

# Asbestos: What You Should Know

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ASBESTOS IS A GROUP OF NATURALLY OCCURRING MINERALS. Mined since the 1800's, asbestos was long prized for its fire resistance, durability and ability to insulate. Unfortunately, it is also a powerful carcinogen, linked to mesothelioma and other lung cancers. Asbestos-related lawsuits have bankrupted hundreds of companies. Helping your clients understand the risks of asbestos, and ways they can mitigate their exposure, is another value-added service of the professional insurance agent.

Asbestos was used extensively in a wide range of residential and industrial applications due to its properties of durability, fire resistance and nonconductivity. The use of asbestos was significantly restricted in the United States in the 1970's, in large part due to the Environmental Protection Agency's (EPA) Clean Air Act which strictly reduced the use of asbestos and other harmful airborne contaminants ([www.asbestos.com/companies](http://www.asbestos.com/companies)). However, unlike more than 50 countries, including The United Kingdom Australia and all of the European Union countries, the United States has not banned the use of asbestos, and it can still be found in hundreds of consumer products ([www.asbestos.com/legislation/ban](http://www.asbestos.com/legislation/ban)).

The World Health Organization (WHO) estimates that over 150 million workers are exposed to asbestos worldwide. The most hazardous industries are mining, construction and shipbuilding. Many veterans were exposed to asbestos, especially those involved in shipbuilding. Lawsuit payouts have been in the hundreds of millions of dollars. Asbestos litigation has gone on for over 40 years.

Many different entities are potentially liable for asbestos-related injuries, from the mining companies, to the manufacturers, to the contractors who installed it, to the building owners.

There is evidence to suggest that some companies, including Johns-Manville, a leading manufacturer of asbestos products, knew of the dangers posed as early as 1934, but chose to hide the information, and failed to warn employees to take preventive action when working with asbestos ([www.asbestos.com/companies](http://www.asbestos.com/companies)).

Another problem with asbestos is the lengthy time lag between exposure to the mineral and diagnosis of disease. For example, many cases of mesothelioma are diagnosed 30 years after the exposure. The statute of limitations for making a claim starts at the time of diagnosis, and not the exposure. Although asbestos has been excluded from most standard property and casualty policies since the 1980's, property and casualty carriers are not off the hook. The aforementioned protracted latency period between exposure and diagnosis means there are still potential claims that occurred before insurance policies included the asbestos exclusion.

A recent A.M. Best report finds that payouts for asbestos losses in the United States grew to \$3.2 billion in 2016. Asbestos payouts have exceeded \$2 billion every year since 2002. The company estimates that the net property/casualty asbestos losses in the United States will reach \$100 billion, while the net environmental losses are an estimated \$42 billion ([www.businesswire.com/news/home](http://www.businesswire.com/news/home)).

Not all asbestos-related disease is cancer. Asbestosis is a chronic respiratory disease that is caused by prolonged exposure to asbestos, resulting in many symptoms similar to mesothelioma. Smokers with asbestos exposure have a much higher risk of developing asbestos-related illness or cancer.

For individuals, exposure can be reduced by having homes and workplaces checked for the presence of asbestos.



Fortunately, undisturbed asbestos poses a very low risk. However, renovation and construction work on older buildings should not be started without first determining whether or not asbestos is present. If so, reputable abatement contractors must be used.

Asbestos was used in the beginning stages of construction of the World Trade Center. Use of asbestos was discontinued during the construction, due to the expected ban on use of asbestos. When the towers were destroyed on 9/11, an estimated 2,000 tons of asbestos were released into the air, exposing over 410,000 people, including first responders, cleanup workers and all those who lived or worked in the area to potentially lethal health problems ([www.asbestos.com/wp-content/uploads/9-11-effectsinfographic.jpg](http://www.asbestos.com/wp-content/uploads/9-11-effectsinfographic.jpg)). It is reported that nearly 70% of 9/11 first responders have developed lung problems, and over 50 have died from lung or related cancers, including mesothelioma ([www.asbestos.com/world-trade-center](http://www.asbestos.com/world-trade-center)).

Standard insurance policies do not offer coverage for asbestos-related injury or liability. However, the exposure remains, and its impact can be devastating to any business. Providing guidance on avoiding potential exposure to asbestos and its related health issues, and reducing the hazards when it is present is another sign of the true insurance professional.

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