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By Ronda Kaysen

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Ta-Kuang Chang was lying in bed in his Pelham, N.Y., home during a windstorm in 2016 when a 125-year-old tree from his yard crashed through his roof, landing just inches from his bed. [Credit: Ariane Chang]

Rebuilding Your Home After a Disaster

Catastrophe can arrive at your doorstep in any number of ways: A century-old tree could hit the roof, faulty wiring could spark a fire or a storm like Hurricane Harvey could unleash its fury and yours could be one of countless homes in its path.

Tragedy's hand might be unpredictable, but the road to recovery is forged in the language of your homeowner insurance policy, words that will determine how — and if — you will be made whole again.

The disorienting months following disaster are often marked by endless Saturdays spent wandering the aisles of Home Depot; afternoons wasted on the phone arguing with your insurance company about the value of an Ikea crib; and critical decisions made at your most vulnerable hour. And all of this often happens while you are living in temporary housing, wondering if your life will ever return to something like normal.

For Ta-Kuang Chang, a 62-year-old lawyer from Pelham, N.Y., life came undone during a windstorm on a Sunday morning in January 2016. He was lying in bed texting his daughter when a 125-year-old tree from his yard crashed through his roof, landing just inches away. Trapped in his room, he waited for the fire department to free him.



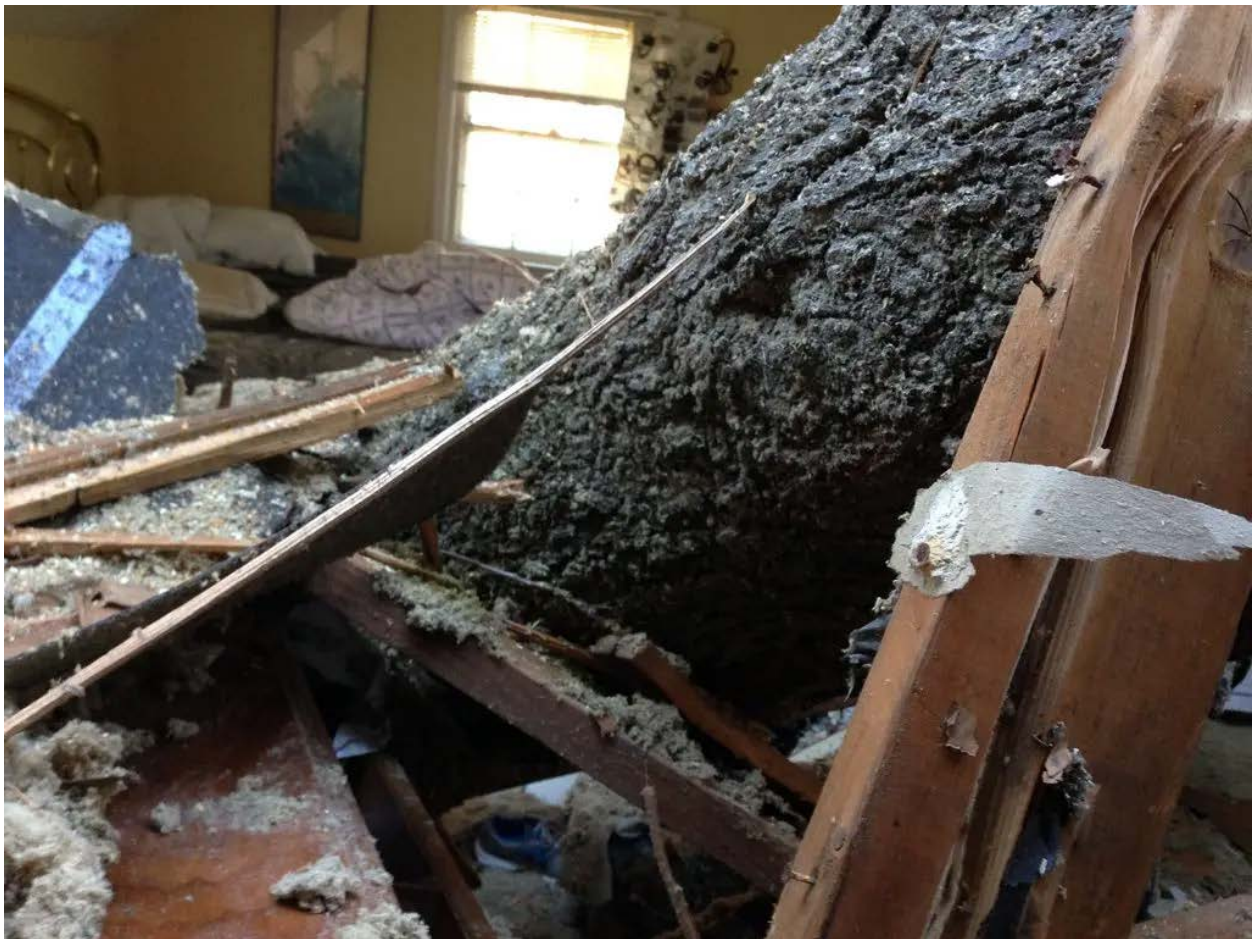
Mr. Chang in his backyard after the house was repaired and renovated. [Credit: Tony Cenicola/The New York Times]

