

Medical Providers Protection for Employment Practices Liability

Claim Examples

Employment Practices Liability:

- ▶ An employee was promoted four times during her nine year employment with a three-physician office but filed suit for breach of contract, racial discrimination, fraud and emotional distress when she was not promoted to office manager after the office merged with another practice. After four years of litigation, the practice settled the case for \$75,000 and defense costs in excess of \$272,000.
- ▶ A medical assistant was demoted to part-time clerk because she was pregnant, as the physician said she would not be able to work the necessary hours. The jury awarded the young woman \$53,000 in compensatory damages plus \$350,000 in punitive damages.
- ▶ A doctor from Florida was ordered to pay \$20,644,500 when three female former employees alleged that the defendant sexually harassed and assaulted each one on different occasions.
- ▶ An administrative assistant working in a surgical center was ordered by her office manager to bill patients for procedures that were not performed. The assistant was uncomfortable doing this and brought the situation to the attention of the owners of the center. The administrative assistant was let go shortly thereafter. She then brought charges against the surgical center for wrongful termination.

Third Party Discrimination:

- ▶ A man complaining of stomach pain went to a physician's office for immediate treatment. Due to the lack of insurance, the office refused to treat the man and sent him to a clinic five miles away. The man filed suit against the physician's office for racial and religious discrimination due to his Middle Eastern and Muslim background.
- ▶ The state of Massachusetts sued a Boston dentist charging him with refusing to treat patients with the AIDS virus and telling employees not to accept HIV-positive patients. They were seeking restitution of \$10,000 per plaintiff.

Third Party Harassment

- ▶ A physician, who has his own practice but was doing rounds at a local hospital, was charged with sexual harassment by two of the hospital's nurses. The nurses claimed the physician made sexual comments and gestures on multiple occasions while the physician was visiting patients.
- ▶ While visiting a medical office, a female drug representative was repeatedly harassed verbally and then touched inappropriately by one of the practice's physicians. The partners were informed, however, when nothing was done the drug representative brought charges of sexual harassment. The defense costs were \$45,000 and the claim was settled for \$225,000.

Patient Molestation:

- ▶ A prominent surgeon was accused of forcing a female patient to commit a sex act. The surgeon was acquitted after a lengthy trial; however, he incurred Defense Costs of over \$140,000.
- ▶ Suit was brought against an oral surgeon and his assistant for allegedly fondling a patient. The surgeon had to relinquish his license and undergo a rigorous investigation. During the investigation, it was found that while under anesthesia, the patient hallucinated.
- ▶ A patient visited a chiropractor for the first time due to a back injury arising from an automobile accident. Being unfamiliar with proper spinal adjustments and manipulations, she felt she was touched inappropriately while the chiropractor performed a lower back adjustment. Although the charges were found to be unsubstantiated and were dismissed by the court, the chiropractor incurred substantial Defense Costs.

Fair Labor Standards Act (FLSA)

- ▶ A small medical office paid over \$20,000 to an employee in overtime wages, and \$4,500 in fees for misclassification of the administrative staff members.
- ▶ A surgery center was sued by 3 former employees who handled the medical billing for misclassification as independent contractors and failure to pay overtime. The plaintiffs were each awarded \$10,000 and the defense costs exceeded \$20,000.