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# **LEGAL MALPRACTICE REPORT**

**Missouri Department of Commerce & Insurance**



**DCI**

Missouri Department of Commerce & Insurance

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# 1 DEFINITION OF TERMS

**INDEMNITY PAID:** The sum of all payments made during the year for the benefit of insurance claimants, before reinsurance has been ceded and/or assumed. These payments include amounts paid in the current year for claims arising from coverage in prior years and exclude amounts which will be paid in future years for claims arising from the current year. Hence, this item is not a measure of the actual cost of current coverages, but only of current cash flows.

**LOSS ADJUSTMENT EXPENSES:** The cost involved in an insurance company's adjustment of losses under a policy.

**DIRECT PREMIUMS WRITTEN:** The dollar amount charged when a policyholder contracts for insurance coverage before reinsurance has been ceded and/or assumed.

**DIRECT PREMIUMS EARNED:** The part of premium attributable to the coverage already provided in a given period before reinsurance has been ceded and/or assumed.

**DIRECT LOSSES INCURRED:** The sum of direct losses paid plus an estimate at the close of the year of the amounts to be paid in the future for all claims arising from the current and all prior years, minus the corresponding estimate made at the close of business for the preceding year. Incurred losses reported include estimated amounts unpaid for incurred-but-not-reported (IBNR) claims.

**LOSS RATIO:** The dollar amount of direct losses incurred divided by the dollar amount of premiums earned for the particular line of business being analyzed, expressed as a percentage. This is an accounting representation of the portion of each premium dollar which is needed to honor a company's promise to pay claims.

## 2 DISCLAIMER

This report is based upon data provided by insurers to the Missouri Department of Commerce & Insurance (DCI). These data include detailed closed claim information that insurers are required to report under Section 383.077 RSMo. DCI makes every possible effort to ensure these data are accurate and complete. However, the accuracy of the report depends largely on the accuracy of the data filed by insurers.

Questions regarding this report should be addressed to the Business Analytics/Statistics Section of the Missouri Department of Commerce & Insurance, P.O. Box 690, Jefferson City, MO 65102-0690. Emails can be sent to [statistics@insurance.mo.gov](mailto:statistics@insurance.mo.gov).

DCI also publishes other reports on the insurance market in Missouri. With this information, DCI aims to facilitate the flow of insurance market information for consumers, insurance companies, and DCI employees.

### ALSO AVAILABLE FROM DCI

- Missouri Complaint Report
- Missouri Health Insurance Report
- Missouri Homeowners Insurance Report
- Missouri Life, Accident, & Health Supplement Report
- Missouri Medical Professional Liability Insurance Report
- Missouri Mortgage Guaranty Report
- Missouri Private Passenger Automobile Report
- Missouri Products Liability Report
- Missouri Property & Casualty Supplement Report
- Missouri Residential Earthquake Coverage Report

The reports, including this report, are available on the DCI website: [www.insurance.mo.gov/reports/](http://www.insurance.mo.gov/reports/).

DCI also maintains the following databases:

- Missouri ZIP code insurance data for homeowners/dwelling fire, farm owners, mobile homes, earthquake, and private passenger automobiles
- Medigap (Medicare supplement) experience data
- Commercial liability experience data

Additional information on the content of these databases is available on DCI's website: [www.insurance.mo.gov/reports/](http://www.insurance.mo.gov/reports/).

Aggregate data (non-company specific) is available to the public. Some data are available for a fee. Data requests should be directed to the Business Analytics/Statistics section at [statistics@insurance.mo.gov](mailto:statistics@insurance.mo.gov).



### 3 EXECUTIVE SUMMARY

This report summarizes the legal malpractice insurance experience in Missouri from 2014 to 2023. The charts, graphs, and tables in this report are limited to closed claim information and were constructed from data collected by the Missouri Department of Commerce & Insurance as required by Section 383.077 RSMo. The premium and loss data, obtained from the Missouri Page 19 Supplement to the companies' annual statements, are presented in the final section.

