

# Employment Practices Liability Insurance

Qualifying WCF policyholders now have the opportunity to purchase employment practices liability insurance (EPLI) as an additional coverage and benefit of being insured with WCF. The EPLI coverage is being made available to WCF customers through a partnership with Univantage Insurance Solutions and a leading insurance provider, Beazley Insurance Company, Inc. (rated A by A.M. Best).

## What Is EPLI?

Employment practices liability insurance protects employers against work-related civil lawsuits. It includes protection for claims of wrongful termination, harassment, discrimination, defamation and other wrongful employment-related suits.

## Why EPLI Insurance?

- Six out of ten employers in the U.S. have faced an employment related lawsuit in the last five years.
- Legal defense costs can reach tens of thousands of dollars per employment case. The average legal bill for defending a groundless employment case is estimated to be \$20,000.
- Nationwide, more than 40 percent of employment related lawsuits are brought against employers with fewer than 100 employees.

## What Does an EPLI Policy Include?

Regardless of the size of your company, employment lawsuits put your organization at risk. For a few dollars a month, you can protect your organization against employment related lawsuits. The standard coverage provides legal defense and losses up to \$100,000 for employment suits and claims.

In addition, the EPLI coverage includes unique access to legal experts through *The Best Practices Helpline* and topical EPLI information from our electronic newsletter, *Univantage Helpforce*. These powerful resources provide employers with up-to-date information on industry-best practices, along with specific one-on-one legal assistance for employment practices related matters. Both these resources are provided to reduce employer's risk and exposure to employment-related suits.  
[See below.]

## Included Resources to Help Prevent EPLI Claims



### The Best Practices Helpline—Attorneys at Your Call

Access attorneys that specialize in defending management against harassment, discrimination, wrongful termination and other work-related claims. Use the helpline to find answers about:

- Appropriate steps to take when investigating and managing reports of harassment and other forms of workplace wrongdoing.
- The best means for lowering risk associated with leave and return to work issues.
- How federal and state employment laws apply to hiring, termination, reductions-in-force, discipline and other workplace risks.
- Your company's rights when managing workplace wrongdoing and problem employees.



### Univantage Helpforce Online Education and Training

A web-based platform provides up-to-date information, education and training on preventing workplace loss, minimizing employment practices risk and improving your workplace. The platform provides:

- Tracked, web-based training for managers and supervisors on preventing sexual harassment, discrimination and wrongful termination and promoting ethical behavior with email alerts when training is due or past due.
- New information 4-5 days a week on workplace issues, laws and risk. Each article provides risk management commentary or resources and is stored in a searchable library for future use.
- Links to important federal and state government web sites.
- Model policies in English and Spanish.
- A customizable model handbook with detailed explanation for implementing each policy.
- Weekly email alerts.

## What Does EPLI Cover?

The EPLI policy provides coverage for employment practices, including lawsuits arising from:

- Discrimination
- Sexual harassment
- Wrongful discipline
- Negligent evaluation
- Wrongful termination
- Failure to employ or promote
- Breach of employment contract
- Deprivation of career opportunities
- Infliction of emotional distress

## How Much Does An EPLI Policy Cost?

With WCF's ability to offer EPLI with workers compensation coverage, even the smallest employers will be able to afford coverage. WCF policyholders can obtain an EPLI policy for as little as \$40 per employee. The basic product offering is \$100,000 coverage. Options for other limits are available. There is no minimum policy premium.

## How Do I Obtain An EPLI Policy?

If you have less than 50 employees, EPLI coverage can be provided automatically without an application. The pricing for this coverage will be included with your workers compensation policy renewal. If you would like coverage before your WCF policy renews we are happy to discuss that option with you. If you have more than 50 employees or would like higher limits of liability or retentions we will require a short application.

For more information call Univantage at 888.864.8268. Our Univantage agent will be happy to discuss standard coverage pricing along with alternatives for employers seeking coverage for higher limits, deductibles, more than 50 employees, etc.

## What makes this product different from other EPLI available in the marketplace?

This product is designed specifically for the smaller employer. It is affordable and provides higher limits than many other products sold in this market. There is no minimum premium. The unique helpline and newsletter that automatically accompany the policy were developed to provide education to employers to help them understand and reduce significant risks and exposure to employment practices liability.

Because the EPLI coverage is sold in combination with your WCF workers compensation insurance policy, complementary advantages are provided to the employer — ultimately providing the potential to reduce risks in both the workers compensation and employment practices areas.

## Utah Employment Liability Claims

### Age Discrimination—\$135,000

A federal judge ordered a local school district to pay \$135,000 to two former teachers who claimed that they were passed over for jobs in favor of younger candidates.

### Wrongful Termination—\$77,000

A jury awarded an employee \$77,000 in a malicious prosecution and wrongful termination action because the jury found that the employer wrongfully accused the employee of stealing money from the company.

### Racial Discrimination—\$18,000

A Salt Lake custom woodworking company paid \$18,000 to resolve a discrimination lawsuit filed by the U.S. Equal Employment Opportunity Commission. The EEOC charged that the company's supervisors and workers subjected an employee to a hostile work environment because of his Mexican nationality.

### Disability Discrimination—\$65,000

A Salt Lake City-based media company was ordered to pay \$65,000 for failing to provide reasonable accommodations to help a sales executive continue his sales career as his symptoms of Parkinson's disease worsened. The company's actions were in violation of the Americans with Disabilities Act of 1991.

### Pregnancy Discrimination—\$34,500

A private school in Salt Lake City agreed to pay \$34,500 to settle a pregnancy discrimination lawsuit involving a fired preschool teacher. The school fired the three-year employee after she became pregnant. The settlement also called for the school to provide training for employees regarding sex discrimination, pregnancy discrimination and workers' rights.

### Sexual Harassment—\$455,000

A car dealership in Sandy paid \$455,000 to settle a sexual-harassment lawsuit. The plaintiffs accused multiple salesmen and sales managers of subjecting five young female employees to repeated requests for sexual favors, sexually explicit language in the workplace and other unwelcome comments.