

**EMPLOYMENT PRACTICES LIABILITY INSURANCE –
WHAT IT IS AND WHY YOU NEED IT**

By: Kathleen H. Klaus

I. WHAT IS EMPLOYMENT PRACTICES LIABILITY (“EPL”) INSURANCE?

- A. Provides insurance against lawsuits and other claims based on your employment practices.”
- B. Wide variety of insurance products available.
 - 1. No deductible.
 - 2. Indemnity only.
- C. Small business policies - \$5000/\$100,000.
- D. Find policy that fits employee profile.

II. WHAT ARE “EMPLOYMENT PRACTICES”?

- A. Discrimination.
- B. Whistleblower.
- C. FMLA.
- D. Negligent hiring/retention.
- E. Typically does not include workers compensation (except retaliation); general liability; embezzlement.

III. RISK MANAGEMENT

- A. Exposure can be significant.
- B. GP may not be but be experienced in EPL defense.