In 2023, the loss ratio for legal malpractice insurance in Missouri was 42%. For the 10-year period of claims closed, 455 (33%) were closed with payment. Claims closed in 2023 totaled 102, a slight increase from 100 the previous year. The average payment was \$166,814.

The cost to an insurer for settling legal malpractice cases (called loss adjustment expense, consisting of legal fees, claim adjustment costs and related items) has fluctuated over the past 10 years. In 2023, the average loss adjustment expense for all claims closed with payment was \$60,476 compared to \$49,200 in 2022.

#### **INDEMNITY AMOUNTS ARE CATEGORIZED BY CLAIM CHARACTERISTICS, INCLUDING:**

- Area of law in which the insured was retained by the claimant.
- Major activity in which the lawyer was engaged at the time the alleged error or omission occurred.
- Alleged error or omission that was the most significant reason for making the claim.
- The legal disposition of the claim at the closing date.
- The number of years the insured had been in practice at the time of the alleged error or omission.
- The relationship of the insured to the claimant.

The largest class of cases in 2023 consisted of Bodily Injury/Property Damage Plaintiff (21 of 102). The largest proportion of all claims closed in 2023 pertained to an alleged deficiency with respect to the commencement of action or proceeding. Of all claims paid during 2023, 38% were settled before filing suit or demanding hearing on the alleged malpractice.

The vast majority of losses in 2023 occurred among attorneys with more than 10 years of practice. The insured's relationship to the claimant is partitioned into four subclasses: free legal service, nonclient, member of pre-paid legal plan, and client other than free service or pre-paid legal plan. 79% of claims paid in 2023 occurred in the category of client other than free legal service or member of pre-paid legal plan.

Only 16 companies reported writing legal malpractice insurance in Missouri for 2023. Of these, the Bar Plan Mutual Insurance Company was largest, with over 50% of the legal malpractice insurance market in this state.

