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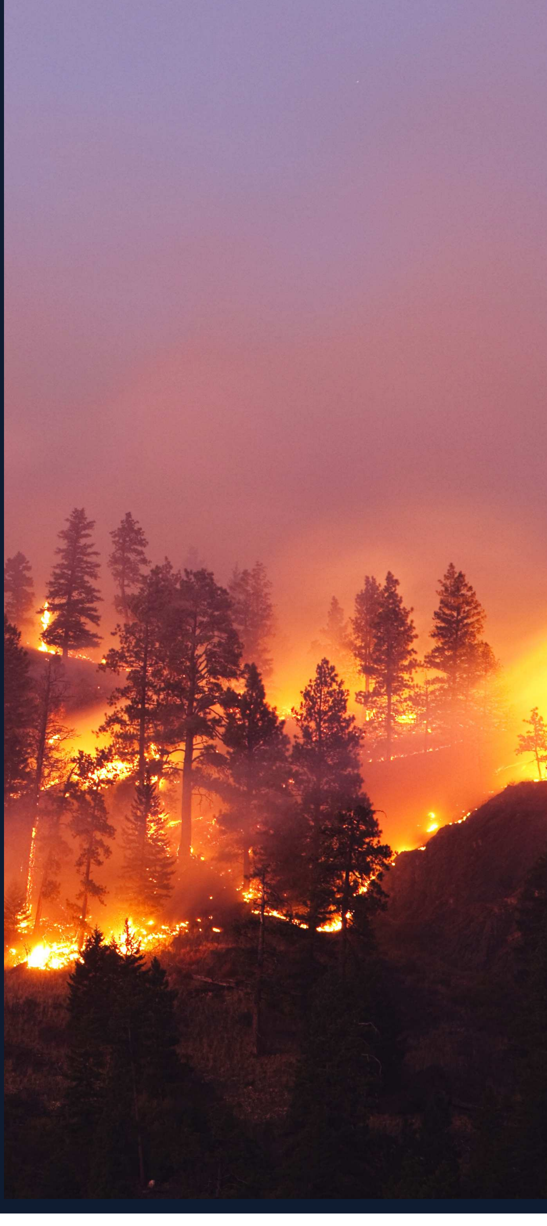
Munich Re Specialty Insurance

