

Plan Purchaser Protection



Important Risk Protection

An employee with a disease discovers your plan administrator mentioned his diagnosis in casual conversation with coworkers. The employee files a civil lawsuit against the company as plan sponsor, charging breach of confidentiality. To settle the case and stem further losses, the company pays nearly \$400,000 in monetary damages and legal costs. Wouldn't such a scenario make great sense to avoid?

Employers across the country face increasing exposure to lawsuit from:

- Employees seek accountability in the healthcare arena
- Negative publicity of cases gone awry
- New patient privacy rules and legislation, including new HIPAA and Department of Labor regulations

Until recently, employers have also been immune from liability claims made by employees who allege failure in medical care, even if the employer's benefit plan was paying for the care.

With Plan Purchaser Protection, employers can put the legal worries behind them so they can focus on making their plan more cost-effective.

Employer's commercial insurance policies address only what your company does for its customers. No policy that you carry, not even Employment Practices, is geared towards the maintenance of employee benefits plans. Even if you carry errors and omissions insurance, that coverage is for your business activities, not your benefits plan. This is specific, unique coverage.

CoreSource takes pride in going beyond its role as claims administrator by assuming certain responsibilities of its clients' plans, including the responsibility to provide protection from changes in the law. By offering this valuable service, the company is fulfilling its duty as a provider of services that assist clients in their roles as plan sponsors.

Leave the Legal Issues Behind

Plan Purchaser Protection provides security against errors in plan administration, case management, provider selection, information protection and many other areas. It's available to any group benefit plan for which claims are paid by CoreSource. No underwriting is required.

The plan does not cover intentional acts, criminal acts, civil fines and penalties, suits initiated by regulatory bodies, and benefits ruled to be due and compensable by the plan.

CoreSource's Plan Purchaser Protection covers:

- Fiduciary liability
- Wrongful benefits denial, benefits delay, negligent managed care selection
- Breach of confidentiality
- Vicarious liability for medical malpractice
- Plan design
- Notices subject to timeliness (claims, COBRA administration, etc.)
- ERISA and HIPAA defense costs

An Exclusive, Discounted Program

CoreSource's Plan Purchaser Protection is available to employers at a rate they wouldn't enjoy on their own. Each claim is subject to a \$25,000 deductible. Participating customers receive \$10 million of coverage annually, with a \$1 million limit on each claim.

Coverage is provided under an agreement with Chubb Insurance Co., an industry leader in specialty insurance products.

For more information about CoreSource's Plan Purchaser Protection program, contact your broker/consultant, visit www.coresource.com or call us directly at 800.832.3332.