Twenty months later, Mr. Chang is still waiting, mired in a protracted dispute with his insurance carrier over repair costs. The disagreement, partly of Mr. Chang's own making, could leave him on the hook for hundreds of thousands of dollars and illustrates some challenges homeowners face in the wake of disaster. "I am so worried that I will, in the end, be screwed," he said.

In 2015, 5.9 percent of insured homeowners filed a claim, with an average loss of \$11,402, according to the Insurance Information Institute. How many claims come with headaches? A 2014 Consumer Reports survey found that of the six percent of respondents who filed claims for \$30,000 or more, 41 percent reported complaints about things like disagreements over damages or coverage, delays or slow payouts.

"The bigger the claim, the more likely you're going to run into more resistance from the company," said Jeff Blyskal, a senior editor at Consumer Reports.

For homeowners facing what is often the biggest crisis of their lives, navigating a complex and sometimes resistant bureaucracy can be bewildering and exhausting.



Mr. Chang's bedroom. [Credit: Ta-Kuang Chang]

Navigating the Aftermath

In hindsight, the smell of burning toast should have tipped off Suzanne Kaufman. But September 27, 2010, was a busy morning in the Kaufman home, a 100-year-old bungalow in Glen Rock, N.J. Ms. Kaufman, a medical social worker who is now 43, rushed out the door to take her 3-year-old to preschool while the babysitter fed the 18-month-old baby. “Looking back on it, there was nothing toasting,” she said.

In the few minutes it took to dash from her car to the classroom, Ms. Kaufman missed five calls from the babysitter. The baby was O.K. The house was on fire. Ms. Kaufman heard sirens in the distance and knew they were for her.

She returned home to watch the house that she and her husband, Matthew Kaufman, a lawyer who is now 44, had owned for 20 months burn. By late afternoon, the adjuster from the insurance company charged with assessing the damages was surveying the smoldering property. The loss was total.

“It was like, boom, your house is boarded up,” Ms. Kaufman said.

Vendors, like contractors and companies that remediate smoke, descended on the property. “People are slipping cards under your door, and you just don’t know what to do,” she said. “You are just freaking out.”



The home of Suzanne and Matthew Kaufman in Glen Rock, N.J., was destroyed by fire in 2010, and then a tree fell on it as it was being rebuilt. [Credit: Suzanne Kaufman]

Among the business cards being pressed into your hands will be those of some public adjusters, independent insurance experts who can navigate the process for you, albeit for a hefty fee. In New York State, public adjusters can charge as much as 12.5 percent of your settlement. Ms. Kaufman did not see a need for one because at the time she wasn't working, and she planned to dedicate her waking hours to the task of rebuilding her home. But some homeowners, particularly those with limited time, view a public adjuster as an advocate well worth the fee.

USAA, the family's insurance carrier, had a list of preferred vendors. But were they the best ones? In the end, the Kaufmans decided to go with a contractor recommended by a family member.

