

HOMEOWNERS INSURANCE CLAIM? NOW WHAT?

Snowfall and ice storms in our area here in Northern Westchester County have been minimal compared to recent years, in both severity and frequency. We still have a couple of months to get through where we might encounter some terrible weather that could damage our homes by wind or falling trees, loss of power that can result in throwing out the contents of your refrigerator and freezer, puff backs from your furnace that deposit soot in every crevice and freezing pipes that burst and cause water damage. Your homeowners insurance policy, provided you have purchased "special form" coverage, or better, should respond with insurance (minus your deductible) for these types of claims. Often we get calls in our office from a customer who experienced their first loss and is not sure if the damage is covered by their policy or what they should do. A review of your policy with the help of your agent or company will help you determine now what you might be covered for and what you are not covered for to avoid a surprise of no coverage and a large out of pocket expense. It is possible you may find out that you do not have adequate coverage for what you are concerned might happen to your home and/or property. It is better to be well informed ahead of time. It is possible a different policy form and/or some endorsement(s) can be added to insure what you are most concerned about if your current policy does not include it.

If you do experience damage, the best thing you can do is to first protect your property from further damage and make any reasonable and necessary repairs to protect your property. These are actually conditions in the New York homeowners policy you must meet after you experience a loss. For example, in the event of water damage, shut off the main valve, if a tree falls and goes through your roof, tarp the hole or apply some kind of covering to keep the elements from entering your home. Call a restoration company if there is standing water that needs to be removed due to a burst pipe or water backing up through a drain or fire or soot damage. Save all receipts for materials and/or labor you may have had to pay to stop or minimize what happened, or clean up costs. You may have to eat meals out or relocate to a hotel. Part of these expenses may also be covered by the "loss or use" section of your policy, provided the property claim is covered by your policy.



Your Insurance with Cathy Karas

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Photos are also very helpful and often the claims adjuster may not need to send an appraiser to assess the damages if they can see the damage this way. Report the loss to your insurance agent or company if you do not have an agent. It is possible you may experience a situation where there might not be any coverage on your policy for and/or the loss amount may be below deductible. In these situations, your agent should be able to help you determine if you have a worthwhile claim to report. A bodily injury or property damage liability claim must be reported in any case, but a property one maybe not depending on the nature of the loss and/or amount of damage. For example, if you have a \$2,500.00 deductible and experience some siding that has blown off the structure, the replacement may be below your deductible. Be aware that your company "keeps track" of all losses submitted, whether they result in a paid claim or not. Unpaid claims can sometimes affect the rating "tier" your policy is in or affect the rate a new company will offer if you are thinking of changing companies.

Below are some potential claims situations and tips on possibly avoiding the loss from happening in the first place:

WATER DAMAGE - Depending on if you have pipes exposed to harsh weather, leaving the cold water a trickle out of a faucet may help avoid frozen pipes. If you have a window at your kitchen sink, most likely this pipe is exposed to bitter temperatures more than others. You can also leave the cabinet doors below the sink open for air circulation, but be wary of the contents and small children or pets that might spill

or ingest something deadly. Don't turn the temperature down too low in your home and if you are going to be away, you may want to shut the main water valve off. If a pipe does get frozen and it is visible to you a hair dryer might solve the problem, but do not use a blow torch or some other heating device that could cause a fire. Space heaters and portable radiators can also be helpful, so long as they are the newer, safe models and are turned off when you are not in the same room.

If the pipe has burst and there is more water than you can manage to clean up, call a restoration company. They have machines to suck up the water and commercial fans for drying out carpeting and flooring, faster and more thoroughly than you could do.

WIND - Besides your regular property deductible, some companies have a separate windstorm deductible or no windstorm coverage at all in their homeowners policy. Often these reductions of coverage are determined by location, so this might be more common for a property located in a coastal area. If you either have no windstorm insurance or a high deductible, you may be able to change companies to have this included. These separate windstorm deductibles are usually a percent of the building limit. So if your house is insured with a \$400,000 building limit and your windstorm deductible 2%, this means your windstorm deductible is \$8,000.00! Sometimes this deductible is triggered by any velocity of wind, and sometimes the National Weather Service has to declare it a hurricane for it to apply.



PUFF BACK - A malfunction of your furnace can cause soot to be released into the air and get into all of your cabinets, closets and damage the walls to the point of needing to be repainted. Depending on the severity, your carpets, rugs, clothing and bedding may need to be cleaned or replaced.

FIRE - If you have a pellet or wood stove or are using your fireplace as a heating source, be sure a cleaning contractor that specializes in doing this has cleaned it recently. Be sure it is safely vented and dispose of ashes safely. Make sure your flue is open when in use and closed when not.

ICE DAM - Melting snow and ice on your roof can refreeze in your gutters and then melt again and back up through shingles causing exterior and interior damage. Try to keep your roof clear to avoid this happening. There are some contractors now advertising roof cleaning as a service you can pay for and use special "rakes" to clear ice and snow.



INJURIES - Your policy includes bodily injury and property damage liability insurance. What limit do you have? If a delivery person, friend or neighbor falls suffers a fracture this can turn out to be a claim on your policy if you were found to be negligent in shoveling or keeping ice clear from sidewalks and driveway, or if the pavement or steps are unsafe.

It would be great if the winter continued as it is now without any weather dramas, but not likely. We are nearing the end, but be vigilant and you may avoid the claims process altogether.

I would strongly recommend purchasing your homeowners policy from an insurance agent. In particular, an independent agent who represents many companies, as opposed to purchasing from an insurance company directly or from an agent that

represents only one company. An independent insurance agent usually has all customer service staff licensed with the state they do business in. Their interests are focused on representing you as their customer and not in the company. A licensed agent has to go through a rigorous education process to obtain the license, and complete continuing education courses to keep it. In representing multiple companies an independent agent would be versed in the coverage forms and endorsements that all the companies they represent offer, and can tailor a policy according to your needs. Every home and insured is different. There is no standard price as even within the same town on the same street each house is unique as is the owner (or owners). Since your interest is what is primary to an independent agency and your questions are answered in order to help you as their customer. So helping you determine if and when to report a property claim is crucial in helping you maintain the coverage level and cost the most beneficial to you.

Karas Insurance Agencies Inc is a family owned, independent agency in business since 1973 located in Croton-on-Hudson, NY at 321 South Riverside Avenue. We have customers all over New York and some in Connecticut insured with a variety of companies we represent. Please give us a call Monday - Friday 8:45 am - 4:45 pm at 914-271-5188 for a quote, or email me at cathykaras@karasinsurance.com. We are happy to provide no obligation comparisons for any policies you might have, personal or commercial, or for new purchases where there is no prior insurance, or for answers to any general questions.
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