



Coaction Specialty® Employment Practices Liability Claims

*Bracing for Impact: Managing Employment
Practices Claims*

Today's evolving workplace dynamics have significantly increased employment practices liability (EPL) claims. Organizations across all sizes and industries face greater exposure to discrimination, harassment, wrongful termination, and retaliation allegations. Even when companies are ultimately cleared, defending such claims proves financially burdensome and emotionally taxing for leadership and staff.

At Coaction, we bring deep expertise to managing all Employment Practices Liability (EPL) claims—expertise that translates into cost savings for clients. As coverage specialists, we often handle matters internally without outside counsel. When external counsel is necessary, our litigation experience enables efficient process management and contained legal expenses.

EPLI policies fall into two categories: "duty to defend" policies where insurers select defense counsel, and "non-duty to defend" policies where insureds select counsel with insurer consent. Some policies require panel counsel selection from approved lists. Regardless of structure, nearly all EPLI policies require insurer consent before settlement.

- *Expert in-house claims team known for quality, commitment, and integrity*
- *Broad technical expertise across all professional line's products*
- *Majority of team members hold advanced degrees including JDs and MBAs*
- *Collaborative culture with internal and external partners for optimal outcomes*
- *Open communication and transparency in claims processes and coverage evaluations*
- *Streamlined organizational structure for maximum efficiency*

***When you partner with
Coaction® we take control of
your EPL claims — proactively,
strategically, and confidently.***

While harassment takes many forms, sexual harassment is most prevalent, with claims involving unwanted sexual advances, verbal or physical conduct of a sexual nature, and requests for sexual favors steadily rising.

We handle a wide range of Employment Practices Liability (EPL) claims across various industries and claim types, including:

Harassment

Workplace harassment claims have risen sharply in recent years. While harassment takes many forms, sexual harassment remains most prevalent, involving unwelcome sexual advances, verbal or physical conduct of a sexual nature, or requests for sexual favors.

Whistleblower and Retaliation

These claims involve employees who report misconduct - such as harassment or discrimination - and subsequently claim retaliation for speaking out. Retaliation includes demotion, pay reduction, or adverse job actions that employees believe were motivated by their reporting rather than performance issues.

Failure to Hire or Promote

These claims involve discrimination allegations against individuals in protected classes under laws such as the Americans with Disabilities Act (ADA). Candidates or employees assert they were denied employment or advancement due to conditions like diabetes, epilepsy, deafness, or blindness.

Discrimination

These claims arise when employees believe they were treated unfairly based on protected characteristics such as age, race, gender, or ethnicity. With workforce aging, age-related discrimination claims are rising—a trend we've seen grow steadily over the past two years.

Wrongful Termination

These claims involve alleged unlawful breach of employment contracts or violation of statutory rights. Employees claim they were terminated for reasons that are illegal under federal or state law.

Invasion of Employee Privacy

These increasingly frequent claims involve employee concerns over monitoring practices, including security cameras, email monitoring, or computer usage tracking. Employees argue such practices violate their reasonable workplace privacy expectations.

Illegal Background Checks

Under the Fair Credit Reporting Act (FCRA), employers must follow strict guidelines when conducting background checks, including obtaining written consent. Claims often allege failure to comply with notification and consent requirements or improper use of background information.

Pregnancy and Lactation Accommodation

The Pregnancy Discrimination Act requires employers to treat pregnant employees fairly and allow capable employees to continue working. The Fair Labor Standards Act requires covered employers to provide private, non-bathroom spaces and reasonable break time for breastfeeding mothers to express milk. Non-compliance may result in claims.

Employment Practices Liability (EPL) claims require aggressive handling and proactive oversight to control costs and reduce exposure. Our approach emphasizes early action through prompt contact, active case management, and thorough investigations.

This disciplined strategy contains expenses, minimizes payouts, and facilitates faster resolutions. Our seasoned professionals pursue early settlements when liability appears adverse and resolve excess-layer claims within primary coverage when possible. Each professional maintains low caseloads, enabling strong client relationships, timely investigations, and efficient, fair claim resolution.

Policies are underwritten by the insurers of Coaction Specialty Insurance Group, Inc. (Coaction[®]), which includes New York Marine and General Insurance Company, Gotham Insurance Company, and Southwest Marine and General Insurance Company. Policies may not be available in all jurisdictions. Actual coverage is specified in the policy issued.

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