

Catastrophe reveals insurance woes for homeowners

ABC 7 News

SAN BRUNO, Calif. (KGO) — Most homeowners have insurance, but few ever find out if their coverage is adequate until disaster strikes. The San Bruno pipeline explosion is one example of a major catastrophe putting home owner's insurance to the test.

Tammy Zapata is a resident of San Bruno who lived down the street from the epicenter of the San Bruno gas explosion and fire.

"The house was jumping up and down," Zapata told ABC7. "We had a hard time getting out because there was no floor under us when we were trying to run. It was jumping, just jumping up and down and back and forth.

Nine months later, the brick that crumbled off the front of her home has been replaced along with the chimney, fireplace and shattered tiles. The cracks on the walls and the side of the house have been patched up, and the soot has been cleaned up and the bathroom gutted and rebuilt.

State Farm insurance paid for all of the needed work except for one very expensive one.

"The roof has been replaced, but the insurance company refused to pay for the roof," Zapata said.

Zapata sent ABC7 two reports from contractors both recommending that the roof, which had been on the house for 25 years, be replaced. One report stated the majority of the damage was to the southeast facing the site of the explosion, while the other stated the cause of the newly-displaced shakes may have been a wind gust, a blast from the event or major foot traffic.

State Farm used the analogy of someone getting into a fender bender to explain its position.

"Given the fact that the car is 20 years old, the whole vehicle could sure use a paint job," spokesman Sevag Sarkissian said. "The insurance company, in this example, is not going to repaint the entire vehicle, but it will replace the bumper that was damaged in the accident."

State Farm only agreed to pay for a roof repair, but not for a replacement.

"When there's a lot of money involved, the insurance companies will really clamp down and they will put up obstacles," said advocate Amy Bach with United Policyholders. "Unless you can negotiate your way

around, you're not going to get a full and fair settlement.”

One of the most common problems for homeowners: They're often underinsured.

“I think people just don't check what they're replacement cost to their house on a regular basis,” said Robert Krughoff with Consumers' Checkbook. “And if they don't do that, and your house has appreciated in value, not as big of a problem now and it was sometimes in the past, but even now, many people are still underinsured.”

Hiring an independent contractor or using available software programs are two ways to get a good estimate on replacing your home should it be destroyed.