

**Mold Checklist Developed for LEA Workshop #4
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Panelists:

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Technical Issues

1. What investigation standards apply?
 - a. New York Guidelines
 - b. Comparison to Outdoor Air
 - c. Visible Mold
 - d. Area of Visible Mold
2. What are likely causes of mold?
 - a. Water
 - b. Humidity
 - c. Condensation
 - d. Lack of Ventilation
3. What is nature of sources of moisture?
 - a. Water Intrusion
 - b. Sudden & Accidental
 - c. Chronic/Continuous
 - d. Multiple Sources
 - e. Assessment of Responsibility
4. Which sampling techniques are relevant?
 - a. Visible/Invisible Mold – Wall Cavities, Carpet Dust, etc.
 - b. Number of Samples

- c. Location of Samples
 - d. Air Samples
 - e. Swabs from Surfaces
 - f. Microscopic vs. Microbiological
 - g. Building Contents
 - h. Preliminary Analysis of Health Considerations
 - i. Merits of Field Analytical Work by Microbiologists
5. Which personnel employed for sampling/reporting?
- a. Certified Industrial Hygienists
 - b. Microbiologists
 - c. Engineers
 - d. Technicians
6. What medical effects do occupants claim?
- a. Allergic Effects
 - b. Toxicosis
 - c. Symptoms:

Headache	Flu-like
Nose Bleeds	Memory Loss
Immune Suppression	Vertigo
Burny Eyes	Lung Irritation
7. Which sample handling procedures to utilize?
- a. Storage and Transportation to Laboratory
 - b. Custody & Control
 - c. QA/QC, i.e. Trip Blanks
8. Which laboratory to employ?
- a. Capabilities
 - b. Certification
 - c. Reporting Results

- d. Analytical Techniques
 - e. Analysis Turnaround
9. Which molds are present in air and on surfaces?
- a. Non-harmful: *Cladosporium*
 - b. Irritating or Harmful:

<i>Stachybotrys</i>	<i>Fusarium</i>
<i>Aspergillus</i>	<i>Trichoderma</i>
<i>Penicillium</i>	<i>Chaetomium</i>
10. Which consulting activities are required?
- a. Interpretation/Critique of Laboratory Results
 - b. Vacate Premises Letter
 - c. Preparation of Report
11. Which Insurer decisions are triggered?
- a. Notify Insured to Vacate Premises?
 - b. Agreement of Additional Living Expenses (ALE)
 - c. Contents Relocation vs. Developed/Cleaning
 - d. Communication by Insurer
12. How is a remediation plan developed?
- a. Initial Plan by Consultant
 - b. Interaction with Remediation Contractors
 - c. Remediation Bids or Choice of Pre-qualified Vendor
 - d. Final Remediation Plan Development
 - e. Cost Estimate
13. What are the additional important facets of the remediation program?
- a. Agreement on Plan
 - b. Timing
 - c. Cost
 - d. Expedite Completion
14. Why is clearance sampling by the consultant so significant?

- a. Clearance Criteria
- b. Numbered Location of Samples
- c. Clearance Achieved?
- d. Or Further Remediation?
- e. Who caused the Clearance Failure?
- f. More Clearance Sampling
- g. Completes the Process for Insured, Contractor and Insurer

15. What are the final actions by the Insurer?

- a. Communication with Insured
- b. Notification of Remediation Completion
- c. End of ALE on Specific Date

16. Do post-remediation problems occur?

- a. Lingering Health Effects
- b. Mold Phobia
- c. Homeowner Hires Another Consultant
- d. More Testing
- e. Mold Continues to Grow

Coverage Issues

1. Coverage Analysis

- a. Is the loss fortuitous?
- b. Is it a covered cause of loss?

2. Policy Exclusions

- a. Are there limitations in:
 - (1) Lead-in language
 - “caused by or resulting from”
 - “does not insure the following”
 - (2) Tail language
 - ensuing loss

- b. What specific exclusions may be applicable?
 - (1) Fungus, mold, dry rot, deterioration
 - (2) Faulty workmanship, material, construction, design
 - (3) Dampness or dryness of atmosphere; changes in temperature or humidity
 - (4) Rain, sleet, snow, ice without preceding damage to building
 - (5) Inherent or latent defect
 - (6) Other
- 3. What obligation does the insured have to protect the property from further damage and mitigate the loss?
- 4. Do sue and labor/protection of property coverages have any applicability?
- 5. Is there coverage for expediting expenses?
 - a. Temporary repair
 - b. Expediting
- 6. What is the applicability of any debris removal provision?
- 7. What are the time element loss considerations?
 - a. Period of indemnity
 - b. Business income
 - c. Extra expense

Claims Handling/Investigation

- 1. Determine cause and origin
 - a. How do you determine each water source?
 - b. How do you determine each item of mold damage and how it is related to water?
 - c. Have you thoroughly documented the cause and origin?
 - d. Have you segregated covered versus non-covered sources, if possible?

- (1) Have you documented the basis for segregation?
 - (2) Has notice been given to prior insurers if warranted?
2. Have you sent the appropriate claim acknowledgment letters?
3. Have you sent a Reservation of Rights letter or obtained a Non-Waiver Agreement if appropriate?
 - a. Have you communicated with the policyholder right away?
 - b. Have you cited facts that necessitate further investigation?
 - c. Have you identified potentially applicable provisions and exclusions?
4. Can you agree on a joint scope of damage with policyholder?
5. Do you have a heightened sensitivity for high risk occupancies or persons?
6. Do you have a communication plan?
 - a. Have you explained what, why, when, who to the insured?
 - b. Are you communicating often?
 - c. Are you documenting any oral communications?
7. Are you complying with all Fair Claims Handling requirements of the appropriate jurisdiction?
8. Denial letters.
 - a. Do you have a thorough, complete and documented investigation?
 - b. Have you summarized the key facts from investigation that form the basis for your coverage determination?
 - c. Have you identified (quoted) the policy provisions that apply?
 - d. Have you reserved all rights and defenses?
 - e. Do you have a clearing process for all denial letters prior to issuance?

- f. Have you included a description of the covered portions of the loss, if any?
 - (1) Have you extended any and all benefits available under the policy?
 - (2) Have you explained why certain portions of the loss are covered and certain portions are not covered?
- 9. Have you provided policyholders with names and contact information of qualified remediation specialists?
 - a. Have you proactively assisted the policyholder with remediation?
 - b. Have you still preserved your ability to deny non-covered damage?
- 10. Can you make advance payments or partial adjustments to reduce loss?
- 11. Subrogation
 - a. Have you investigated subrogation potential?
 - b. Have you maintained appropriate evidence or otherwise dealt with possible spoliation issues?
- 12. Have you been consistent in your approach?