



The State Bar *of California*

Survey of Attorneys re Legal Malpractice Insurance

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Survey Target Group

Sent to 25,000 California attorneys

Excluded groups:

- Inactive status
- Government or court employment
- Judge
- Firm size > 10



Survey Responses

1,450 responses

1,130 (84%) in private practice

Firm Size	Number of Respondents	Percent of Respondents
1	697	62%
2-5	282	25%
6-10	62	5%
More than 10	55	5%



Uninsured Rate

Firm Size	Percent Uninsured
1	39%
2-5	12%
6-10	4%
More than 10	0%



Impact of Disclosure Rule

9.5 % of insured attorneys reported that the mandatory disclosure rule was a factor in their decision to buy malpractice insurance.



Reason Uninsured

Reason	Percent
I cannot afford it	66%
It is not worth the money	35%
I don't believe I'll be sued	29%
I work part time	23%
It is not required for my practice area	18%
My firm does not provide insurance	7%
My assets are protected from a malpractice judgment	1%
I am unable to obtain coverage	1%



Reason Uninsured by Firm Size

	Solo	2 - 5 Attorneys
I cannot afford it	71%	63%
It is not worth the money	35%	25%
I don't believe I'll be sued	29%	25%
I work part time	24%	9%
It is not required for my practice area	16%	22%
I don't own substantial assets	15%	25%
My firm does not provide insurance	2%	38%



Clients Served by Uninsured Attorneys

Type of Client	Percent
Individuals/Families	67%
Small Businesses (<10 employees)	14%
Medium Businesses (10 – 50 employees)	9%
Large Businesses (>500 employees)	4%
Nonprofit	2%
Other	2%
Government	1%



Reduced Rate Services Provided by Uninsured Attorneys

Frequency of Services

51% - often

34% - occasionally

8% - rarely

8% - never

Basis for Reduced Fees

69% - client income

63% - personal connection

53% - case type

12% - screening/referral
from an organization



Areas of Practice for Reduced Rate Services

Type of Case	Percent
Trusts and Probate	24%
Business Counseling	21%
General Civil Litigation	21%
Criminal	16%
Family Law Advice and Litigation	16%
Plaintiff Personal Injury	13%
Labor	12%
Commercial Litigation	9%
Family Law Mediation/ Collaborative Divorce	9%



Uninsured Attorneys' Support Staff

Number of Support Staff	Percentage
0	60%
<1 (Part-time)	19%
1	10%
2 – 3	7%
3 or more	4%



Uninsured Attorneys' Conflicts and Calendaring Systems

System	Percentage
Calendar Management	35%
Conflict Checking	4%
Both	38%
Neither	23%

Type of System	Percentage
Software/automated	18%
Manual check of files	36%
Combination	43%
Not sure	3%



How Much Could You Afford to Pay for Insurance?

Firm Annual Revenue	Annual Premium			
	\$0	Up to \$1,000	Up to \$2,500	Up to \$5,000
<\$50,000 (104)	57%	35%	7%	1%
\$50,000 - \$99,99 (53)	36%	57%	6%	2%
\$100,000 - \$149,999 (35)	29%	54%	9%	9%
\$150,000 - \$199,999 (24)	13%	50%	25%	8%
\$200,000 - \$249,999 (12)	17%	42%	33%	8%
\$250,000 - \$499,999 (22)	9%	50%	14%	18%
\$500,000+ (14)	22%	43%	21%	7%



Do attorneys think that legal malpractice insurance should be mandatory?

Type of Employment	Percent in Favor
Academic	56%
Legal Services	55%
Court	50%
Government	45%
Private Practice	43%
In-House Counsel	40%
Retired	40%
Not for Profit	21%
Other	17%
Not employed as attorney	15%



Do attorneys in private practice think that legal malpractice insurance should be mandatory?

Size of Firm	Percent in Favor
6 – 10	70%
2 – 5	55%
1	35%