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How Colorado homeowners keep making a dangerous, costly mistake

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NOTE

Colorado sits in one of the most weather-battered regions in the country. Heat waves. Wildfires. Hailstorms. Brutal cold snaps.

And yet, nearly half of homeowners in the Mountain region still don't carry extra insurance protection.

That's the finding at the heart of Hippo Insurance's 2026 Housepower Report, which surveyed over 1,600 U.S. homeowners about their coverage habits.

The numbers for Colorado and its Mountain region neighbors are striking, and not in a good way.

The gap is bigger here

Nationally, 40% of homeowners skip insurance riders, the add-on policies that cover things standard home insurance typically doesn't, like wind damage, flooding, or sump pump overflow.

In the Mountain region, that number climbs to 47%.

Think of a standard homeowner's policy as a raincoat with holes. It covers the basics. But the moment a wildfire scorches your property or a hailstorm caves in your roof, you might find yourself staring at a bill that your insurer won't touch.

And those bills are real:

- 30% of homeowners in the Mountain region say unexpected home repairs have already hurt their financial stability.
- 64% spent more than $1,000 on surprise repairs last year alone.
- 25% shelled out over $5,000 out of pocket.

Climate change isn't coming. It's here.

Here's what Mountain region homeowners reported seeing more of in just the past year:

- 37% noticed more intense heat waves.
- 21% dealt with stronger winds.
- 19% experienced harsher cold snaps and frost.
- 18% flagged growing wildfire risk.
- 16% experienced more hailstorms.

Yet most homeowners in the region haven't reviewed their coverage.

That's a dangerous combination: more weather risk, less protection, and a false sense of security.

The national picture

Across the country, the story looks a little different depending on where you live.

On the West Coast, 70% of residents in Alaska, California, Hawaii, Oregon, and Washington carry riders.

The most popular rider nationally is replacement cost coverage, which 23% of homeowners carry.

It pays to replace damaged property at today's prices, not the depreciated value your insurer might otherwise offer. Flood riders (19%), windstorm (15%), and water backup coverage (15%) round out the most common choices.

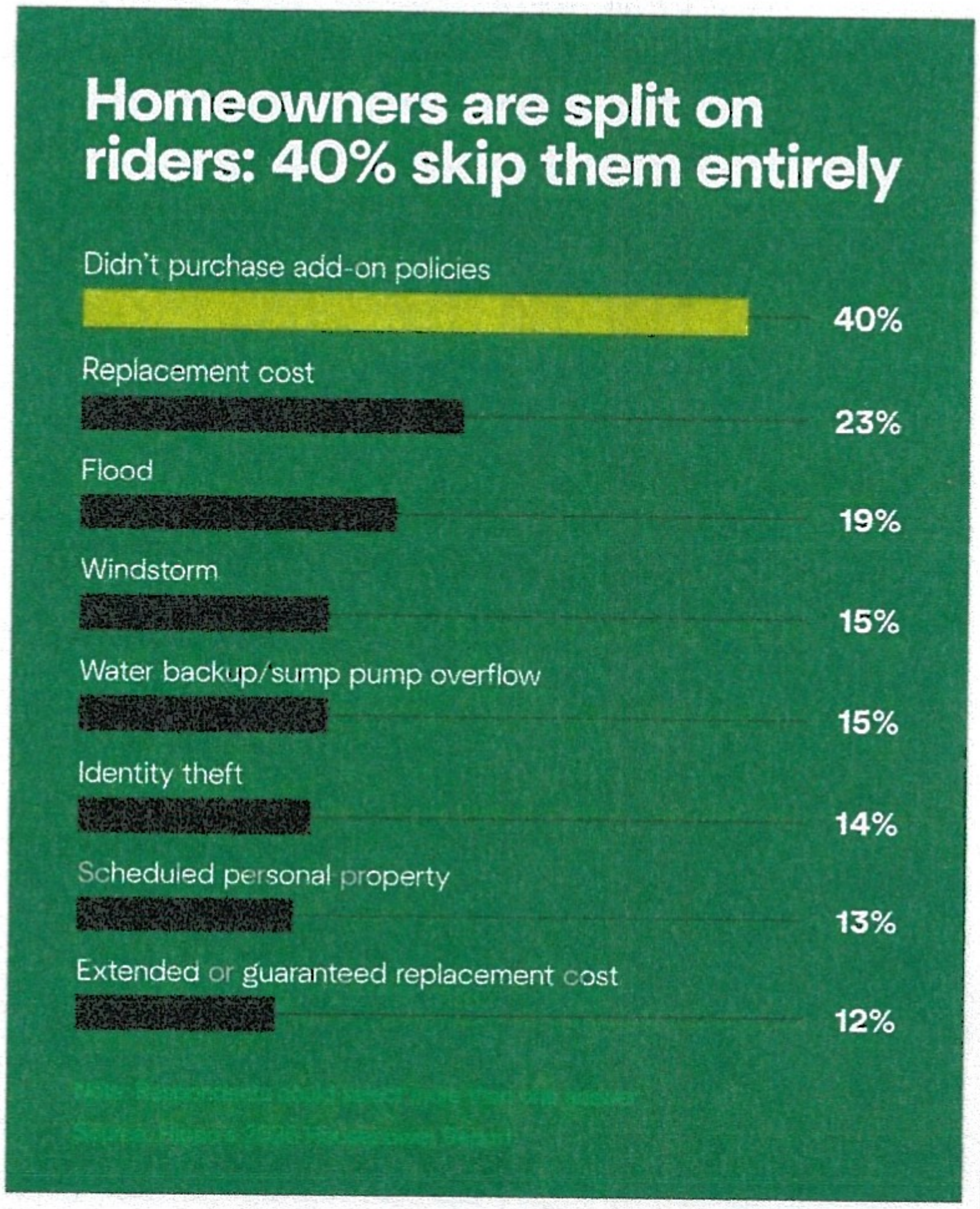
Why do people buy them? Mostly for peace of mind.

Around 42% of rider holders say they wanted to feel more secure and reduce out-of-pocket risk, while 28% say their agent recommended it.

Why people skip it

About a third think their base policy already covers them, while 23% say riders cost too much and 22% say the risk in their area doesn't justify the expense.

Here's the problem with that: Colorado's risk profile keeps changing. What felt manageable five years ago looks very different today.



What you can do

Start with a simple question: when did you last read your policy? If you can't remember, that's your answer.

Flood riders, windstorm coverage, and extended replacement cost protection are all worth considering for homeowners in the Mountain region.

Riders can cost as little as a few dollars a month. An uncovered wildfire claim can cost everything.

Sara B. Hansen has been an editor and writer for more than 20 years. Her professional background includes editing positions at The Denver Post, The Des Moines Register, The Fort Collins Coloradoan, and At Home with Century 21. She's also the founder and editor of DogsBestLife.com and the author of "The Complete Guide to Cocker Spaniels."