



Does Insurance Cover Damage From the Polar Vortex?

By Marilyn Lewis, MoneyTalks News

Folks in the Northeast and Midwest are accustomed to serious cold, but the 2014 polar vortex threw even them a curve ball. The vortex dropped temperatures to minus 30 degrees Fahrenheit in parts of Minnesota and sent a deep chill into the South, where residents are unaccustomed to prolonged cold.

Once the worst cold was over, the real fallout for homeowners began. CNN called the freeze a “ticking time bombs of sorts.” A thaw unleashes torrents of water from melting ice backed up on roofs, from overflowing storm sewers and from leaking pipes that were cracked during the severe cold.

“Homes, businesses, schools and even a library (were) reporting gushing water and a disruption to services that had already ground to a halt in wake of severe winter weather,” KSDK Channel 5 in St. Louis reported last week.

Are you covered?

Insurance claims for damage from winter storms, including from ice and freezing, made up 7.1 percent of all insured catastrophe losses from 1993 to 2012, according to the Insurance Information Institute.

But what about your home? Are you covered?

The answer, as in much of life, is: “It depends.”

For insurance purposes, there’s water damage, which is covered by your homeowners policy, and flood damage, which is not.

Insurance claims are judged on a case-by-case basis and each is different, of course. However, a homeowners policy generally covers damage from water that began inside the home. That usually means “before the water comes in contact with the ground,” says the Insurance Information Network of California.

What’s a ‘flood’?

In case of flooding, only flood insurance, which you have to purchase separately, will compensate you for damage. (FloodSmart.gov tells how, where and when to buy a separate flood insurance policy for your home.)

You may think that a basement full of water is a “flood,” but what’s a flood to you may not be a flood to an insurance company. Water entering your home from the ground is generally considered by insurers to be a flood. The IINC says:

“The dictionary defines “flood” as a rising and overflowing of a body of water onto normally dry land. For insurance purposes, the word “rising” in this definition is the key to distinguishing flood damage from water damage. Generally, damage caused by water that has been on the ground at some point before damaging your home is considered to be flood damage.”

Covered

Here are a few examples of the types of problems caused by the polar vortex that are covered by homeowners insurance, provided you’ve taken reasonable care of the home by keeping it warm and maintaining gutters, pipes and drains:

- Damage from falling ice and ice-laden tree branches. Homeowners insurance may even pay up to \$500 to remove the tree, says the Insurance Information Institute.
- Damage from frozen gutters and ice dams. MLive explains that an ice dam is created when ice and snow trapped on a roof melts and refreezes. The melting water can leak into homes. However, cautions Insure.com, even when water damage indoors is covered, “you’re unlikely to be reimbursed for roof repairs because that’s a house maintenance issue.” Damage to furniture may be covered, depending on your policy.
- Damage from cracked pipes indoors. Bursting pipes that fill your basement with water are covered by a standard homeowners policy. But watch your language. “Many people believe their house is flooded because it’s full of water -- but it’s not a ‘flood’ by the insurance definition,” insurance adjuster Allan Sabel told Insure.com. Sabel says not to use the word “flood” at all when discussing the problem with an insurer.
- Damage that starts with cracked pipes outdoors. This scenario is a bit more iffy, but you should be covered if an outside pipe bursts, causing damage indoors. Adds SFGate:

“You must be able to demonstrate that the damage did indeed come from the burst pipe. If the insurer concludes that poor drainage—a non-covered maintenance problem—was the real culprit, your claim may be denied.”

Not covered

In these cases, homeowners insurance probably won’t cover you:

- Backed-up storm drains. If the water came from the ground outdoors, the chances are not good that your homeowners policy will cover damage in your home. That includes water from overflowing storm drains backed up by snow and ice.
- Seeping water from melting snow and ice. Even if your basement or foundation is damaged, “seepage is considered a maintenance problem, not ‘sudden and accidental’ damage, and is excluded from home insurance coverage,” Insure.com says.

- Your negligence. Yes, pipes that burst from freezing are covered. But if you contributed by leaving your home unheated in cold weather, your claim might be denied.

An ounce of prevention

Here are six of the best ways to prevent damage from severe cold and winter storms. For more tips, see the Michigan Committee for Severe Weather Awareness and New Braunfels Utilities.

- Grab a shovel and rake. When snow piles up around storm drains, get out your shovel and clear a path for melting water to go. Clear leaves, snow and ice from gutters and downspouts. Use a roof rake to get snow off your roof.
- Have good attic insulation and ventilation.
- Keep the heat on. To prevent frozen pipes, turn your home's heat no lower than 55 degrees while you're away.
- Let faucets drip.
- Open cabinets. Warm up pipes near outside walls during severe cold by opening cabinet doors under appliances and sinks. But make sure to remove toxic substances that could become available to children or pets.
- Do not try thawing frozen pipes with a blowtorch. Instead, shut off the water and call a plumber. And be aware of potential electric shock in and around standing water.

Have pipes burst in your house?