducing options for homeowners.

- Recognition of Fire Mitigation Efforts by Communities and Agencies: Feedback that wildfire risk models often neglect the impact of local, regional, and state fire departments and their success in controlling fires.
- Need for Validation of Risk Models Through Data: Acknowledgment of advances in risk modeling, paired with skepticism about assumptions and a call for validation using real insurance loss data over time.
- Questions Raised: Seven respondents shared their questions regarding wildfire risk modeling, insurance industry challenges, and potential policy or regulatory reforms to improve transparency, consumer access, and risk mitigation effectiveness

JulieAnna Anastassatos Presentation

Vice President, Wildfire, Verisk

- Wildfire Modeling and Technology: Respondents appreciated learning the distinction between catastrophe models for insurer financial risk and parcel-level models for underwriting. One comment was interested in the use of high-quality aerial imagery and machine learning for detailed wildfire risk analysis.
- Risk Mitigation Challenges: Critical factors such as topography and road access are largely unchangeable, limiting homeowners' ability to reduce wildfire risk.
- Fire Response and Pricing: Uncertainty about how fire response efforts impact risk assessments and insurance premiums.
- Questions raised: Seven questions from respondents focused on how wildfire risk models account for vegetation types and Washington's effective initial fire suppression, and why consumers aren't given access to their wildfire risk scores. They also questioned the disconnect between model accuracy and insurer insolvency and sought insight into potential regulatory reforms and the usefulness of public hazard maps.

Firas Saleh Presentation

Director of Product Management, Moody's RMS

- Wildfire Risk Modeling: Moody's wildfire risk modeling approach was well received, and inclusion of smoke losses in the models was seen as a positive and important feature.
- Focus Areas for Risk Reduction: Emphasis on addressing root causes of wildfire hazard rather than increasing insurance regulation, noting the three wildfire contributing factors noted by Firas were broad (built/human environment).
- Questions raised: Four questions received, focused on addressing wildfire risk identification, human and environmental fire drivers, mitigation effectiveness, and whether there's potential for standards or grants to improve resilience and insurance availability.

Bryan Rehor Presentation

Director of Regulatory Affairs, Zesty.ai

- Wildfire Risk Modeling and Product: There was positive feedback on Zesty.ai's approach and product, combining neighborhood and individual risk scores intrigued one respondent.

- **Transparency and Consumer Engagement:** There was appreciation for allowing consumers to view and act on their risk scores.
- **Concerns:** Serious concerns raised about the use of aerial imagery and lack of mention of consumer protections.
- **Potential Applications:** Interest in using the tool to streamline processes like permitting.
- **Questions raised:** Six questions received, focusing on Zesty.ai's use of risk data in collaboration with governments, the transparency and accuracy of its models, and how risk-based pricing and mitigation efforts affect insurance accessibility for consumers.

Common Themes and Challenges Identified

Common Themes:

- **Wildfire Risk Modeling Complexity & Transparency:** Presentations highlighted advances in wildfire risk and catastrophe models, but there is a strong call for greater transparency to consumers about how wildfire risk scores are calculated and used.
- **Insurance Industry Challenges:** Insurers face difficulties in high wildfire risk areas, with concerns about insolvency, regulatory impacts, and reluctance to write policies in those zones.
- **Importance of Mitigation & Local Fire Response:** Many respondents emphasized the critical role of community, local, regional, and state fire response efforts in reducing wildfire risk, which can be underrepresented in models focused on property-level risks.
- **Use of Technology & Data:** There's interest in aerial imagery, machine learning, and granular data, but concerns around consumer protections, data accuracy, and the ability for consumers to challenge or understand scores.
- **Consumer Engagement & Education:** Respondents want simpler, clearer communication so homeowners understand their wildfire risk and mitigation options.
- **Collaboration with Government & Communities:** Questions around how risk modelers and insurers work with government entities and communities to identify high-risk areas and implement mitigation programs.
- **Potential for Incentives & Reforms:** Discussion about regulatory reform and incentives to encourage insurers to remain in wildfire-prone markets and for homeowners to harden properties.

Key Challenges:

- **Transparency & Accountability:** Lack of consumer access to individual wildfire risk scores and skepticism about insurers' willingness to share this data.
- **Insurance Market Accessibility:** Reduced availability of insurance in high-risk areas due to risk and regulatory concerns.
- **Model Limitations:** Models may inadequately factor in local fire suppression effectiveness and community mitigation efforts.

- **Complexity for Consumers:** Difficulty simplifying technical risk models for public understanding and decision-making.
- **Data Privacy & Accuracy:** Concerns about aerial imagery use without sufficient consumer protections or ability to correct errors.
- **Aligning Risk Mitigation & Insurance:** Challenges in linking mitigation programs to improved insurance availability or reduced premiums.
- **Handling of Wind & Fire Behavior:** Questions about how changing wildfire behaviors, especially wind-driven fires, impact risk and modeling.

Summary of Questions and Requests for Further Exploration

Risk Assessment & Modeling: Clarification is sought on how wildfire risk models factor in vegetation types, fuel loads, suppression responses, and community capabilities. Questions arise about distinctions between grass and tree fires, model accuracy, and the reasons behind insurer insolvencies despite reliable models. There is a call for greater transparency and simplification so consumers can understand their individual risk scores.

Insurance Industry Impacts & Solutions: Requests include quantifying the costs insurers face in providing wildfire risk data and exploring incentives for insurers to maintain coverage in high-risk areas. Interest centers on risk-based pricing, regulatory reforms, and success stories where mitigation led to policy renewals. Consumer-facing products and clearer disclosure requirements are also emphasized.

Mitigation & Community Engagement: Questions focus on the impact of fuel breaks, partnerships with government and non-profits to identify and support high-risk communities, and how mitigation programs influence insurance availability.

Data Accuracy & Consumer Protections: Concerns are raised about the use of aerial data, safeguards for accuracy, and mechanisms for consumers to challenge information. The group highlights the need for accessible, transparent information on wildfire risk scores and regulatory clarity.

Research & Innovation: Interest is expressed in ongoing research into changing fire behavior, the role of wind, and potential weather or landscape interventions to mitigate wildfire impacts.

General Reflections: There is broad agreement that reducing home ignitability at the parcel level is key, emphasizing collaboration across insurers, regulators, and communities. Participants seek more robust discussions on lessons from other states and express concern about current workgroup effectiveness and transparency.