

# Company says storm surge took home

**STATE FARM**, from B-1

causation clauses because companies use them to deny core coverage that people have paid for, such as hurricane wind damage. Instead of these clauses making it abundantly clear that flood damage is excluded, the Consumer Federation says, companies use them as a way to get off the hook for paying for wind damage when it occurs at about the same time as something that's not covered, such as flooding.

According to Judge Carl Barbier's pretrial order, the Kodrins' roof was found 1,000 yards away and all that remained of their 177 Holiday Drive home was the rear steps and the mailbox.

The Kodrins believe their home was destroyed by a tornado, and say that when the first State Farm adjuster came to their house in October 2005, he said the destruction appeared to have been caused primarily by wind.

But a State Farm expert who visited the property in December 2005 said there was no evidence that the home had been damaged by wind before the arrival of the floodwater, and many homes in the area had been similarly damaged by Katrina's waves. The company refused to make any homeowners payments on the property.

The couple hired their own engineer, who said exactly the opposite: that their home was likely obliterated by wind before the waves rolled in.

The Kodrins may have been underinsured on their property, which had been Judy Kodrin's childhood home. While State Farm says the market value of the home was \$110,000 — in the same ballpark as the Kodrins' structure coverage of \$116,886 — the Kodrins say the cost to replace their home is estimated at \$341,745. The Kodrins also estimate that the contents of their home was worth \$125,397, but they had \$79,695 in contents coverage.

They have received the policy limits of their flood coverage, \$56,800 in structure payments and \$19,200 in contents payments.

The Kodrins want State Farm to pay the limits of their homeowners policy on both structure and flood, and note that even with both the flood and structure combined, they won't be made whole.

The Kodrins, who now reside in Raceland, also are asking State Farm for \$10,506 in additional living-expense payments to cover the costs of being displaced. Flood policies don't cover living expenses.

They also are asking for damages and attorneys fees on their claim.

State Farm says the couple has failed to prove their home was destroyed by wind, and that when they accepted flood payments, they agreed that their home was destroyed by flooding.

•••••

Business writer Rebecca Mowbray can be reached at [rmowbray@timespicayune.com](mailto:rmowbray@timespicayune.com) or (504) 826-3417.

# State Farm trial starts today

## *Plaquemines couple claims wind damage*

By **Rebecca Mowbray**  
Business writer

The first State Farm Fire & Casualty Co. Katrina jury trial in federal court begins today as a Plaquemines Parish couple argues that Louisiana's largest residential insurer improperly denied their homeowners insurance claim on their house, which vanished in the storm.

Judy and Michael Kodrin say their Port Sulphur home was damaged by Katrina's winds long before the storm surge arrived, so they are owed money under their homeowners policy as well as the money they received through their National Flood Insurance Program policy.

State Farm says the house was completely destroyed by storm surge, and no homeowners money is owed. Flooding is excluded on homeowners policies.

The case will be a test of State Farm's anti-concurrent causation clause, which the Bloomington, Ill., company has used to deny payment for wind damage on a home when it occurs in concert with flood damage. These controversial clauses have been the focal point of litigation in Mississippi, but State Farm insurance contracts in Louisiana are worded slightly differently.

The Consumer Federation of America has called for insurance commissioners across the country to ban anti-concurrent

See **STATE FARM**, B-2