

# Five Important Reasons for Employment Practices Liability Coverage



We can show you more.®

MANAGEMENT LIABILITY



Competition is challenging and both private and not-for-profit companies must examine expenses on a routine basis, including the cost associated with business insurance. Some organizations may even consider forgoing the purchase of Employee Practices Liability (EPL) insurance coverage to save money. However, failing to purchase this important insurance could potentially cost you more than you think. Here's why:

- 1. Employment Practices Liability claims are prevalent.** In 2015 alone, the Equal Employment Opportunity Commission (EEOC) received more than 89,000 charges of discrimination, harassment and retaliation<sup>1</sup>. Our EPL policy provides broad coverage which can be tailored to your company. THE CNA insurance product offerings also include the ability to access risk control services to help avoid claims.
- 2. Your current business liability insurance may not cover employment liability claims.** Business liability policies generally have a standard exclusion for employment practices liability exposures. Some business package policies offer limited coverage and reduced limits which may be inadequate to meet the needs of your organization.
- 3. Insurance can help cover your assets.** The median payout for an employment practices liability claim that goes to trial is \$600,985<sup>2</sup>, in addition to the applicable defense costs. Even frivolous claims involve time and money to defend. EPL insurance covers organizations and individuals for loss (damages and defense costs) arising out of employment practice disputes. Common allegations in employment practices claims include discrimination, sexual harassment, wrongful termination, and retaliation.
- 4. Risk management training and human resources consulting advice provided at no additional charge.** CNA policyholders that purchase EPL coverage are provided complimentary access to Beyond HR<sup>SM</sup>, the CNA management liability risk control platform. Beyond HR<sup>SM</sup> includes an online learning management system with trackable training modules on important workplace topics such as the prevention of harassment, discrimination, and wrongful termination. Beyond HR<sup>SM</sup> also contains a model handbook and model policies, as well as articles, checklists and podcasts to assist an organization in managing workplace risk. In addition, CNA policyholders who purchase EPL insurance may access the toll-free H.R. Help Line (888-CNA-EPL1 or 888-262-3751). The HR Help Line offers human resources consulting advice regarding employment laws and risk control strategies, provided by a national employment law firm, at no additional charge.
- 5. Who will be with you when a claim is brought against your company?** When a claim is brought against you, CNA will appoint a dedicated claim professional who will work with your organization to manage each loss and provide quality claim services. The defense of a suit can be expensive in time, money and resources. When suit is filed, CNA will appoint a defense attorney experienced in handling employment practice liability claims. By obtaining EPL coverage through CNA, you can better insure your organization in the event of a lawsuit.

**Contact your insurance representative to learn more about the CNA employment practices liability insurance and suite of management liability coverages.**

**For more information on EPL coverage or discover the broad range of products and services from CNA, visit [www.cna.com/managementliability](http://www.cna.com/managementliability).**

1. "Charge Statistics FY 1997 Through FY 2015," U.S. Equal Employment Opportunity Commission; <http://www.eeoc.gov/eeoc/statistics/enforcement/charges.cfm>

2. Thompson Reuters Jury Awards and Statistics, 2013 ed.