

Healthcare: Pollution Exposures, Coverage Solutions & Available Services

CHUBB®



Healthcare organizations can be at a high risk for a number of pollution exposures. Chubb Environmental offers tailored coverage options to help serve the industry's unique needs.

Pollution Exposures

Fungi can grow from building envelope issues resulting in indoor air quality issues, remediation and restoration costs as well as business interruption losses. Legal defense expense and indemnity payments may be incurred if patients with weakened immune systems are exposed to Fungi.

- Incident: roof leak results in fungi necessitating patient relocation
- Exposure: sums incurred for remediation, restoration and business interruption losses

Facility-Borne Bacteria & Viruses such as *legionella pneumophila* bacterium can grow in water systems such as fountains, plumbing, HVAC and cooling towers, often going unnoticed until bodily injury claims related to legionnaires disease or fatalities occur.

- Incident: legionella forms within HVAC system resulting in two fatalities and several injuries

- Exposure: sums incurred for catastrophe management, business interruption, remediation, legal defense and indemnity payments

Storage Tanks to fuel generators or ambulatory fleets can corrode and leak over time. Spills can occur due to tank malfunctions or during the loading or unloading of the tank contents. Remediation can become quite costly, especially if groundwater is impacted.

- Incident: soil contamination from storage tank discovered during hospital expansion
- Exposure: sums incurred for delay expense and remediation

Hazardous Substances such as imaging equipment and photographic chemicals, lab chemicals, laundering chemicals, pharmaceuticals, disinfectants, formaldehyde, mercury containing tools and equipment can lead to various environmental liabilities if not properly stored, handled and disposed of.

- Incident: hospital laundry facility impacts groundwater with chlorinated solvents
- Exposure: sums incurred for investigation, remediation and long term groundwater monitoring

Hazardous Wastes such as low-level radioactive waste, mixed waste or other standard corrosive, ignitable or toxic operational waste materials can lead to CERCLA liability, which holds the waste generator liable regardless of whether transportation disposal is conducted by third-parties. Even after proper disposal, waste generators may be liable to contribute towards claims against disposal sites on the National Priorities List (NPL).

- Incident: contracted waste disposer illicitly abandons hazardous operational waste in a wooded area
- Exposure: healthcare facility incurs sums for remediation and proper waste disposal

Air Emissions from medical waste incinerators, sterilization units, emergency generators, lab chemicals, boilers and furnaces can lead to various environmental liabilities including fines and penalties for Clean Air Act violations where acceptable emission standards are exceeded.

- Incident: medical waste incinerator's pollution control equipment malfunctions causing acidic air emissions which deposits onto automobiles owned by third-parties
- Exposure: sums incurred for damage to automobiles and civil fines and penalties imposed for the pollution release

Asbestos and Lead-Based Paint is of particular concern during renovation and expansion projects because most healthcare facilities remain partially occupied during construction activities. These activities can disperse contaminants throughout the facility leading to bodily injury claims for lead or asbestos exposure.

- Incident: during renovation, asbestos containing materials are inadvertently disturbed causing asbestos fibers to disperse throughout facility

- Exposure: sums incurred for remediation, business interruption and third-party claims

Coverage Options

Premises Pollution Liability Portfolio (PPL Port) with Healthcare Amendatory Endorsement

Offers pollution coverage for owners, operators, managers and lessees of healthcare facilities. Coverage can often be structured to provide first and/or third-party triggers for new and pre-existing pollution exposures, fungi, legionella, bacteria & virus, emergency response, catastrophe management, business interruption, non-owned disposal sites, transportation, illicit abandonment and off-site operational pollution liability. Definition of pollution condition includes circumstances involving medical, red bag, infectious or pathological wastes.

- Limits up to \$25m
- Term up to 5 years
- Minimum Premium: \$5,000

Contractors Pollution Liability with Healthcare OCIP Endorsement

Offers pollution coverage for owners of healthcare facilities undergoing renovation, expansion or ground up construction projects. Coverage can often be structured to provide built-in emergency response coverage, including circumstances involving facility-borne bacteria and virus events, along with coverage for transportation, non-owned disposal sites, illicit abandonment, catastrophe management and completed operations.

- Limits up to \$25m
- Term: up to 17 years total (policy period and completed operations)
- Minimum Premium: \$25,000

TankSafe®

Chubb's fully automated internet-based system for commercial underground and

aboveground storage tank insurance with the ability to issue insurance certificates for regulatory purposes.

- Limits: from \$500,000 per / \$1m agg to \$5m per / \$5m agg
- Term: 1 year
- Minimum Premium: \$350

Additional Services Available

Environmental Incident AlertSM

Complimentary technology program developed to assist clients find and dispatch qualified incident response contractors, monitor cleanup costs and mitigate potential liability associated with environmental releases. This platform helps achieve business continuity by minimizing disruption so clients can focus on returning to normal operations. Accessible 24/7 via phone, web or mobile device. For more information visit www.chubbeia.net

Risk Engineering For Chubb's environmental insurance clients, our ESIS Health, Safety and Environmental unit offers a variety of services to assist the Insured in proactively managing their risk associated with environmental liabilities. Common offerings include: legionella awareness training, mold management plan development, asbestos and lead-based paint operations & maintenance plan development and Spill, Prevention, Control and Countermeasure (SPCC) plan development.

Contact Us

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