

FREQUENTLY ASKED QUESTIONS

MOLD AND FUNGUS CLAIMS¹

What is Mold?

Mold is a microscopic organism that is neither plant nor animal. It is a type of fungus, much like a mushroom or baker's yeast, comprised of enzymes and spores. The function of mold is to digest organic material as part of the necessary decomposition of matter on earth. Mold thrives on moisture and is a natural part of the world around us. The best way to control indoor mold growth is to control moisture.²

What is "Black Mold"?

"Black mold," or *Stachybotrys*, is found in multiple strains of fungus. It produces a substance that may be toxic to humans. While spores die quickly after release, even dead spores may be potentially allergenic or toxigenic to certain individuals. "Black mold" is slow growing and is often found on building materials with a high cellulose/low nitrogen content and relative humidities above 55%.³ Not all mold exposure involves "black mold."

What are "Biological Contaminants" and where are they found?

Bacteria, molds, fungi, pollen, biotoxins, dust mites, allergens, and viruses are all types of biological contaminants (also known as "biological pollutants"). These contaminants may breed in stagnant water that has accumulated in air ducts, humidifiers and drain pans, or where water has collected such as on ceiling tiles, carpeting, or insulation. Many office buildings have significant indoor air pollution sources, including furnishings, occupant activities, housekeeping practices, pesticide applications, and microbial contamination. Biological contaminants are often found where poor design, maintenance, and/or operation of a ventilation system and high relative humidity are present. This may occur in a home, office, school, apartment complex, government building, or other structure.⁴

Who is at risk for health hazards following exposure to mold and fungus?

Despite recent media coverage of cases involving "black mold" (*Stachybotrys*), not everyone is at risk for serious health hazards as a result of mold and fungus exposure.⁵ Infants, the elderly, individuals with compromised immune systems, and those with respiratory illnesses (allergies to asthma) are often sensitive to the potential health hazards associated with mold and fungus exposure. A wide variety of symptoms, mild to severe, have been connected with exposure to different molds. Molds or their toxins have not been scientifically linked to brain damage, cancer, or a generalized set of symptoms referred to as "fungal syndrome."⁶

How is mold and fungus detected?

Site inspections and investigations reveal the presence or absence of mold and fungus. Visual observation may indicate mold growth, however, sometimes mold and fungus is concealed from the eye. Plumbing

¹ This fact sheet only provides general information based on currently available data and does not, nor does it intend to provide, legal advice. Persons with legal issues should consult an attorney for specific advice regarding their individual situation.

² See www.epa.gov/iaq/pubs/moldresources.html

³ University of Minnesota, Environmental Health & Safety fungal glossary.

⁴ See www.epa.gov/iedweb00/pubs/sbs.html

⁵ See Guidelines on Assessment and Remediation of Fungi in Indoor Environments, New York City Dept. of Health, Bureau of Environmental & Occupational Disease Epidemiology.

⁶ See Gots, Ronald E., M.D., Ph.D., *Mold and Mold Toxins: The Newest Toxic Tort*, Journal of Controversial Medical Claims, vol. 8, no. 1 (February 2001).

testing (to identify a potential water source), and specialized environmental and air testing must be undertaken by experts to confirm the location, scope, and type of mold and fungus growing within a structure.

What type of experts should be consulted or retained following a mold and fungus claim?

There is no rule regarding which experts should be contacted following a mold and fungus claim. Each claim is different and may necessitate investigation by different professionals. Some of the experts that might be contacted include: plumbers, industrial hygienists, engineers, HVAC/air quality personnel, general contractors, roofers, toxicologists, mycologists, microbiologists, environmental/occupational medical professionals, laboratory personnel, neuropsychologists, architects, real estate professionals, and qualified remediators.

Does insurance cover damage claims from mold and fungus?

Various forms of insurance potentially cover claims of damage from mold and fungus. However, not all insurance policies automatically cover this type of loss. Loss or damage caused by mold or fungus may be specifically excluded from coverage, however, an exception may exist if mold and fungus damage results from the accidental discharge of water, seepage, or plumbing leaks, ***if provided for by the terms of an applicable insurance policy.*** Some comprehensive liability policies and other commercial coverage packages may apply to water damage and mold claims. In some policies, a "pollution exclusion" might affect coverage for these claims. Coverage may exist under the terms of certain homeowner policies under certain scenarios. Insurance coverage questions must be analyzed on a case-by-case basis, since no two mold claims are alike. At this point in time the law is not clearly defined and may differ from state to state.

What do I need to know about remediation procedures?

Mold and fungi growth may begin within 24 - 48 hours of exposure to favorable conditions such as the presence of water from a plumbing leak or seepage. ***The source of moisture must be addressed on an immediate basis.*** If mold or other contaminants are found, immediate steps should be taken to rid the home or building of the contaminants. The use of an environmental consultant may be required - it is imperative to check out the consultant's credentials and contact references. We recommend retention of a consultant who does not perform the remediation work or have an interest in a company that does.⁷ At present, the remediation industry is not regulated, threshold exposure levels have not been defined, and very few guidelines are in place. Any potentially responsible party, including building owners, managers, and insurers, confronted with health complaints must exert great caution in selecting a consultant or environmental group to assess the problem.⁸

⁷See Olson, Robin, *Indoor Air Quality: No Easy Answers*, IRMI Insights, International Risk Management Institute, Inc. (May 2001).

⁸See Gots, Ronald E., M.D., Ph.D., *Indoor Air and Health, Emphasize Health and Minimize Engineering*, Multifamily Executive (January 2001).

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