# 4 TEN YEAR SUMMARY

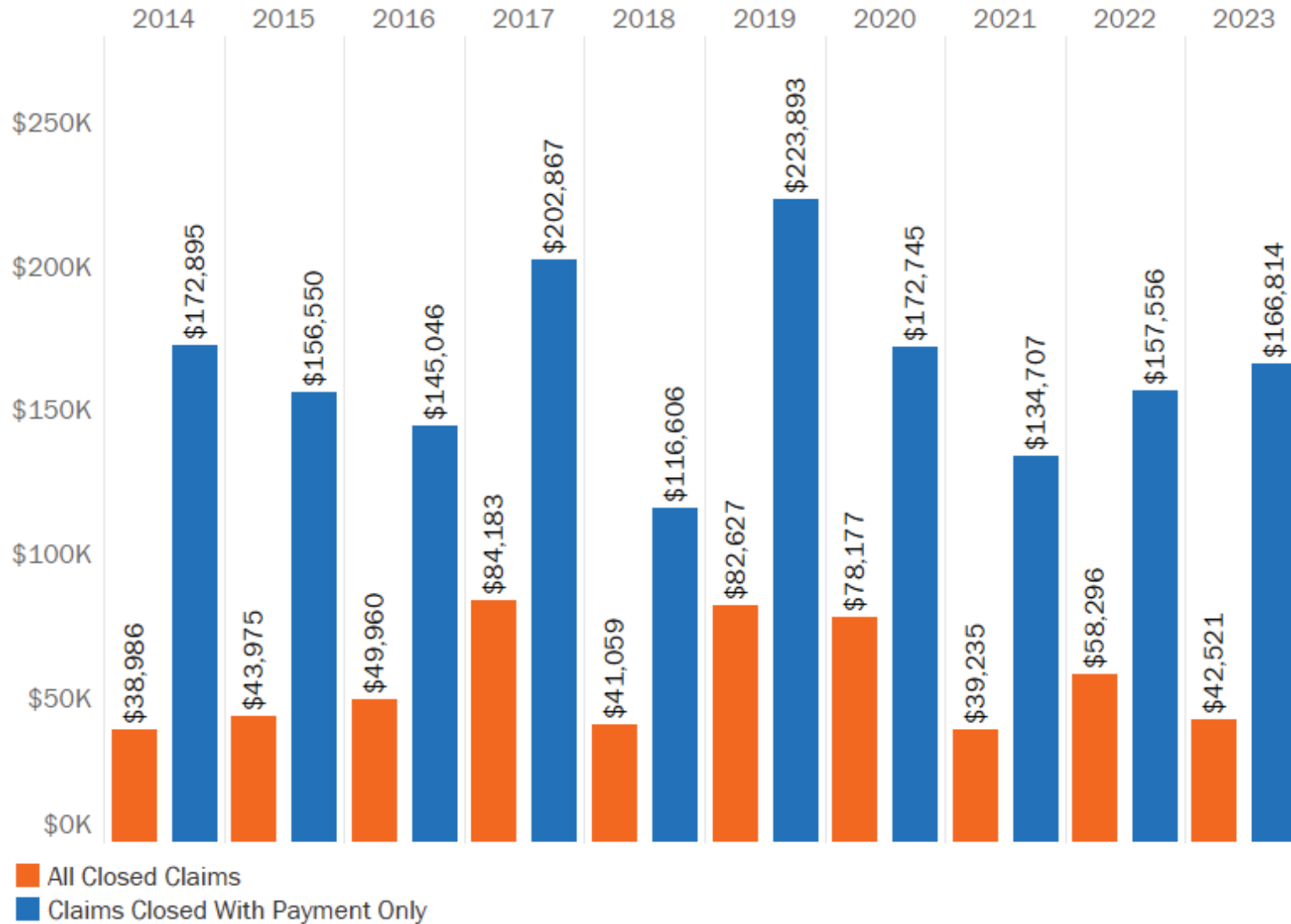
## LEGAL MALPRACTICE CLAIMS

PRIOR TEN YEARS

Closed Claims	Number of Claims	Percent of All Claims	Total Indemnity Paid	Average Indemnity Paid	Total Loss Expenses	Average Loss Expense
ALL CLOSED CLAIMS	1,377	100%	\$74,837,568	\$54,348	\$30,697,937	\$22,293
CLOSED WITH PAYMENT	455	33%	\$74,837,568	\$164,478	\$19,462,877	\$42,776
CLOSED WITHOUT PAYMENT	922	67%	\$0	\$0	\$11,235,060	\$12,186
CLAIMS SETTLED THROUGH COURT PROCEEDINGS	114	8%	\$2,844,230	\$24,949	\$5,796,674	\$50,848
COURT PROCEEDING RESULTING IN PAYMENT	12	1%	\$2,844,230	\$237,019	\$1,707,134	\$142,261

