

Construction Law

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The Changing Insurance Market For The Construction Industry

By Scott R. Brown

The insurance market for construction companies is currently undergoing significant change. One signpost of this change is carriers actively looking to reduce certain coverages related to the construction industry. In particular, carriers are amending their policies to eliminate or lessen risks involved with residential construction (including condominiums and apartments), changing their additional insured endorsements and products-completed operations coverage, as well as adding new mold, silica and asbestos exclusions. At the same time, however, some carriers are aggressively reducing their premiums and seeking new business.

Frost Brown Todd has experience in insurance matters relating to construction, from policy analysis and program recommendations to carrier selection, price negotiation and risk management. In addition, our strong relationships with numerous insurance carriers and brokers can benefit our clients.

An example of our work in this important area is a recent project we completed for a local contractor. Our client asked Frost Brown Todd to evaluate its coverage under its commercial insurance program. We were able to locate numerous coverage gaps and suggested several areas to improve the company's current insurance program. We also assisted the contractor in evaluating quotes obtained from its current insurer and broker, as well as quotes from several other carriers and brokers. With our Firm's assistance, our client was able to save tens of thousands of dollars in lower premiums. At the same time, we helped our client improve its coverage and eliminate many serious gaps in its current program, which exposed the company to substantial uninsured loss.

As your company looks toward the new year, keep in mind that the insurance market for construction companies is changing. If you have any questions or concerns about your company's insurance coverage, we offer our construction clients a comprehensive review of their current insurance programs, including helping them obtain the best possible coverage at the lowest price. Please contact Scott Brown or another member of the [Construction Law Group](#) for further details.

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