



# BBB News Release

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## ***Do Homeowners Need 'Water Service Line' Coverage?*** *'Home Service USA' campaigning in Metro area neighborhoods again*

**Denver, CO – March 29<sup>th</sup>, 2010** – A Florida-based company called, Home Service USA notified the office of the BBB Serving Denver/Boulder today that it is beginning another direct-mail campaign to homeowners in the Metro area. The company saturated the market last July and December with its mailings and the BBB received many calls from homeowners who wanted information on the company and to know whether or not the solicitation is a scam.

The mailers offer a type of insurance that simply helps pay for emergency repairs should the homeowner's water service line break. It is \$4.99 per month and has many exclusions.

"Like with any warranty, service plan, or insurance policy it is up to you to determine if it's worth purchasing and how valuable it really is. The two most significant items to consider are the odds of needing the coverage and how limiting the exclusions may be," says BBB President & CEO, Dale Mingilton.

The company has no physical location in Colorado. The BBB in Florida recently revoked the company's BBB Accreditation due to advertising concerns. The BBB report in Florida also reflects that 56 complaints have been filed against the company in the last three years.

In letters to homeowners, the company states, "*you are responsible for the repair and maintenance of your water service line, from the curb or well casing up to your home's foundation wall*". BBB research shows that this is true locally but may vary in different states.

If you receive a call or letter from this company or others like it, your BBB recommends:

- Read the service contract very carefully and make sure you have a clear understanding of it, **especially each of the exclusions** before agreeing to purchase. DO NOT purchase over the phone without seeing everything in writing.
- Go over your homeowner's insurance policy to make sure it doesn't already provide such coverage. Contact your insurance company and ask how this coverage would work in conjunction with your current policy.
- Make sure the company has a reasonable cancellation policy in case you change your mind soon after signing up.
- Try to find out which contractors the company employs and do your own background checking on them.

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**About BBB**

*The BBB is an unbiased non-profit organization that sets and upholds high standards for fair and honest business behavior. Businesses that earn BBB Accreditation contractually agree and adhere to the organization's high standards of ethical business behavior. The BBB provides objective advice, free BBB Reliability Reports™ on businesses and BBB Wise Giving Reports™ on charities, and educational information on topics affecting marketplace trust. To further promote trust, your BBB also offers dispute resolution services for consumers and businesses. The first BBB was founded in 1912. Today, 125 BBBs serve communities across the U.S. and Canada. Please visit [www.denver.bbb.org](http://www.denver.bbb.org) for more information.*

(written by Megan N. Miller/BBB Serving Denver|Boulder)