



Insurance

Learn More

For more information, give us a call at
800-622-0344 or visit us online at
aaoplans.com/applyEPLI



Insurance



This brochure briefly describes the general highlights of the Insurance Plan, and is for illustrative purposes only. Some state restrictions may apply. Minimum coverage limits may vary by policy form. Please consult the insurance policy for complete details of all terms, conditions, and exclusions. The AAO will receive a premium royalty as a result of participating in this program.

AAO-Endorsed Employment Practices Liability Insurance Safeguard Against Employee Lawsuits

The AAO-Endorsed Insurance Program is administered by Pearl Insurance. Coverage may vary by state. A complete description of coverage is contained in the Certificate of Insurance, including features, costs, eligibility, renewability, limitations, and exclusions.

Be Prepared to Defend Your Reputation and Your Practice

Many orthodontists protect themselves and their practice against potential malpractice suits and physical damage to their office and its contents, but fail to guard against employee lawsuits. Though employee-related claims may seem unlikely, the fact is, claims for sexual harassment, wrongful termination, and discrimination are on the rise.

AAO-Endorsed Employment Practices Liability Insurance can help protect you. In a society where suing has become commonplace, you can't afford to be without coverage. This comprehensive policy includes:

- **A broad definition of wrongful employment practices:** The policy provides coverage for allegations of workplace harassment, discrimination, retaliation, breach of employment agreement, wrongful termination, violation of the Family and Medical Leave Act, invasion of privacy, and failure to create or enforce adequate employment policies and procedures.
- **Expanded definition of discrimination:** The plan covers any claim based on violation of employment discrimination law or disparate treatment.
- **Protection from monetary jury awards:** This includes damages resulting from violation of the Age Discrimination in Employment Act and the Equal Pay Act as well as awards

When Will Coverage Become Effective? You may indicate on your application when you want your coverage to begin. Ideally, your effective date should be the day you start practicing or the day your current policy is terminated.

measured by the value of stock options or other employee benefits.

- Punitive damage protection
- Coverages for claims brought by independent contractors, leased employees, and interns

Plus, those insured will be able to access:

- **Web-based training:** To keep current on various employment topics like sexual harassment prevention and state-of-the-art employment policies and procedures, those insured will be able to access web-based training modules. Enjoy the convenience of training on your own schedule at your own pace from the comfort of your own office.
- **Employment attorneys:** With unlimited access to a toll-free number that is staffed by employment attorneys from the national employment firm of Jackson

Lewis, those insured will appreciate legal assistance at no charge. From reviewing the proper steps for a sexual harassment investigation to discussing issues to be considered in making employment decisions, Jackson Lewis attorneys are there to help.

BE PREPARED FOR THE WORST

Even an organization with proper policies and procedures in place can be sued, and the cost of defending a claim can be enormous. It's not uncommon for legal fees to exceed \$250,000 when winning an employment lawsuit. Consider these facts, and then decide whether employment practices liability insurance might be the safety net you need.

Facts to consider:

- In 2014, the Equal Employment Opportunity Commission (EEOC) brought nearly 90,000 charges against employers¹
- Studies show an employer is more likely to have an Employment Practices Liability (EPL) claim than a General Liability or Property Loss claim²
- Nearly 75% of litigation against companies involves employment disputes²
- The average cost to settle an employee lawsuit out of court is \$75,000³

- When employee lawsuits go to trial, the employee wins more than 63% of the time³
- The average amount awarded to employees in jury trials is \$217,000³

¹Douglass, Natalie. "Employment Practices Liability." Arthur J. Gallagher & Co. Arthur J. Gallagher & Co., 2015. Web. 6 Aug. 2015.

²"Employment Practices Liability: Myths vs. Facts." Society Insurance. Society Insurance, 29 Oct. 2014. Web. 6 Aug. 2015.

³"What You Need to Know about EPLI Insurance." Trusted Source. Trusted Source, 2015. Web. 6 Aug. 2015.

Who Is Eligible? AAO members engaged solely in the practice of orthodontics and licensed in the state where he or she practices are eligible to apply.