

The U.S. Equal Employment Opportunity Commission

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LA CRUZ AZUL (BLUE CROSS) OF PUERTO RICO TO PAY \$200,000 IN DISABILITY DISCRIMINATION LAWSUIT

Largest EEOC Disability Discrimination Settlement Ever in Puerto Rico

SAN JUAN, PR -- The U.S. Equal Employment Opportunity Commission (EEOC) today announced its largest settlement ever of a disability discrimination lawsuit in Puerto Rico, garnering \$200,000 for one individual in a case against La Cruz Azul (Blue Cross) de Puerto Rico for allegedly violating Title I of the Americans with Disabilities Act (ADA) by limiting health insurance coverage for AIDS and AIDS-related conditions. The Honorable Hector Lafitte, Chief District Judge of the U.S. District Court of Puerto Rico, approved the settlement.

The monetary relief will be paid to Gerald E. Spillman, Jr., an employee of Cornell University at the Observatorio de Arecibo in San Juan, to settle the lawsuit filed by the EEOC on his behalf in April 1999. The lawsuit charged that La Cruz Azul, as an insurance carrier, violated the ADA by providing Cornell University with an employee health insurance plan that excluded coverage of medical services obtained outside Puerto Rico relating to AIDS and AIDS-related illnesses but which included coverage for all other catastrophic illnesses obtained outside the Commonwealth.

"La Cruz Azul provided no evidence of a legitimate business reason for treating AIDS and related conditions differently from other catastrophic illnesses for which medical attention is sought outside Puerto Rico," said EEOC Chairwoman Ida L. Castro. "This Decree sends a clear message to all employers and their insurance providers that they cannot discriminate against people with disabilities by arbitrarily limiting health benefits. If they do, the EEOC will step in to protect those individuals."

In addition to compensating Mr. Spillman for the discrimination he suffered, La Cruz Azul agreed to eliminate the discriminatory provision from health insurance plans it offers employers in the future and to implement policies and procedures to eliminate disability discrimination generally in its health plans and workplace. The agreement, entered in the form of a Consent Decree, will be in effect for five years, during which time the EEOC will monitor the company's compliance with its provisions. Although La Cruz Azul denied the allegations in the lawsuit, it signed the Decree and entered into an agreement with the EEOC.

Spencer H. Lewis, Director of the EEOC's New York District Office, which enforces the federal anti-discrimination laws in Puerto Rico, emphasized that nondiscrimination in health benefits is particularly crucial for workers with catastrophic illnesses such as AIDS. "The EEOC will seek full relief against entities who discriminate," he said.

Since 1992, EEOC has received a cumulative total of over 2,400 ADA charges alleging disability bias due to AIDS/HIV, about 2% of all ADA charge filings, and obtained over \$22 million for victims of such discrimination.

In addition to enforcing Title I of the ADA, which prohibits discrimination against people with disabilities in the private sector, state and local governments, the EEOC enforces Title VII of the Civil Rights Act of 1964, which prohibits employment discrimination based on race, color, religion, sex or national origin; the Equal Pay Act; prohibitions against discrimination affecting individuals with disabilities in the federal sector; sections of the Civil Rights Act of 1991; and the Age Discrimination in Employment Act. Further information about the Commission is available on the agency's Web site at www.eeoc.gov.

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