

# WHY YOU NEED EMPLOYMENT PRACTICES LIABILITY



## Nursing Homes, Assisted Living, Skilled Nursing

### *Services provided: Medical care and support*

Due to the nature of the care they provide, nursing homes, skilled nursing services and assisted living centers require Employment Practices Liability Insurance (EPLI) to protect themselves from potential financial losses and reputational damage. These businesses provide various types of services, such as 24-hour medical care, medication administration, physical therapy, vital sign monitoring, bathing and meal preparation, transportation assistance and more.

## KEY EXPOSURES AND INSURANCE SOLUTIONS



**Discrimination Claims:** Nursing homes and assisted living facilities must ensure equal treatment for employees, regardless of protected characteristics. EPLI is crucial to protect against discrimination claims, which can result in costly legal fees and reputational damage.



**Harassment and Hostile Work Environment:** EPLI helps safeguard facilities against harassment claims, ensuring a respectful work environment. Implementing anti-harassment policies and addressing claims promptly minimizes legal action and financial penalties.



**Retaliation Claims:** EPLI coverage is essential to protect nursing homes and assisted living facilities from retaliation claims by employees engaged in protected activities. Proper handling of complaints and avoiding retaliatory actions reduces costly settlements and reputational harm.



**Wage and Hour Compliance:** EPLI can assist facilities in managing wage and hour claims, ensuring compliance with relevant laws. Adhering to wage, overtime, and break requirements minimizes employee disputes, financial penalties, and potential litigation.

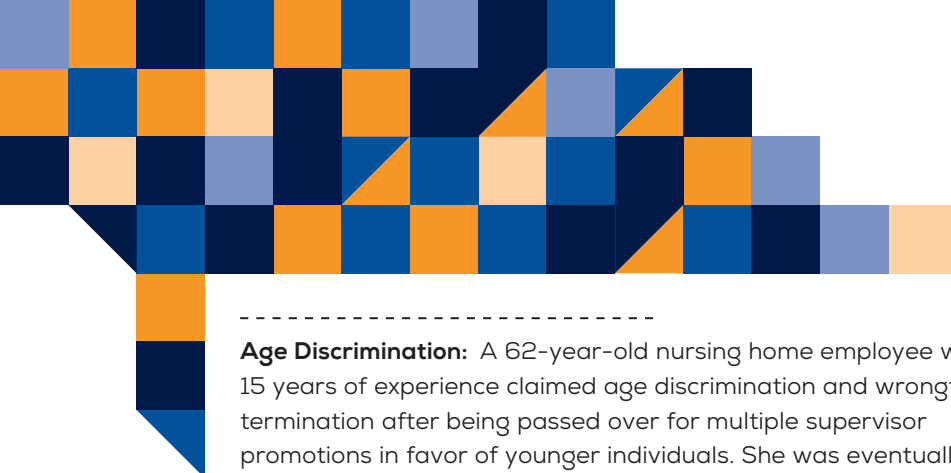


**Wrongful Termination:** EPLI coverage is crucial for nursing homes and assisted living facilities facing wrongful termination claims. Implementing proper termination procedures and basing decisions on legitimate, non-discriminatory reasons reduces the risk of costly settlements and reputational damage.

## CLAIM EXAMPLES

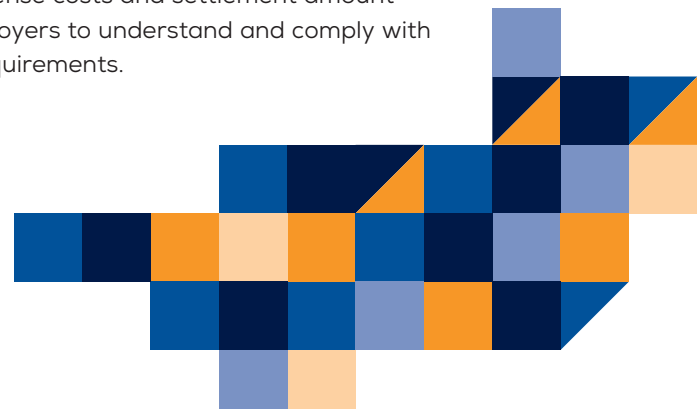
**Fair Labor Standards Act/Wage and Hour Violation:** An assisted living facility owner paid \$45,000 in unpaid overtime to a misclassified manager who was incorrectly deemed exempt. The plaintiff's attorney argued that the manager should receive overtime pay for weeks worked over 40 hours since their pay was docked for not working full weeks. The FLSA/wage and hour violation case at the assisted living facility, involving a misclassified manager, underscores the complexities of employee classification and the financial risks associated with improper wage practices. This highlights the importance of accurately classifying employees to comply with wage and hour laws.

**Retaliation:** A nurse at a nursing home alleged he was fired in retaliation for filing a workers' compensation claim and requesting short-term disability after sustaining a work-related back injury. The case settled for \$75,000 with \$15,000 in defense costs. The retaliation claim by a nursing home nurse after filing for workers' compensation points to the need for employers to handle such claims without retaliating. The settlement and defense costs emphasize the potential financial and legal consequences of retaliatory actions.



**Age Discrimination:** A 62-year-old nursing home employee with 15 years of experience claimed age discrimination and wrongful termination after being passed over for multiple supervisor promotions in favor of younger individuals. She was eventually terminated when she expressed intentions to contact an attorney. The case settled for \$125,000 with \$45,000 in defense costs. The age discrimination case involving a long-term employee at a nursing home, who was passed over for promotions and later terminated, highlights the risks of age-based discrimination in employment decisions. The significant settlement costs stress the importance of fair and unbiased promotion practices.

**Disability Discrimination:** An assisted living facility admission director alleged disability discrimination and wrongful termination after being fired shortly after returning from surgery that temporarily left her jaw wired closed. The owner claimed the director was insubordinate upon returning to work, but the director argued that her disability was not accommodated. Defense costs were \$180,000, and the case settled for \$300,000. The disability discrimination case in an assisted living facility, involving an admission director's return from surgery, illustrates the importance of accommodating employees with disabilities. The high defense costs and settlement amount emphasize the need for employers to understand and comply with disability accommodation requirements.



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