The policy would rebuild the house to its original condition, but the Kaufmans thought maybe they should use this rebuilding to expand. Insurance, however, is intended to make you whole again, not bankroll a new addition. So how would they finance improvements? Contractors advised them to tear the house down to the foundation. USAA initially objected, but eventually relented, and the Kaufmans eventually moved into a much larger home. There was "a lot of negotiating every step of the way," Ms. Kaufman said. "None of this just happens."

Enduring a Natural Disaster

Suffer an isolated event, and chances are your insurance adjuster will arrive within a day. That equation changes if you suffer a loss during a natural disaster like a hurricane. Just getting anyone to show up can take days, or weeks.



The Kaufmans' sons, Benjamin, left, and Wyatt, center, play in the front yard with their neighbor, Lucas Mayer. [Credit: Tony Cenicola/The New York Times]

“If you have a big catastrophe and the television cameras are around, the insurance companies are handing out checks for additional living expenses,” said J. Robert Hunter, director of insurance for the Consumer Federation of America. But “when the big claims start to roll in, that’s when the trouble starts.”

On the night of October 29, 2012, as Hurricane Sandy bore down on New Jersey as a tropical storm, Casey Kait and Stephen Weiss struggled to convey the gravity of their situation to their insurance carrier, USAA. They had been putting their two young children to bed when a 100-year-old pin oak tree fell onto their four-bedroom home in South Orange. The family fled to a neighbor’s house, where they called 911 and USAA.

“It was Sandy, so they were getting calls from everywhere,” Ms. Kait, 41, a hiring manager, said of USAA. “They said, ‘We’ll send somebody in a week.’” (Mr. Weiss, 42, works in marketing.)

Days passed, and the family still had not seen an insurance adjuster. “I remember getting Mama Bear,” Ms. Kait said about one pivotal phone conversation with an agent. “I was like, ‘I have two young children and no house.’” That got the agent’s attention. Within an hour, an adjuster called, telling Ms. Kait that he would be at her door by 10 a.m. the next morning.



Hurricane Sandy had been downgraded to a tropical storm when it hit New Jersey in 2012, but the winds still knocked a 100-year-old pin oak tree into the South Orange home of Casey Kait and Stephen Weiss. [Credit: Casey Kait and Stephen Weiss]

There was no small measure of haggling with insurance adjusters during the process, but nine months after the storm, Ms. Kait and her family moved back into a fully restored house.

Coverage Doesn't Cover Everything

Standard insurance policies do not cover everything. Flood damage requires a separate policy usually backed by the National Flood Insurance Program, although a few private insurers provide it independently. Only about 12 percent of homeowners had flood insurance in 2016, according to the Insurance Information Institute, and most homeowners affected by Hurricane Harvey do not have flood coverage.

In 2015, water damage accounted for 45 percent of all property damage, according to the insurance institute, yet insurance policies often limit or exclude coverage for water-related damage from mold, a sump pump failure or a sewage backup.

“People worry about fires, which obviously make sense, but the reality is that water losses are 13 times more likely to occur,” said Annmarie Camp, an executive vice president at Chubb Personal Risk Services. “I know we’re in the middle of a hurricane, but it’s a very strong likelihood that homeowners will suffer an internal water leak.”



Mr. Weiss and Ms. Kait, with their children, Zippy, left, and Jonah, and their dog, Sierra, in front of the renovated house. [Credit: Laura Moss for The New York Times]

Unless your policy covers the replacement cost of your belongings, you might receive only a fraction of the money needed to buy a new sofa. About 60 percent of homes are underinsured, according to Consumer Reports.

You might also have to fight for payment even for losses that are covered. Ms. Kait and Mr. Weiss of South Orange argued with an adjuster about the extent of damage to some of their possessions. The adjuster thought furniture in the children's rooms that had been covered in debris could be cleaned and reused. The couple disagreed. Overwhelmed by the tasks ahead, Mr. Weiss and Ms. Kait didn't fight every battle. "To be honest, we let a lot of things go," Ms. Kait said. "You don't have time to go over every item in your life and fight about it when you're trying to get your life back."

