What are "additional living expenses"?

All standard home insurance policies (homeowner, condominium unit owner and tenant) cover the cost of alternate accommodations and living expenses for people whose home has become unliveable after an insured loss. There may also be limited coverage for mass evacuation under certain circumstances.

This is typically called additional living expenses or ALE in an insurance policy.

When is ALE triggered?

Each situation is unique, but there are several categories of claims that fall under ALE.

When an event like wildfire activates an insurance policy, it is crucial that policyholders discuss their specific circumstances with their insurer so they are aware of when this comes into play.

Questions about insurance? Call us.

Insurance Bureau of Canada
Toll-free: 1-844-2ask-IBC
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Insurance Bureau of Canada is the national trade association for Canada's private home, car and business insurers.

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The information provided in this brochure is intended for educational and informational purposes only. Please consult the appropriate qualified professional to determine if this information is applicable to your circumstances.

This information is accurate as of June 2022.

ALE

Additional Living Expenses



IBC
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The categories of ALE claims are as follows:

- **Prohibited access because a civil authority has ordered a mass evacuation:** This coverage starts on the date of evacuation and typically expires after 14 days. Policyholders should check their own policies for limits.
- **Prohibited access as a direct result of damage to neighbouring premises:** This covers a policyholder whose home may not have been damaged but who cannot return because of damage to homes nearby. Policyholders should check their policies or ask their insurance representative to confirm their limit. Insurers will review the duration of coverage on a case-by-case basis.
- **Damage to your home by an insured peril, for example fire, flood or related damage:** This covers a policyholder whose home is unlivable because of damage by an insured peril. Typically covers additional living expenses for a reasonable amount of time needed to repair or rebuild the home or until the policy limit is reached.

In a flood situation, policyholders who have purchased optional sewer backup coverage or optional overland flood insurance would have this coverage. Always check with your insurance representative to understand the limits of your coverage.



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

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

What is a reasonable length of time to wait for insurance companies to reimburse us for living expenses?

Reimbursement periods vary from insurer to insurer; however, insurance companies understand that homeowners need to pay their expenses. Keep all your receipts and speak with your adjuster about what to expect regarding the timing and frequency of reimbursement.

What does ALE cover?

ALE covers the increased cost of living as a result of being displaced, such as hotel accommodations and anything else over and above normal living expenses. For example, if your temporary accommodations didn't have laundry facilities and you had to use a laundromat, those expenses would qualify.

More insurance questions?

Call your insurance representative, visit IBC's website at ibc.ca or contact IBC at **1-844-2ask-IBC** (1-844-227-5422) or **@insurancebureau**.

To contact IBC's regional offices:

- **AskIBCWest@ibc.ca** *(Western & Pacific regions)*
- **ConsumerCentre@ibc.ca** *(Ontario)*
- **AtlanticCIC@ibc.ca** *(Atlantic region)*