

Additional Living Expenses and insurance coverage during the crisis

What are Additional Living Expenses?

Most home, condominium and tenant's insurance policies cover the cost of alternate accommodations and living expenses for people who are prohibited from returning or because their home is unlivable as a result of insured damage – in this case fire damage or related damage. This is typically called “Additional Living Expenses” or “ALE” in your insurance policy.

When is ALE triggered?

Each person's situation is unique but there are several broad categories of claims that fall under ALE and some that may not. Policyholders are encouraged to discuss their situations with their insurers.

- » **Prohibited access by order for mass evacuation by a civil authority:** This coverage began on the date of evacuation, which was May 1 to May 5, depending on your community. Insurance Bureau of Canada's (IBC's) advisory wording sets the duration of this coverage at 14 days; policyholders should check their own policies for limits.
- » **Prohibited access as a direct result of damage to neighbouring premises:** This covers people whose home may not be damaged but who cannot return because of damage to homes nearby. This coverage can begin after coverage for mass evacuation ends. IBC advisory wording sets the duration of this coverage at 14 days; policyholders should check their own policies for limits. Longer coverage is not typical in policies; however policyholders should contact their insurer to discuss their situation. Insurers will review coverage on a case-by-case basis.
- » **Damage to your home by an insured peril – in this case fire damage or fire-related damage:** This covers people whose homes are unlivable because of damage by the insured peril – fire or fire-related damage. This coverage can begin after coverage for prohibited access ends. This coverage typically lasts for the reasonable time required to repair or rebuild your home.
- » **Recommendation not to return home for health or medical reasons:** The Alberta Medical Officer of Health recommended, for medical or health reasons, that some people not return home immediately after the mass evacuation order was lifted on June 1. This is not typically covered under ALE; however, policyholders should contact their insurer to discuss their situation.

My insurer says I can go home, but I don't think it's safe. Can I get ALE?

When the evacuation order is lifted, the coverage of prohibited access ends. If your home is not damaged and the governing authority has given an all clear to return and you choose not to, you will not be eligible for ALE. If there are extenuating circumstances, policyholders should contact their insurer.

My insurer says my house is safe, but I had an air quality test done that says the air is unsafe. Am I entitled to ALE?

Policyholders should contact their insurer to share the test results and to discuss their situation.

Some policyholders will have coverage for alternative living expenses as well as repairs to their homes and replacement of their contents. Their policy may stipulate an overall total for these coverages. Policyholders are encouraged to discuss their policy limits with their insurer to help with the budgeting process through this rebuilding phase.

People who are uninsured or whose insurance no longer covers their situation are eligible for support through Alberta government's **Wildfire Evacuee Transitional Accommodation Benefit**. Access <http://www.alberta.ca/documents/Wildfire-Evacuee-WETA-May-20.pdf> or **310-4455** for more information.

If you have insurance questions, please contact your insurance representative, email IBC at fortmacfire@ibc.ca or call IBC at **1-844-2ask-IBC (1-844-227-5422)**.

We're here to help you during this difficult time.