



EMPLOYMENT PRACTICES LIABILITY QUICK GUIDE

Why Buy Employment Practices Liability Insurance (EPLI)?

Adapting to evolving trends like remote work, pay equity, AI (Artificial Intelligence), workplace diversity, accessibility inclusion, and avoiding retaliation pose significant challenges for employers. Legal expenses can quickly accumulate, even for innocent organizations.

EPLI provides a crucial safeguard against employee lawsuits concerning discrimination, harassment, wrongful termination, and other work-related disputes. It helps protect your company's finances and reputation. In today's legal landscape, EPLI plays a vital role in risk management for businesses of various sizes and industry.

Did You Know?

- 67% of employment cases result in a win for the employee
- 40% of EPLI claims are brought against businesses with less than 100 employees
- The EEOC reported a 50% increase in filings year over year
- 80% of companies are engaging in Diversity, Equity, and Inclusion (DEI) efforts

How Can You Prevent EPLI Incidents?



Establish clear internal policies that guide employees and management



Proactively train all employees



Address complaints promptly and seriously



Properly document employee interactions



Partner with Sentinel to ensure comprehensive EPLI coverage

How Is Sentinel Dedicated to Safeguarding Your Success?

Sentinel provides resources and support to aid your organization in complying with employment laws and regulations. Our proactive approach aims to minimize the risk of legal issues and provides supportive consultations to promote a culture of compliance and ethical business conduct.



EPLI Claims Scenarios:

Scenario 1 – Discrimination

A sales associate alleged that his manager made offensive, stereotypical remarks. Despite the company terminating the manager, the associate began making trivial complaints about his manager resulting in a disruptive workplace and was ultimately fired. Settlement and defense costs exceeded \$750,000.

Scenario 2 – Sexual Harassment

An administrative assistant alleged sexual misconduct against the Vice President of the company. She complained to the company's Human Resources department, who in turn asked the Vice President for his resignation. Defense and settlement costs exceeded \$1,500,000.

Scenario 3 – Wrongful Termination/Retaliation

A Vice President terminated an employee while she was pregnant. The employee alleged that her manager asked her to consider if the position was the right fit for her, citing the stress of working and having children and then a week later terminated the employee for “not being a good fit.” A suit was filed, and a motion to dismiss was granted for retaliation charges. The remaining action was not dismissed. The case settled after 2 and a half years for \$73,000 plus defense costs.

Sentinel's EPLI Resource:



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With over 20 years of industry experience, Cass leverages her extensive knowledge providing technical support to our clients in addition to program design and implementation of new coverages. She is driven in developing complex risk solutions for a vast variety of risk exposures while demonstrating a “client-first” approach.

CONTACT US TO LEARN MORE

Questions on your EPLI coverage, rates, claims, or more? Call or email our team today!