



NEWS RELEASE

Verisk Sets Precedent as First to Complete Wildfire Catastrophe Model Review Process in California for Insurance Ratemaking

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Milestone underscores Verisk's leadership in modeling and regulatory collaboration to support insurance-driven resilience for property owners and communities

JERSEY CITY, N.J., July 24, 2025 (GLOBE NEWSWIRE) -- In a milestone for California's evolving insurance landscape, the California Department of Insurance (CDI) has completed its review of the Verisk Wildfire Model for the United States for use by insurers in assessing wildfire risk and property insurance ratemaking. This is the first time a catastrophe model has successfully completed the evaluation under the state's new regulatory framework, ushering in a new era of data-driven risk assessment in California.

Developed by the Extreme Event Solutions business of Verisk (Nasdaq: VRSK), a leading global analytics and data provider, the Verisk Wildfire Model for the United States leverages decades of wildfire science, engineering expertise, and climate data to provide a forward-looking view of risk. It was extensively reviewed through the CDI's Pre-Application Required Information Determination (PRID) process as part of Commissioner Ricardo Lara's Sustainable Insurance Strategy aimed at stabilizing the state's insurance market. This included a review process open to the public, a PRID which included consumer advocates, and an additional public webinar.

With the PRID review completed, California insurance carriers can, for the first time in the state's history, use a robust, forward-looking wildfire model to more accurately assess wildfire risk—supporting a more resilient insurance market and encouraging greater insurer participation, which can benefit consumers in wildfire-prone areas. Catastrophe models are accepted as a part of ratemaking in all states; the Verisk Wildfire Model for the United States is already approved by the Nevada Division of Insurance issued in February 2025.

“This is a transformative moment for the insurance industry and for California homeowners and businesses,” said Rob Newbold, president of Verisk Extreme Event Solutions. “We’re proud to be the first catastrophe modeler to work with the California Department of Insurance to offer a modeled assessment of wildfire risk and contribute to efforts to bring stability to the insurance market. The latest version of the model, released in 2024, reflects decades of scientific research and engineering expertise, and we believe it will be a powerful tool for insurers navigating the complexities of wildfire risk in a changing climate.”

The determination comes amid growing concern over insurance availability in fire-prone regions. Several major insurers have scaled back coverage in California, citing unsustainable losses and outdated rating tools. By allowing the use of catastrophe models, the CDI aims to give insurers a more accurate and actuarially sound basis for pricing risk—while encouraging them to return to underserved areas. Verisk’s model incorporates advanced science and data and accounts for both property-level and community-level mitigation efforts.

“This approval is the result of years of collaboration, transparency, and rigorous review,” said Dr. Julia Borman, assistant vice president and director of regulatory at Verisk Extreme Event Solutions. “We’re grateful to the CDI for their thoughtful engagement throughout the process and to our clients for their support. This milestone underscores Verisk’s commitment to helping insurers and regulators make informed, data-driven decisions that benefit both the industry and the communities they serve.”

For more information about Verisk’s wildfire modeling capabilities, visit: [**Verisk Wildfire Model for the U.S.**](#)

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About Verisk

Verisk (Nasdaq: VRSK) is a leading strategic data analytics and technology partner to the global insurance industry. It empowers clients to strengthen operating efficiency, improve underwriting and claims outcomes, combat fraud and make informed decisions about global risks, including climate change, extreme events, sustainability and political issues. Through advanced data analytics, software, scientific research and deep industry knowledge, Verisk helps build global resilience for individuals, communities and businesses. With teams across more than 20 countries, Verisk consistently earns certification by [**Great Place to Work**](#) and fosters an [**inclusive culture**](#) where all team members feel they belong. For more, [**visit Verisk.com**](#) and the [**Verisk Newsroom**](#).

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