👥 Employment Practices Liability (EPL) 101: Protecting Your People Decisions

The gist: If an employee, former employee, or even a job applicant claims they were treated unfairly, EPL insurance helps cover the defense and potential settlement.

🔍 What It Is

EPL covers employment-related claims such as discrimination, harassment, wrongful termination, and retaliation. No matter the HR practices or culture of the company, lawsuits can happen—and they are often costly.

🧾 What It Covers

Coverage Type	What It Protects
Wrongful Termination	Firing or layoffs claimed to be unlawful
Discrimination	Based on age, gender, race, disability, etc.
Harassment	Sexual or workplace harassment claims
Retaliation	Claims after whistleblowing or complaint filing
Defense Costs	Legal fees, settlements, and judgments

💡 **Pro tip: Coverage can extend to third-party claims—like a customer alleging harassment by your employee.**

🆕 What's Changing

- **Social movement impact –** Increased awareness and reporting of workplace misconduct.
- **Wage-and-hour suits –** Extensive in certain states, though often excluded or limited, depending on policy exclusions and if covered, may increase premium substantially.
- **Privacy claims –** Biometric and monitoring practices prompting lawsuits.

🛒 Buying Tips

1. **Ask about third-party coverage –** It’s an easy gap to miss.
2. **Review consent-to-settle clauses –** You want flexibility in resolution as the employer or company.
3. **Train, reinforce, and document –** Prevention reduces claims and can lower premiums.

📌 Bottom Line

EPL helps you navigate the legal and financial fallout of workplace disputes—without sinking your budget.