Wage and Hour Defense Costs Might Be Covered by EPL Insurance

News
5.17.12

Christine Howard, the managing partner of the Tampa office, was quoted in the May 17 *SHRM Online* article "Wage and Hour Defense Costs Might Be Covered by EPL Insurance." The article noted that many HR professionals and risk managers assume that employment practices liability (EPL) insurance excludes any cost related to a wage and hour claim. Christine said that in her experience, EPL carriers typically will cover defense costs up to a limit, but not FLSA judgments or settlements. EPL insurance "might cover an FLSA retaliation claim, as opposed to the underlying FLSA claim, since those claims are more akin to a discrimination or retaliation claim." Given the uncertainty of the potential exposure, including liquidated damages, "carriers may be willing to experience the risk associated with defense costs, but not indemnity." She advised: "Research the various carrier options and assess what makes sense for the business. Do they have potential exposure, for example positions in which employees might claim off-the-clock work or positions that are not consistently found to be exempt under the wage and hour laws?"

Please reach out to our Media team for any news inquiries.

Related People

Christine E. Howard
Partner
813.769.7503

Copyright © 2024 Fisher Phillips LLP. All Rights Reserved.

Email

Copyright © 2024 Fisher Phillips LLP. All Rights Reserved.