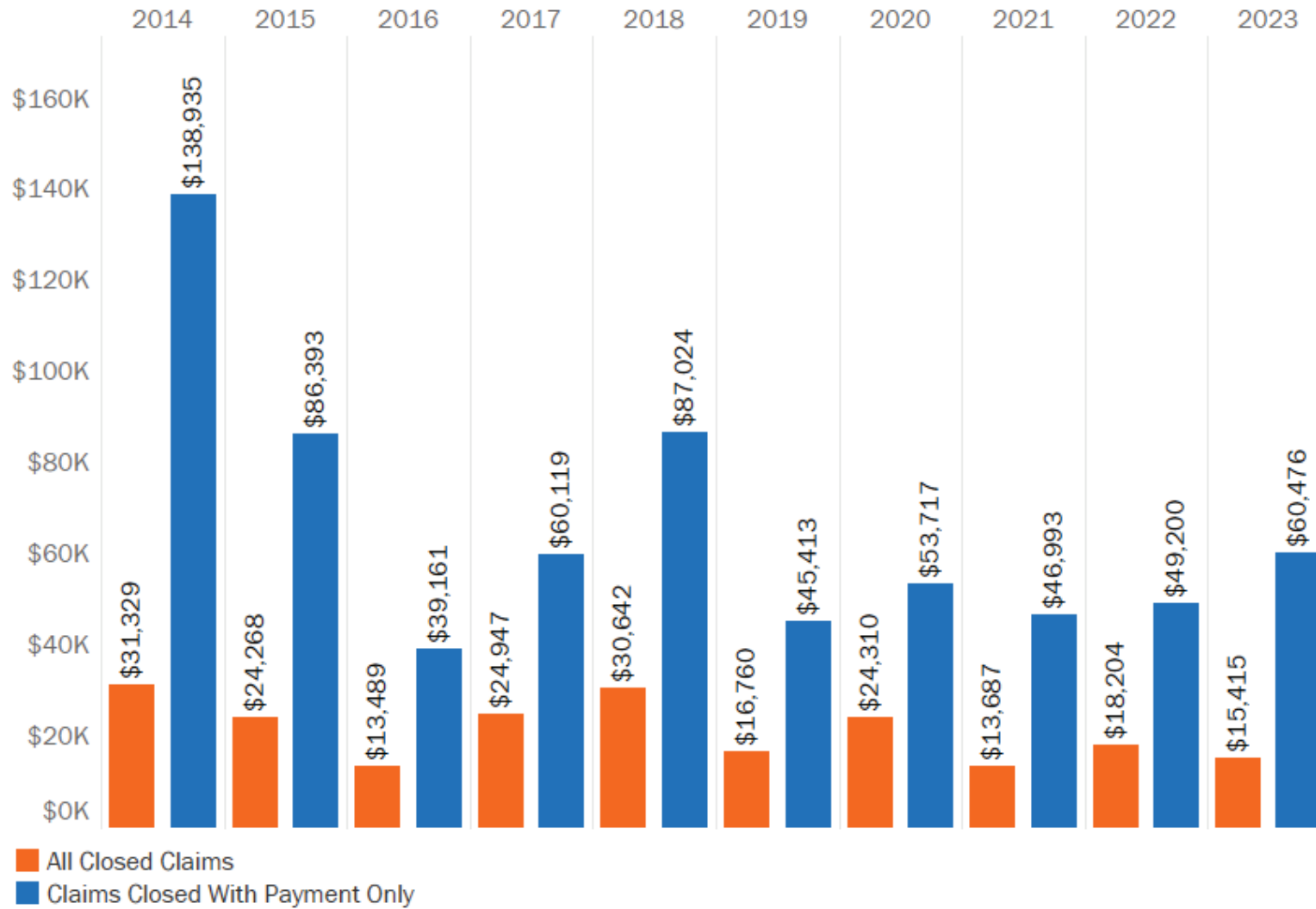
# AVERAGE PAID CLAIM BY YEAR

PRIOR TEN YEARS



# AVERAGE CLAIM EXPENSE BY YEAR

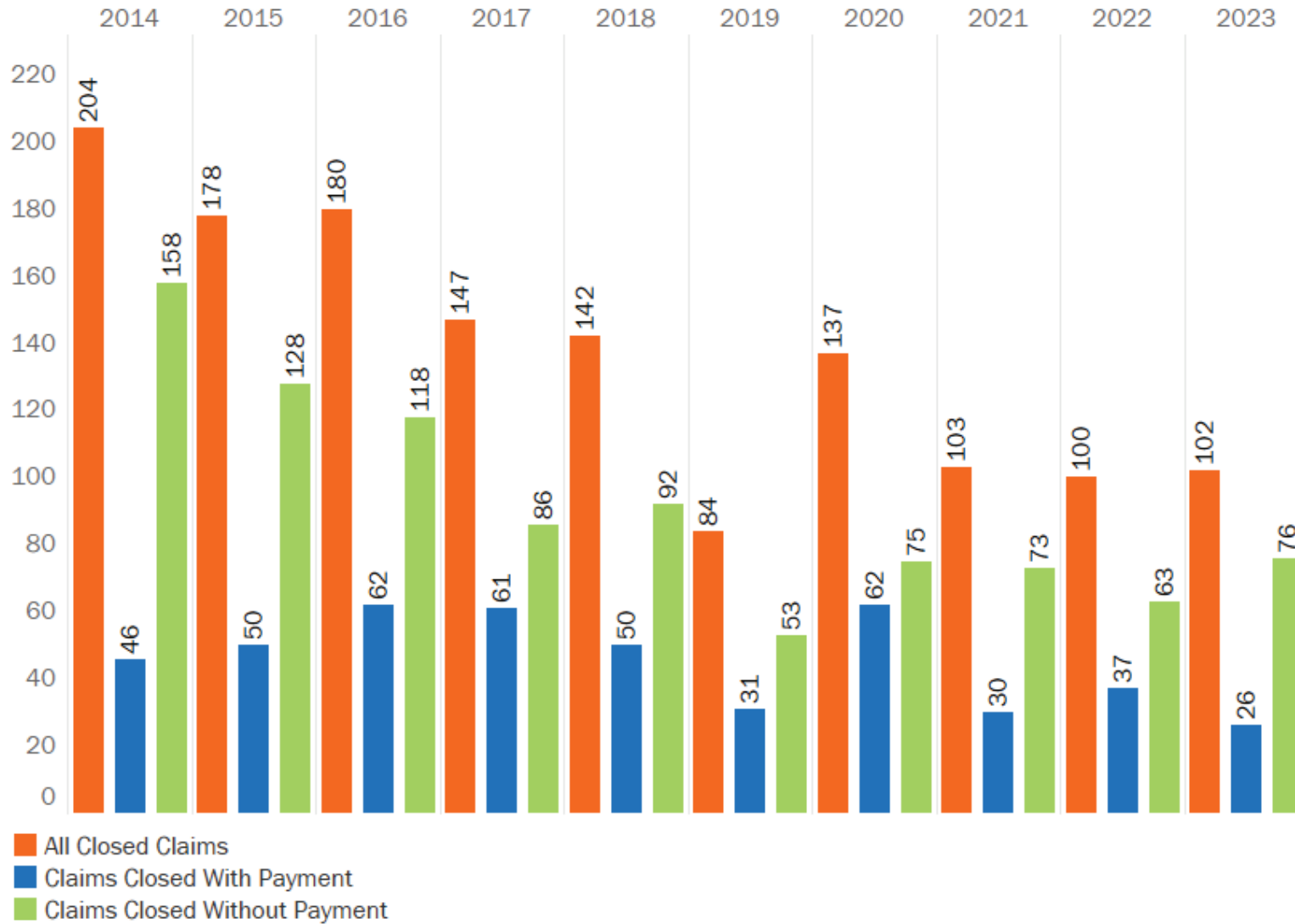
PRIOR TEN YEARS





# CLAIM COUNT

PRIOR TEN YEARS



# 5 TEN YEAR SUMMARY

## 5.1 AREA OF LAW

### CLAIMS CLOSED BY AREA OF LAW PRIOR TEN YEARS

Area of Law	All Closed Claims	Number of Paid Claims	Percent of Paid Claims	Average Indemnity Per Paid Claim	Total Indemnity	Percent of Total Indemnity	Average Loss Expense, All Closed Claims
BI/PD – PLAINTIFF	265	103	23%	\$160,661	\$16,548,046	22%	\$14,064
COLLECTION & BANKRUPTCY	209	62	14%	\$133,407	\$8,271,207	11%	\$10,947
ESTATE, TRUST & PROBATE	206	71	16%	\$135,023	\$9,586,655	13%	\$27,162
