



Underwrite Wildfire Profitably using AI

Wildfires are a huge risk for carriers, given recent extreme weather conditions around the world. It's estimated that losses from California's Camp and Woolsey wildfires were between \$9B and \$13B. Having tools that can better predict wildfire hazards give carriers the knowledge they need to determine the level of risk they are willing to take in high-risk areas.

The Vision

Given the severity of - and devastation caused by - recent wildfires, there is a need in the market for a new approach to identifying high-risk areas. The U.S. has been experiencing the worst wildfires in its recorded history recently. Wildfires in California caused both an insurance carrier with high concentrations of customers in high-risk areas and a power distribution company to file for bankruptcy.

Only ~55% of areas that burned in the last 20 years are classified as "High" or "Very High" risks in the U.S. Forestry Service's Wildfire Hazard Map. According to case studies provided by the largest modeling companies, risk models perform at ~65% accuracy in best-case scenarios.

Requirements

- UrbanStat Wildfire Hazard Maps services can work with or without integrations to your current system
- Carriers looking to utilize state-of-the-art hazard maps can use UrbanStat's independent Wildfire Solution or use our integration capabilities to add these hazard maps to their current workflows

The Process

- Underwriters enter addresses or policy numbers
- UrbanStat Wildfire Hazard Services pulls in Wildfire Risk Score, Probability of Occurrence, Historical Fire Analysis, and Short-Term Fire Probability information either via UrbanStat's Wildfire Solutions UI or your own policy admin or underwriting solutions



Outcomes

A national carrier in the U.S. tested our model against their book affected by the Camp Fire. All of the destroyed buildings were classified as “High” or “Very High” risks. Using UrbanStat’s Wildfire Hazard model can enable up to a 25% improvement in financial results from Wildfire Underwriting.

UrbanStat’s Wildfire Hazard Maps are generated using **machine-learning-based algorithms** to provide the highest accuracy of prediction currently available on the market. Our **examination of the last 20 years of wildfires** shows that our model can predict affected areas **with up to 25% better accuracy** than other models in the market.

The UrbanStat + Duck Creek Advantage

UrbanStat’s Wildfire Hazard Map performs up to **25% better** than alternatives on the market. Carriers using Duck Creek Policy can quickly utilize UrbanStat’s Wildfire Hazard Maps within their current underwriting processes - without additional integrations or deployments.