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Home Warranty or Home Insurance? *A Choice Home Warranty Review*

Our friends at Choice Home Warranty often get asked what the difference is between home insurance and their comprehensive protection plans that guard against the high cost of repairing or replacing major systems and appliances. So, they've come to House Method to help them set the record straight on the difference between a home warranty and home insurance.

We looked into this topic, and into the services offered by Choice Home Warranty, and here is our review of the budget protection of a home warranty versus the hazard protection of home insurance.

Be Prepared for the Unexpected

Owning real estate is an American dream, but it can come with financial worries about the unexpected cost of repairs if major systems and appliances stop working. Home repairs don't need to be the cause of home ownership anxiety, especially if you have the dual protection of both home insurance and a home warranty.

If you have a mortgage on your home, then you likely have home insurance – which is also called “hazard insurance.” Your mortgage lender requires it as a way to protect their interest in the property, but it only covers damage caused by fire, hail, vandalism, theft and similar disasters.

On the other hand, a home warranty will repair your home systems and appliances that fail from normal wear and tear. So, what's covered by a home warranty company, like Choice Home Warranty, is totally different from what's covered by a home insurance company.

To better explain the difference, let's walk through a few scenarios featuring systems that often have problems and that can be quite expensive to repair. You'll have a chance to guess if the damage is covered by a home insurance company or a home warranty company.

What's Covered with a Choice Home Warranty?

[Image] Roof Leak repair or replacement scenario #1

A massive thunderstorm with heavy winds downs limbs in your yard. Several land on your roof and this results a major roof leak. You have both home insurance and a home warranty – which customer service line do you call? The answer: Home Insurance. This is a situation that was caused by a hazardous weather condition.

[Image] Roof Leak repair or replacement scenario #2

A water ring is forming in the ceiling of the living room. You go outside to see if anything looks amiss and it appears that a few shingles have come loose. A small leak can turn into a big problem, so you want to get it taken care of quickly. You have both home insurance and a home warranty with roof coverage – which customer service line do you call? The answer: Home Warranty. Seemingly this is just normal ageing of the roof. A home warranty company, like Choice Home Warranty, will repair shake, shingle, and composition roof leaks. Their website offers full details on this [important add-on coverage](#)[LL1].

[Image] Air Condition repair or replacement scenario #1

You hear a massive thunderclap, then a huge “zap” and “pop” – lighting just knocked out your AC condenser. You have both home insurance and a home warranty – which customer service line do you call? The answer: Home Insurance. You may think a lightning strike sounds far-fetched, but the Insurance Information Institute reports that over 100,000 home insurance policyholders had lighting claims in 2016. If this happens to you, home insurance is who you would want to talk to.

[Image] Air Condition repair or replacement scenario #2

It's 91 degrees outside, and inside – it's just as hot. The AC is running but the house isn't cooling down. You have both home insurance and a home warranty – which customer service line do you call? The answer: Home Warranty. If your air condition is struggling or just not working, your service request would be to your home warranty company as most plans cover air condition repair or replacement.

As you see from these examples, homeowner's insurance is hazard insurance, and only covers items damaged in natural disasters and through vandalism or theft. On the other hand, a home warranty repairs household appliances and mechanical systems that fail due to normal wear and tear.

Why Do You Need a Home Warranty?

As mentioned, if you have a home mortgage, you probably have home insurance since the mortgage company will usually require it. But do you have a home warranty?

Sometimes a home warranty is offered as an incentive when you purchase a home. The home seller or real estate agent will pay for a one-year premium to give a home buyer peace of mind. If you had a home warranty included with your home purchase, it was likely only good for a year, and if you didn't renew the home warranty contract it has probably expired.

The good news is that as a homeowner, you can purchase a home warranty at any time, no matter the age of your home or its systems or appliances.

Let's dig into a home warranty more and outline specifics on what's covered and the type of homeowner a home warranty company could best benefit. As one of the top American home warranty companies in the country, we'll use the services offered by Choice Home Warranty to illustrate how a home warranty works, while also providing additional research about their services so you are fully prepared when you are ready to [get a quote for a home warranty](#).

What's Covered by a Home Warranty?

Each home is different, so Choice Home Warranty offers multiple coverage plans and optional benefit riders. With Choice Home Warranty you can select the benefits that best align with what you and your home need. Here's a quick overview of the home systems and appliances that are covered.

Basic Plan

- Heating systems and ductwork
- Plumbing systems
- Electrical systems
- Water heater
- Kitchen appliances, including oven, range, stove, cooktop, dishwasher, and built-in microwave
- Garbage disposal
- Whirlpool bathtub
- Plumbing stoppage
- Garage door opener
- Exhaust fans
- Ceiling fans

Total Plan – Everything in the Basic Plan, plus:

- Air conditioning system
- Refrigerator
- Clothes washer
- Clothes dryer

In addition, optional riders for repair and replacement warranty coverage can be added for a pool/spa, well pump, sump pump, septic system, septic tank pumping, central vacuum, a second refrigerator, and a standalone freezer. Roof leak insurance is also available.

As mentioned above, your coverage and cost is dependent on the plan and optional benefits selected. When you [get a quote from Choice Home Warranty](#), you will be able to add and select different components to fit your budget, and your home.

How Do I Get a Home Warranty?