FAMILY LAW	162	43	9%	\$120,356	\$5,175,328	7%	\$20,575
REAL ESTATE	127	29	6%	\$73,508	\$2,131,744	3%	\$10,835
CRIMINAL	55	9	2%	\$277,194	\$2,494,750	3%	\$14,001
WORKERS' COMPENSATION	55	19	4%	\$235,620	\$4,476,784	6%	\$4,759
CORPORATE & BUSINESS ORGANIZATION	53	12	3%	\$197,586	\$2,371,034	3%	\$55,311
BI/PD – DEFENDANT	52	22	5%	\$376,418	\$8,281,189	11%	\$22,471
BUSINESS TRANSACTION/COMMERCIAL LAW	49	24	5%	\$264,081	\$6,337,950	8%	\$70,275
LABOR LAW	40	22	5%	\$100,159	\$2,203,504	3%	\$16,237
CIVIL RIGHTS & COMMISSION	24	9	2%	\$190,007	\$1,710,065	2%	\$29,573
CONSUMER CLAIMS	14	6	1%	\$92,000	\$552,000	1%	\$56,021
LOCAL GOVERNMENT	14	4	1%	\$165,189	\$660,754	1%	\$21,716
CONSTRUCTION (BUILDING CONTRACTS)	11	6	1%	\$144,982	\$869,889	1%	\$51,655
TAXATION	9	1	0%	\$128,669	\$128,669	0%	\$7,677
PATENTS, TRADEMARKS, COPYRIGHTS	7	2	0%	\$326,250	\$652,500	1%	\$344,375
IMMIGRATION & NATURALIZATION	6	5	1%	\$65,100	\$325,500	0%	\$3,333
GOVERNMENT CONTRACTS & CLAIMS	4	2	0%	\$62,500	\$125,000	0%	\$4,317

Area of Law	All Closed Claims	Number of Paid Claims	Percent of Paid Claims	Average Indemnity Per Paid Claim	Total Indemnity	Percent of Total Indemnity	Average Loss Expense, All Closed Claims
ADMIRALTY	3	2	0%	\$652,500	\$1,305,000	2%	\$61,062
SECURITIES (S.E.C.)	3				\$0	0%	\$0
ENVIRONMENT	1	1	0%	\$330,000	\$330,000	0%	\$18,307
INTERNATIONAL LAW	1				\$0	0%	\$0
NATIONAL RESOURCES	1	1	0%	\$300,000	\$300,000	0%	\$68,837

