Filing an Insurance Claim for Texas Storm Damage? Payouts Hinge on Policy Details

Wall Street Journal

When the snow and ice melt, many Texans will file insurance claims for the damage. Some will be annoyed that they get nothing for a freezer-full of spoiled meat, while others will be pleasantly surprised at how easy it is to get money to fix a wrecked car.

The unusual winter storm in the big state is giving many insurers opportunity to test new mobile-based technology that has proliferated over the past year for more quickly settling claims for car wrecks, insurance-industry executives said.

But the massive storm also will highlight variations in basic homeowners policies that some consumer activists lament have become more common in recent years. Consumer activists say the disparity potentially leaves homeowners underinsured where they thought they were covered.

Many homeowners will learn that policies are anything but standardized across the industry, said Daniel Schwarcz, a University of Minnesota Law School professor.

Policies are more varied than they were a decade or two ago, he said. While some differences might work to homeowners' advantage, a substantial majority could hurt them. As one example, some policies cover the risk that a structure collapses due to the weight of ice or snow, whereas others don't, he said. Some may cover food spoilage resulting from the loss of power, though others don't.

Some insurers provide $1,000 per item damaged by a sudden electrical current, for instance, while others pay an aggregate of $1,000.

Amy Bach, executive director with consumer advocacy group United Policyholders, said her biggest worry

The information presented in this publication is for general informational purposes and is not a substitute for legal advice. If you have a specific legal issue or problem, United Policyholders recommends that you consult with an attorney. Guidance on hiring professional help can be found in the "Find Help" section of www.uphelp.org. United Policyholders does not sell insurance or certify, endorse or warrant any of the insurance products, vendors, or professionals identified on our website.
Source: https://uphelp.org/filing-an-insurance-claim-for-texas-storm-damage-payouts-hinge-on-policy-details/ Date: October 7, 2026

for people with ice damage are limitations insurers have added for roof repairs.

“What should be straightforward—’fix my roof’—is often an adversarial war between roofing pros and insurance adjusters, with consumers caught in the middle,” she said.

Loretta Worters, a spokeswoman for trade group Insurance Information Institute, said some disputes arise from efforts by roofers to replace entire roofs rather than areas of weather-related damage, and as a result of poor maintenance by homeowners.

Disputes also can arise because consumers have “actual cash-value” policies that take depreciation into consideration in making payouts. That is in contrast to “replacement cost” coverage, which Insurance Information Institute said is provided by most standard homeowners-insurance policies. Replacement cost insurance is more expensive.

In general, home policies cover a range of conditions resulting from intense winds, blizzard conditions and prolonged freezing weather. They include, according to the institute, damage to a house, roof and contents, and related garages and sheds, caused by wind; damage from tree limbs, ice and other objects that fall onto the structures; damage from the weight of snow or ice, and damage caused by burst pipes or “ice dams,” when water doesn’t drain properly through a gutter and ultimately seeps into a home’s ceilings and walls.

Also commonly covered are additional living expenses if a house is made uninhabitable by an insured disaster.

Big insurer USAA said Wednesday morning that it had received about 10,000 claims already in Texas related to the weather, with many more to come.

“We expect a high volume of claims, particularly related to frozen pipes,” Camille Garcia, a spokeswoman for trade association Insurance Council of Texas, said in an email.

The full damage from frozen pipes won’t show up until temperatures warm. Frozen water will melt and gush out of newly formed cracks, leading to potentially extensive water damage in a home, according to insurers and advocacy groups.

The information presented in this publication is for general informational purposes and is not a substitute for legal advice. If you have a specific legal issue or problem, United Policyholders recommends that you consult with an attorney. Guidance on hiring professional help can be found in the “Find Help” section of www.uphelp.org. United Policyholders does not sell insurance or certify, endorse or warrant any of the insurance products, vendors, or professionals identified on our website.
Source: https://uphelp.org/filing-an-insurance-claim-for-texas-storm-damage-payouts-hinge-on-policy-details/ Date: October 7, 2026

“With the state under this bitter cold, we expect claim numbers to be in the 100s of thousands for home, business and auto,” Ms. Garcia said.

Car and home insurers accelerated adoption of the online handling of claims for safety reasons as the Covid-19 pandemic stretched on, Ms. Garcia and other industry officials said. These efforts include using various video-chat apps to connect with policyholders and remotely observe damage to their property.

However, many carriers are also sending catastrophe adjusters from other states to help with in-person damage inspections in Texas, she said.

State Farm, the nation’s largest home insurer by premium volume, has grappled since Monday with weather-related connectivity problems for many policyholders trying to reach it online, through mobile apps and even via contact centers and agent offices. As of Tuesday evening, its systems were “partially restored,” the company said in a message posted on its website.

With the increasingly common new technology, policyholders can upload photos of damage to a mobile app at the scene of a car accident. Some insurers assign the photos to office-based human appraisers while others use computers to generate estimates through artificial intelligence, bypassing humans.

Either way, the app-based process is typically far faster than the traditional, drawn-out claims process, in which adjusters make appointments to meet policyholders in person to inspect the damaged vehicle.

As for what is covered by car insurance, payouts will depend on whether a driver has liability coverage to protect against damage in accidents with other drivers or additional collision coverage and the yet-broader “comprehensive” insurance.

Liability insurance kicks in when there are vehicle crashes involving two or more drivers caused by snowy or slippery roads.

Damage from a vehicle’s hitting a tree, guard rail or other object would be covered under the optional collision portion, Insurance Information Institute said. A comprehensive policy would typically cover damage to a vehicle caused by heavy wind, flooding fallen ice or fallen tree limbs, it said.

About 78% of insured drivers purchase comprehensive coverage in addition to liability insurance, and

The information presented in this publication is for general informational purposes and is not a substitute for legal advice. If you have a specific legal issue or problem, United Policyholders recommends that you consult with an attorney. Guidance on hiring professional help can be found in the “Find Help” section of www.uphelp.org. United Policyholders does not sell insurance or certify, endorse or warrant any of the insurance products, vendors, or professionals identified on our website.
Source: https://uphelp.org/filing-an-insurance-claim-for-texas-storm-damage-payouts-hinge-on-policy-details/ Date: October 7, 2026

74% buy collision coverage, based on the institute's analysis of 2017 data from the National Association of Insurance Commissioners, a standards-setting organization.

Ware Wendell, executive director of policyholder-advocacy organization Texas Watch, encourages consumers with damage from the winter weather to document everything.

"Take photos. Save emails with the insurance agent. Save receipts. Report your claim promptly."

The information presented in this publication is for general informational purposes and is not a substitute for legal advice. If you have a specific legal issue or problem, United Policyholders recommends that you consult with an attorney. Guidance on hiring professional help can be found in the "Find Help" section of www.uphelp.org. United Policyholders does not sell insurance or certify, endorse or warrant any of the insurance products, vendors, or professionals identified on our website.
Source: https://uphelp.org/filing-an-insurance-claim-for-texas-storm-damage-payouts-hinge-on-policy-details/ Date: October 7, 2026