Headwinds

Some battles can drag on for months.

More than a year and a half after a fallen tree made his Pelham home uninhabitable, Mr. Chang is still sparring with Travelers, his insurance carrier. The dispute hinges on competing estimates for repairs. Travelers estimated it would cost \$224,000 to repair the home. An engineer that Mr. Chang hired estimated the work could cost as much as \$808,000. The roof, chimney, second story and parts of the first floor needed to be rebuilt.

Typically, when the estimates don't line up, the homeowner's contractor hammers out a compromise with the insurance adjuster. But Mr. Chang instead invoked a formal resolution process known as appraisal, where both sides hire an independent appraiser and a mediator may be appointed to break an impasse. This process, however, can lengthen and complicate matters.



The master bedroom in the home of Ms. Kait and Mr. Weiss, before and after renovations.

The case lingered, in part because Mr. Chang traveled frequently for work and was not able to monitor the appraisal process closely. After eight months of living in temporary housing paid for by Travelers, Mr. Chang withdrew his appraisal demand and tried to restart direct negotiations with Travelers, but Travelers opted to stick with the appraisal process.

To keep a dispute from escalating, consumer advocates suggest that homeowners navigate the insurance process with caution from the very first call until the final check is cut. “Start by trusting the company,” said Mr. Hunter, of the Consumer Federation. “But you do it warily, and you do it professionally.” Keep notes of conversations and copies of correspondence and receipts. If you run into trouble with the claims department, contact the public relations department. Hit enough roadblocks and you may need a lawyer.

Last October, Mr. Chang began rebuilding his house, despite having no resolution on the total amount that Travelers would pay. He paid for some of the \$425,000 of work with a partial payment of around \$185,000 from Travelers, and the rest with savings. “I’m not trying to be unjustly rich, I just want to make up what I’ve lost,” Mr. Chang said. “I just want to be made whole.”

Mr. Chang’s case has been further complicated by the fact that even though he was still living in an apartment paid for by Travelers, he rented his house in July to a tenant for \$7,700 a month. The house was listed for rent in May when the work was completed as a “totally renovated Pelham Heights home,” according to Zillow. Mr. Chang said he needed the rental income to offset the money he put into the renovation. He said he plans to move out of the Travelers apartment later this month, into a vacant house in Port Chester, N.Y., that belongs to his mother.

Travelers estimates that it has paid nearly \$500,000 to repair Mr. Chang’s home, replace damaged property and cover additional living expenses for his family, according to a statement from Matt Bordonaro, a Travelers spokesman. The case now is before a mediator whose decision will be binding.

Your Bank Has a Stake, Too

Even if your insurance carrier agrees to pay for home repairs, you may not see the money right away. If your home has a mortgage, checks for repairs to the dwelling will likely be made to both you and your lender. Your bank will often hold onto the money, dispensing it as the work is done, adding another layer of bureaucracy and, often, delay.

Nearly a year after fire destroyed his Glen Rock home, Mr. Kaufman marched into his mortgage lender’s office in Hoboken, N.J., demanding his insurance money. The bank would not release an \$80,000 payment from the insurance company, for reasons that have not been made clear to Mr. Kaufman. But the work was nearly done and bills needed to be paid. “I had a large blowout with the bank president,” Mr. Kaufman said.

Rather than continue to fight with the bank, the Kaufmans borrowed \$80,000 from Mr. Kaufman's parents. Eventually, the bank released the money.

Becoming Whole Again

In a blog called "From Fire to Fabulous," Ms. Kaufman chronicled her experience, starting with the day the house was torn down to the foundation. "We poured glasses of Korbelt to mark the occasion," she wrote.

Sixteen months after the fire, the Kaufman family moved back home. At 3,000 square feet, the new house is twice as large as the previous one, with an open floor plan, large kitchen and four large bedrooms. Mr. and Ms. Kaufman paid for the addition, about a third of the rebuilding cost, separately. "Everyone says, 'Your house is amazing,'" Ms. Kaufman said. "But I really wouldn't recommend going through this to anybody."

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