



Homeowners' Insurance

What kinds of losses are covered by insurance? Recovery for losses depends on the type of insurance and the terms of the policy. Most property insurance covers losses from fire, smoke, wind, theft, riots, vandalism, and water damage *not* caused by flood. Flood insurance is a separate policy. A homeowner's policy covers wind-blown rain damage if it can be shown the water damage was caused by wind and not due to flooding. Car insurance usually covers physical damage to the vehicle.

Should I make repairs to my home or vehicle? Make only reasonable and necessary repairs to prevent further damage, such as covering broken windows or patching holes. Do not make any permanent repairs until your insurance adjuster has had a chance to inspect your car or property.

What if I have flood insurance? Your insurance company will send an inspector, who will submit a damage report to the National Flood Insurance Processing Center for approval. Only the Flood Processing Center can approve the flood claim. Flood insurance will *not* reimburse for temporary living expenses.

How do I make an insurance claim? *Contact the claims department* to start the process. Many policies have a *one-year deadline* from the time of the loss to report the claim. There may be special procedures for disaster claims. Write down your policy number, the date, who you spoke with and what you talked about. To search for contact information for your insurance company, go to: https://apps.tdi.state.tx.us/pcci/pcci_search.jsp.

How do I prove my losses? *Documentation is very important.* Give your insurance company:

- Receipts temporary shelter (hotel) and meal expenses.
- A detailed written description of physical damage to the property. Include photos, if available.
- An inventory of damaged belongings and estimated replacement value of each. List even small items, such as kitchen utensils and clothing accessories. Include estimated sales tax.
- Written estimates of repairs.
- Invoices or receipts for repairs that have been completed.

Include dates on your documents. Keep copies of *everything* you send to the insurance company.

What if I disagree with the estimate? Tell your insurance company in writing why you disagree with the estimate. You can hire an independent adjuster that does not work for your insurance company, but be aware that the way they get paid is by taking a percentage of your insurance recovery.

When will I hear back about my claim? Texas law requires insurance companies to act within certain deadlines after a claim is filed or face fines and penalties. Insurance companies are required to:

- *Respond* within 15 days after receiving your claim in writing.
- *Accept or reject* your claim within 15 days after you submit any documents requested. If there is a delay, they get an additional 45 days if they give you *written* notice explaining the reasons for the delay. In a disaster situation, insurers get an additional 15 days to accept or reject your claim after you've submitted the documents they requested.
- Explain why they are rejecting all or a part of your claim to you *in writing*.
- Mail your claim check within 5 business days after they agree to pay your claim. If you are financing your house, the insurer will usually request that your mortgage lender approve your check before releasing it to you. The lender must act within 10 days after receiving the request for your insurance company.

If you need money before your claim is resolved, ask for an advance on your settlement. Make sure that it states in writing that it is an advance only, not the final settlement. If your claim is denied, make a written request to reconsider. If your claim is denied, or if there is no action on your claim by the legal deadlines for insurance companies, consult a lawyer. The insurer might be liable for damages, attorneys' fees and costs.