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Up Charges and Governmental Mandates

Primarily, up charges and government mandates rear their ugly heads when Nations pays a contractor to install new equipment such as AC/Heating systems and water heaters.

The “Limitations of Liability” are pretty much common sense when you consider the cost of the contract. Residential service contracts cover the cost of repairs or needed replacement of the mechanical parts of covered systems. It is not possible to cover governmental regulations such as permits, freon issues, code upgrades, line dryers and removal of equipment and when we are providing new equipment and labor costs, for that price.

Old systems (plumbing, A/C units, etc.) that fail usually are not in compliance with “city code” requirements. Cities change the code regulations every year and they are getting more and more rigorous because improperly installed equipment or non-upgraded equipment can result in houses burning down and/or flooding.

When old equipment and Freon have to be removed and disposed of, a permit must be pulled by the licensed service provider and the homeowner is required to meet the city inspector after the work has been completed in order to be in compliance.

Homeowners are often frustrated if they have to face a situation like this and have been told that “everything is covered” ...all you have to do is pay the copay and the home warranty will take care of the rest. They get angry when told they must pay for code upgrades, equipment removal, permits and Freon recapturing fees.

We try to educate our homeowners before they get mad at us. NATIONS sends a welcome letter contract with encouragement to read the contract. However, with the hectic pace and excitement of moving into a new house, you usually don't learn about limitations until you have a denied claim.

As we all know, the biggest percentage of homes are sold without an AC/Heating inspection by a HVAC technician. Most of the units are in dire need of cleaning and many are in need of repair. Don't you think the most expensive system in a house should be checked? When you purchase a new home, recommend an HVAC inspection from Nations.

When a new system is installed, the manufacturer does not provide suggestions or schedules for maintenance of the equipment. It is probably better business for them to depend upon a reduced life expectancy than to advise homeowners on how to keep a system efficient for many long years performing simple and necessary maintenance.

When you add a drain pan you have added protection against costly cosmetic repairs in case of water damage. If you add a float switch it will automatically shut your air conditioning unit off if water is detected in the emergency drain pan. With all the homeowners insurance mold and water damage issues, a float switch and emergency drain pan can really give a homeowner Peace of Mind.