

# Saving Money on Your Insurance

BY JOSE MONTEMAYOR

## *Keeping Water Claims from Becoming Mold Claims*

**M**OST TEXAS residential property insurance policies, including homeowners and renters policies, provide some coverage for damage that results when water escapes from plumbing, appliances, air conditioning or other sources.

Having to contend with wet carpeting, sheet-rock or furniture, not to mention the extra effort of an insurance claim, is bad enough. You don't want to compound the misery with mold, which may or may not be covered by your insurance policy.

An advisory task force representing consumers, insurers, indoor air quality specialists, builders and real estate people helped develop some suggested practices to keep water damage from worsening into mold damage. The suggestions include guidance for both consumers and insurance companies on how they can respond promptly to water discharges and the damage they can cause.

Here are some tips, based on the task force recommendations, to follow if you have a potential water damage claim:

- Stop the leak or water flow. Remove standing water and begin drying the area. Protect repairable and undamaged items from further damage. Your policy gives you the ability to protect your property from further harm without jeopardizing your coverage.
- Notify your insurance company immediately. The Texas Department of Insurance (TDI) has suggested to companies that they acknowledge a water claim within 24 hours or one business day and have a company representative at your home within 72 hours. Ask your company or agent what your policy requires you to do. Begin the process of determining if your loss is covered, and to what extent.
- Photograph the damaged property.
- Move all water-soaked materials to a secure, dry and well-ventilated area or outdoors. Don't throw away removed or damaged materials until your insurance company says it's OK.

- Keep all receipts as proof of your expenditures in connection with your claim. Also maintain a log of your activities in connection with the claim, including a record of each contact with your insurance company.
- Provide your insurance company the name and contact information (phone number, cell phone number, fax number, etc.) of a responsible person who can provide the company with information and access to the home. This person—whether you or someone else—should be available to allow prompt inspection of the damage to minimize delays in claim processing.
- Be persistent in your contacts with the insurance company. Document conversations and visits. If you feel the adjuster or other company representative isn't responsive, ask to speak with his or her manager and continue up the chain of command if necessary. Remember, you can always file a complaint with the Texas Department of Insurance. You can do so on our Web site

**[www.tdi.state.tx.us](http://www.tdi.state.tx.us)**

or call

**1-800-252-3439**

for assistance.

Testing for mold can be expensive and time-consuming and may not be necessary. In addition, homeowners policies may not pay for it. If your insurance company insists on testing, make sure it is done at the company's expense and won't be included as part of your claim settlement amount.

For the full text of the suggested practices, including more information on insurance claims and mold prevention, go to TDI's Web site

**[www.tdi.state.tx.us](http://www.tdi.state.tx.us)**

or call our toll-free publications line

**1-800-599-7467. ★**

### **Editors:**

- *If you need further information, call:*  
**Texas Department of Insurance  
Public Information Office  
(512) 463-6425**

*We welcome your questions and suggestions about this column.*