Think back to how you got your home insurance plan, as required by your mortgage company. You may have selected an insurance company you were already using to insure another aspect of your life – like your car – or maybe you found them by having a home insurance agent research different plans for you and make recommendations.

But how do you find a home warranty? To find a home warranty that fits your budget, you can [get a free quote](#) in just a few minutes, with no obligation to purchase. After you fill out the online form, you'll get back information on low competitive annual rates, so you never have to pay for covered home repairs again. You'll also get information on complete coverages, liability limits, and any exclusions.

When you buy a home warranty, you will get annual coverage for your home.

How Much is a Home Warranty Plan?

Since Choice Home Warranty offers more than one coverage option, the price will depend on which plan you select, any riders you add, your location, the type of home you live in, and the size of your home. In general, plans start as low as \$400 a year and there is a small call fee to dispatch a service provider.

If you act now, Choice Home Warranty is currently offering a 30-day free coverage promotion. It seems like a great introductory deal. When you purchase any single payment home warranty plan, you'll get the first month free.

To get an exact quote for your situation, visit the Choice Home Warranty website. The quote is free and there's no obligation to purchase.

Is Choice Home Warranty Right for Me?

If you want to protect your budget from the expense of common home repairs, a home warranty protection plan is a good solution. It's particularly useful in dwellings with older home systems and appliances that are aged, but in working condition. Sooner or later they will wear out, and if you have a home warranty the cost of the repairs will be more predictable.

A home warranty is also good a good option if you don't know who to call when something breaks. With Choice Home Warranty you have dedicated team of service providers available to you through one contact. They take the hassle out of home repairs.

Here's a quick list of the top reasons people sign-up with Choice Home Warranty:

- Purchasing a home and worried about the cost of unexpected repairs
- Already own a home and are worried about the cost of unexpected repairs
- Have older appliances
- Have older home systems
- Don't have access to an emergency fund for repairs
- Don't know who to call for common home repairs
- Don't have time to research insured, licensed technicians and want someone else to prescreen them for you
- Don't have time to manage the details of common home repairs on your own
- Want to simplify home repairs and replacements with one point of contact

Think of it this way... all home systems and appliances will eventually fail, so a home warranty is a good investment because it will be used at some point.

What People Say About Choice Home Warranty

House Method searched the internet for reviews, so you could read the experiences of homeowners who opted to purchase a home protection plan from Choice Home Warranty.

Numerous positive reviews include satisfied customers who state the process is easy. “I was extremely impressed with the ease of use filing a claim on the website” said “The Mulfords” who had their pool pump inspected and replaced. Another reviewer who was having trouble with his clothes dryer states, “The repairman did a great job keeping me informed and making the final repairs. My dryer now works fine.”

Complaints included dissatisfaction with hold times when trying to reach customer service by phone. “I was on hold for over 30 minutes” said “Art” who was having an issue with the HVAC. Other issues involve tradespeople missing appointments, although several people indicated new technicians were dispatched once Choice Home Warranty was made aware of the lack of service.

As with any large service provider, the reviews seem to be a mixed bag of experiences. Some homeowners are thrilled, others are not as impressed. One thing to remember is that this is a national company, so the technicians in your city will be specific to your area. Meaning if you see an unsatisfied review regarding a service technician in Boston, and you live in Dallas, then that will not be a comparable experience for you.

Our advice is to review everything sent by the company with regard to the terms of service. Many people don’t fully understand how their home warranty works or what is covered, and this can lead to dissatisfaction.

In addition to their consumer reviews, *Inc.5000* ranked Choice Home Warranty as “One of America’s Fastest Growing Private Companies in America” and they are a “Top Rated” provider on ConsumerAffairs.com.

How Do I Get Approved by a Home Warranty Company?

If you sign-up with Choice Home Warranty you do not need to get a home inspection prior to ordering your service plan. Instead, focus on selecting the best plan and options for your home and your budget.

Choice Home Warranty has an easy sign-up process. Simply complete an easy-to-answer online form to get a quote. If you are in an area that Choice Home Warranty does not cover, they will try to refer you to an alternate trusted provider who can help you.

How Do I Use a Home Warranty?

After you purchase a home warranty, you’ll be given a phone number to call to open warranty claims, and if you go with a home warranty company like Choice Home Warranty you’ll also have to an online account center. Both options are available 24 hours a day, 7 days a week.

Once Choice Home Warranty receives your claim, they’ll dispatch a service technician and the repair or replacement of the covered home systems and appliances will begin. Choice Home Warranty works with local, licensed, insured technicians. And, unlike many warranty companies who simply put claims into a large customer service pool, your claim will be handled by a team of two or three representatives, who will be involved at every step of your repair and available to answer any questions.

If you still have questions about home warranties, we recommend going direct to a home warranty company for answers. Visit Choice Home Warranty to learn more about how they can offer peace of mind and protect the major systems and appliances in your home.

Our Conclusion

Your home insurance is mandated by your home mortgage company as a way for them to protect their interest in your property. Your home insurance will not cover normal repair work – something catastrophic must happen for them to get involved. That's why a home warranty is a good way to more fully protect your home. With Choice Home Warranty you protect the covered items in your home from breakdowns caused by normal wear and tear. Having both policies secures your investment and relieves any anxiety over possible future costs.

[Get a free home warranty quote now.](#)