

# Hail damage driving high insurance rates

State ranks No. 2 nationally for hail claims; industry focusing on fortifying buildings



These large hailstones fell in May 2017 in Edgewater, causing damage to cars, homes and businesses.

BY JUDITH KOHLER

[JKOHLER@DENVERPOST.COM](mailto:JKOHLER@DENVERPOST.COM)

Colorado is one of the most expensive states in the country for insurance and the hail that regularly batters roofs, cars and crops from one end of the state to the other is a big reason why.

Gov. Jared Polis and Colorado Insurance Commissioner Michael Conway said Wednesday that a survey of 20 homeowners insurance companies showed that hail is the largest driver behind premium costs in 11 counties

across the state.

Conway said in a statement that the insurance division is working with the Colorado General Assembly to create a grant program for homeowners to fortify their roofs against hail.

Colorado is typically ranked second nationally behind Texas for hail insurance claims, according to the Rocky Mountain Insurance Information Association. *Notes*

The companies surveyed by the state represent 80% of the Colorado market. They reported that hail damage accounts for an average 26% to 54% of the total homeowner insurance premium, depending on the county.

Along the Front Range and on the Eastern Plains, hail accounts for about 50% of the premium that homeowners pay.

In contrast, wildfire risk represents 0.9% to 24.6% of the premium, based on location. According to the data, insurance companies target wildfire-prone areas, so counties at low risk pay less of their premiums toward wildfire risk.

In Denver, an average of 1% of premiums go toward wildfire risk.

But even Coloradans who don't live in hail-prone areas, such as the mountains, pay for hail damage through their premiums, Conway said. In Summit County, which doesn't experience much hail because it's in the mountains and has overall low moisture, hail accounts for an average 35.6% of premiums while wildfire accounts for only 7.9%

"We can't change the weather in Colorado, but we can and should help consumers in high-risk areas fortify their roofs because that will help lower everyone's premiums," Conway said. *Notes*

Polis said saving home homeowners money on insurance must be part of the overall solution to lower the cost of housing.

Carole Walker, executive director of the Rocky Mountain Insurance Information Association, said the survey's results about hail's impact on insurance claims aren't surprising.

"We live in hail alley. We have more damaging hail here than most anywhere else in the world or the country," Walker said. "Unfortunately, it is the biggest cost driver both for property and for auto insurance in Colorado." *Notes*

Colorado's most costly natural catastrophe in 2025 dollars was a \$3 billion hail storm in metro Denver in 2017. The second-costliest natural disaster was the 2021 Marshall fire in Boulder County at \$2.1 billion. *Notes*

A 2025 report by Cotality, a data analytics firm, ranked Colorado second only to California in the number of homes in moderate or greater risk of fire — 318,783 — and the cost of rebuilding those homes — \$146.2 billion. *Notes*

Walker said many insurance companies offer discounts to individual homeowners who install hail-resistant roofs. However, the goal is to significantly increase the number of people who fortify their buildings to lower the risk and premiums overall as some hurricane-prone states have done by incentivizing preventive measures.

Information by the Insurance Institute for Business & Home Safety showed that 43% of homeowners in four metro areas in Texas, the No. 1 state for hail insurance claims, had installed hail-resistant roofing. In Colorado, second in hail claims, only 10% of homeowners in metro Denver, Colorado Springs and Fort Collins had fortified their roofs. *Notes*

Walker said education is important in increasing the number of people putting in impact-resistant roofs as well as incentives, such as grant programs. She favors an approach used by other states that funnels revenue from insurance premium tax dollars to finance incentives.

“Anything that will be a direct fee on insurance companies with no ability for companies to recoup those costs, will ultimately still have to be passed onto homeowners,” Walker said.

State officials are exploring the possibility of a reinsurance program for wildfire coverage, Conway said.

Reinsurance is the insurance that insurance companies buy.

Walker said she hasn't seen much success with state reinsurance programs, which require hundreds of millions of dollars to work.

“I would rather focus on hail, the biggest cost driver,” she said.

