

The background of the entire page is a close-up photograph of several large, heavily rusted metal pipes. The pipes are dark brown and orange with significant surface corrosion. One pipe in the foreground is broken, with a jagged, fractured end. The pipes are set against a dark, textured background, possibly soil or concrete.

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INSURANCE RECOVERY GROUP

# PIPE LAWSUIT GUIDEBOOK

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Homes and commercial property built prior to 1975 may have cast iron plumbing pipes that are nearing failure or already beyond repair, presenting risks to the building and its occupants. Insurance companies routinely deny and underpay water damage claims caused by old pipes, but many of these denials and lowball settlements are not legitimate.

Taking on an insurance company by yourself can be an uphill battle. The good news is, you don't have to face an insurer on your own. Morgan & Morgan can help you dispute an unfair insurance decision to obtain the coverage you're entitled to.



## HOW DO I KNOW IF I HAVE CAST IRON PIPES?

Your plumbing system most likely contains more than one pipe material. Identifying the type of plumbing pipes that are installed in your home is important because pipes made from different materials have different lifespans.

Metal pipes, including cast iron pipes, last 50 years on average but may fail within 25 years depending on environmental factors such as climate and soil quality.

Cast iron pipes are black with bulges (or “hubs”) that connect pipe sections. Since metal pipes corrode over time and change color, scratch the pipe to reveal its original color.

# WHAT ARE THE SIGNS THAT MY PLUMBING SYSTEM IS BROKEN?

## TELLTALE SIGNS OF PIPE FAILURE INCLUDE:

- Backups
- Slow drainage
- Clogged toilets
- Leaks
- Mold growth
- Water damage
- Roach infestation or rodent problem
- Bad smells from sewer gases (including a distinctive “rotten egg” sulfur smell)
- Water-stained walls
- Household members experiencing chronic coughing, sneezing, runny nose, or eye irritation

## MY HOUSE WAS BUILT BEFORE 1975, BUT I DON'T SEE ANY DAMAGE. SHOULD I BE WORRIED?

Looks can be deceiving. Your house, and the plumbing that's exposed and easily visible, might not show any signs of failure. But what you can't see might be a cause for concern.

The major challenge of assessing plumbing health is that most pipes are concealed behind walls or beneath concrete slabs. Crawl spaces and basements might have exposed pipe that's easy to inspect for damage, but the plumbing throughout the rest of your property is a different case.

Another challenge to evaluating piping is that inward signs of failure might not be outwardly visible. While the exterior of the pipe might not show any leaks or corrosion, the interior might be caked with deposits that reduce water flow, affect water quality, and make failure inevitable.

If your house is more than 60 years old, you should inspect the exposed piping at least once per year for signs of trouble (including leaks, corrosion, discoloration, stains, dimpling, and flaking). Bad smells are also a sign of pipe failure.

# WHY WON'T MY INSURANCE COMPANY COVER WATER DAMAGE?

Water damage is one of the stickiest areas of any home insurance policy.

Insurance companies typically only cover water damage that is sudden and accidental (i.e., could not have been foreseen). Most do not cover damage that results from homeowner negligence (i.e., failure to perform routine maintenance), or water that seeps over weeks, months, or years. So a pipe that abruptly bursts inside the house probably would be covered, but not a pipe that was old and leaky, or one that burst because it froze after you left the home unoccupied and without heat. Standard homeowners insurance does not cover flood damage (from a river, storm, etc.), nor is it likely to cover sewer backups or damage caused by water seeping from the ground into your basement.

Yet policies are not uniform and it's difficult to generalize about them. If your insurer denied water damage coverage it's probably due to a specific policy exception (e.g., it doesn't cover "plumbing losses" or "losses due to wear and tear of pipes"). But even exceptions have exceptions, and a closer reading of the policy might reveal a loophole that works in your favor. In short, an insurer that denies coverage could be in the wrong, and you might have a grievance.





# SHOULD I CALL MY INSURANCE COMPANY ABOUT MY PIPES?

Talking to your insurance company can be a tricky matter.

Home insurance policies typically cover losses that are known in the insurance industry as “fortuitous events,” or accidental losses that occur without warning. Your policy may also cover long-term pipe failure issues, with the caveat that you could not have known about the problem until you discovered it—and therein lies the problem with contacting your insurer.



If you tip off the insurance company that your pipes might be failing, and you later experience a piping-related loss, this could result in a claim denial (because at that point, you can't say you didn't know about the problem).

Most customers' communications with their insurance company are recorded. Remember at all times that what you say could be used against you, even if you're trying to be honest.

Before you speak to an insurance company about your pipes, read over your policy carefully to find out what is and isn't covered. If you have questions, it's worth speaking with an attorney.

## WHAT CAN I GAIN FROM A LAWSUIT?

An insurance company claim denial or low settlement payment can be devastating. Water damage from failed plumbing can easily run into the tens of thousands of dollars. You bought homeowners insurance and paid your premium every month, but now your insurer is saying that water damage isn't covered, or is offering you an amount that doesn't fully cover the damages.

You could try negotiating with the insurance company or lodging a consumer complaint. You could read through the policy over and over, hoping to find a loophole that works to your advantage. Or, you could hire a legal expert who understands the industry and deals with these types of issues every day.

Insurance companies protect their own interests. Shouldn't somebody be protecting yours?

## GET FREE ADVICE ON YOUR INSURANCE DISPUTE

If your insurance claim was denied for the damage caused by older, leaking cast iron pipes, or you received a lowball settlement, you might be able to successfully appeal the decision with help from an attorney.

*See if you may have a case in moments  
with our online evaluation tool*

SEE IF YOU HAVE A CASE

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