Helping your clients effectively manage **Wildfire Risk**

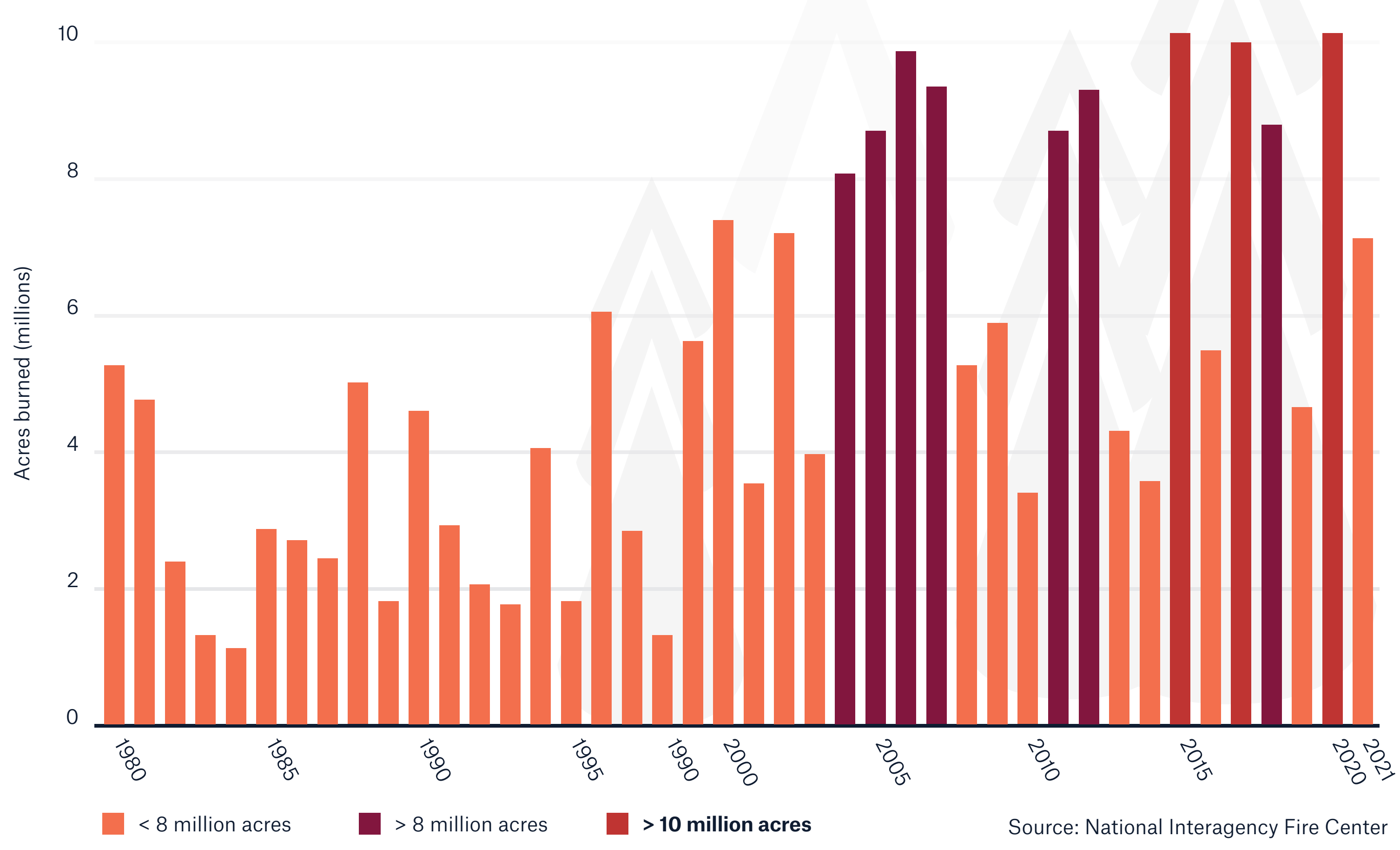


In recent decades, the number, severity and overall size of wildfires has increased across much of the United States. Further, because winter snowpacks are melting earlier and rain comes later in the fall, what was once a four-month wildfire season now lasts virtually the entire year.

According to data from the National Oceanic and Atmospheric Administration (NOAA), wildfires again plagued the Western United States in 2021, recording a year-end total of more than 52,000 wildfires that burned over 6.6 million acres. What's more, according to the National Interagency Fire Center, five of the 10 most severe wildfire seasons on record have occurred in the past decade.

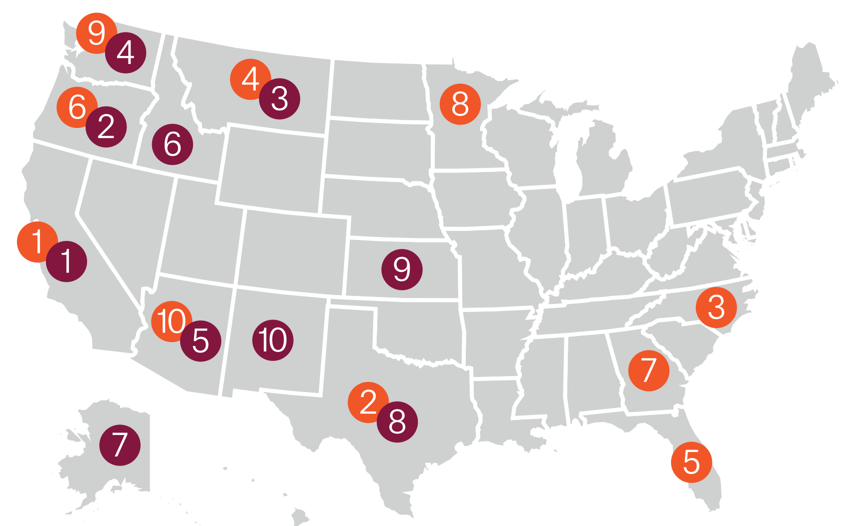
Wildfires by the numbers

Annual number of acres burned in wildland fires, 1980-2021



Source: National Interagency Fire Center

Wildfires by State, 2021



		Number of Fires
1	California	9,260
2	Texas	5,576
3	North Carolina	5,151
4	Montana	2,573
5	Florida	2,262
6	Oregon	2,202
7	Georgia	2,139
8	Minnesota	2,065
9	Washington	1,863
10	Arizona	1,773

		Acres Burned
1	California	2.23mil
2	Oregon	828k
3	Montana	747k
4	Washington	647k
5	Arizona	524k
6	Idaho	439k
7	Alaska	253k
8	Texas	168k
9	Kansas	163k
10	New Mexico	123k

Source: National Interagency Fire Center

Risk Mitigation Best Practices

As insurance losses grow, the insurance industry is re-evaluating its exposures to wildfires and is limiting capital deployment. This reduced capacity makes it even more challenging for insureds to secure adequate wildfire coverage.

In light of these market conditions, it's essential for businesses to work with their insurance partners to implement proactive risk management techniques to harden their defenses against wildfires. However, defending against wildfires is no simple task, and businesses often are unsure of where to start. Below is a range of risk management techniques businesses should consider to improve wildfire resilience.

Wildfire Mitigation Tactics

Provide an enhanced water supply on-site and ensure it's accessible to firefighting teams	Install exterior sprinkler systems to help protect structures	Utilize advanced firefighting retardants (e.g., Thermo-Gel)	Advanced
Develop a wildfire response plan and ensure it's reviewed on a regular basis	Obtain training on how to respond to a wildfire from local fire officials, documenting training efforts accordingly	Choose wildfire-resistive construction materials for structures	Intermediate
Understand your wildfire risk by evaluating your wildfire score or data from wildfire models Create a defensible space around your property in compliance with local rules and regulations	Install and maintain fire suppression systems Utilize fire-smart landscaping	Remove fuel loads and combustible materials—like leaves, brush, needles and debris—from structures and property Ensure combustibles are stored correctly and away from structures	Basic

Take the next step

Munich Re Specialty Insurance has your back when it comes to difficult-to-place and moderate-to-higher risks. Our select partners benefit from our deep knowledge, innovative approaches to managing and underwriting risk, and simplified access to the full breadth of our solutions.

To learn more, visit munichre.com/MRSIbroker.

Subject Matter Expert

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Based in MRSI's San Francisco, CA office, Rachael has 10 years of experience in the insurance industry, with eight years as a property underwriter. She has a particular interest in learning about regional wildfire risks and their associated mitigation practices and technologies. Rachael obtained her B.A. in English from Temple University.

Munich Re Specialty Insurance (MRSI) is a description for the insurance business operations of affiliated companies in the Munich Re Group that share a common directive to offer and deliver specialty property and casualty insurance products and services in North America.

For more information on MRSI, including licensing, regulatory-required, and other information on the operating companies, please click here.

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