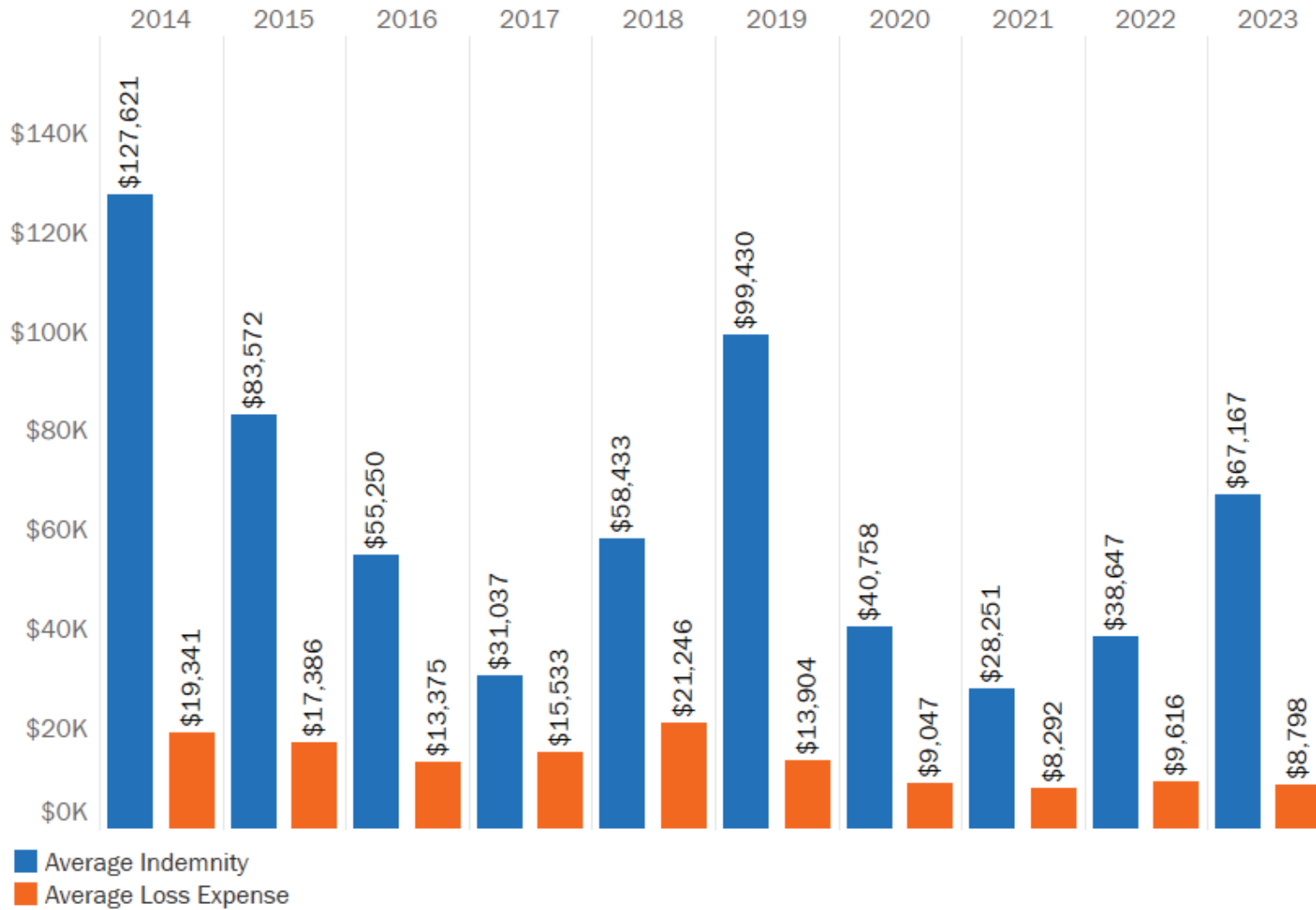
# CLAIMS CLOSED BY AREA OF LAW

2023

Area of Law	All Closed Claims	Number of Paid Claims	Percent of Paid Claims	Average Indemnity Per Paid Claim	Total Indemnity	Percent of Total Indemnity	Average Loss Expense, All Closed Claims
BI/PD – PLAINTIFF	21	7	27%	\$201,500	\$1,410,500	33%	\$8,798
ESTATE, TRUST & PROBATE	15	5	19%	\$148,868	\$744,338	17%	\$3,873
FAMILY LAW	14	2	8%	\$98,543	\$197,085	5%	\$31,368
BI/PD – DEFENDANT	12	4	15%	\$154,125	\$616,500	14%	\$17,196
REAL ESTATE	11	3	12%	\$43,917	\$131,750	3%	\$14,309
BUSINESS TRANSACTION/COMMERCIAL LAW	5	3	12%	\$391,667	\$1,175,000	27%	\$49,515
COLLECTION & BANKRUPTCY	5				\$0	0%	\$31,936
CRIMINAL	4	1	4%	\$12,000	\$12,000	0%	\$2,750
CIVIL RIGHTS & COMMISSION	3	1	4%	\$50,000	\$50,000	1%	\$9,198
LABOR LAW	3				\$0	0%	\$0
LOCAL GOVERNMENT	2				\$0	0%	\$2,312
SECURITIES (S.E.C.)	2				\$0	0%	\$0
WORKERS' COMPENSATION	2				\$0	0%	\$7,050
CONSTRUCTION (BUILDING CONTRACTS)	1				\$0	0%	\$56,597
CORPORATE & BUSINESS ORGANIZATION	1				\$0	0%	\$5,457
INTERNATIONAL LAW	1				\$0	0%	\$0

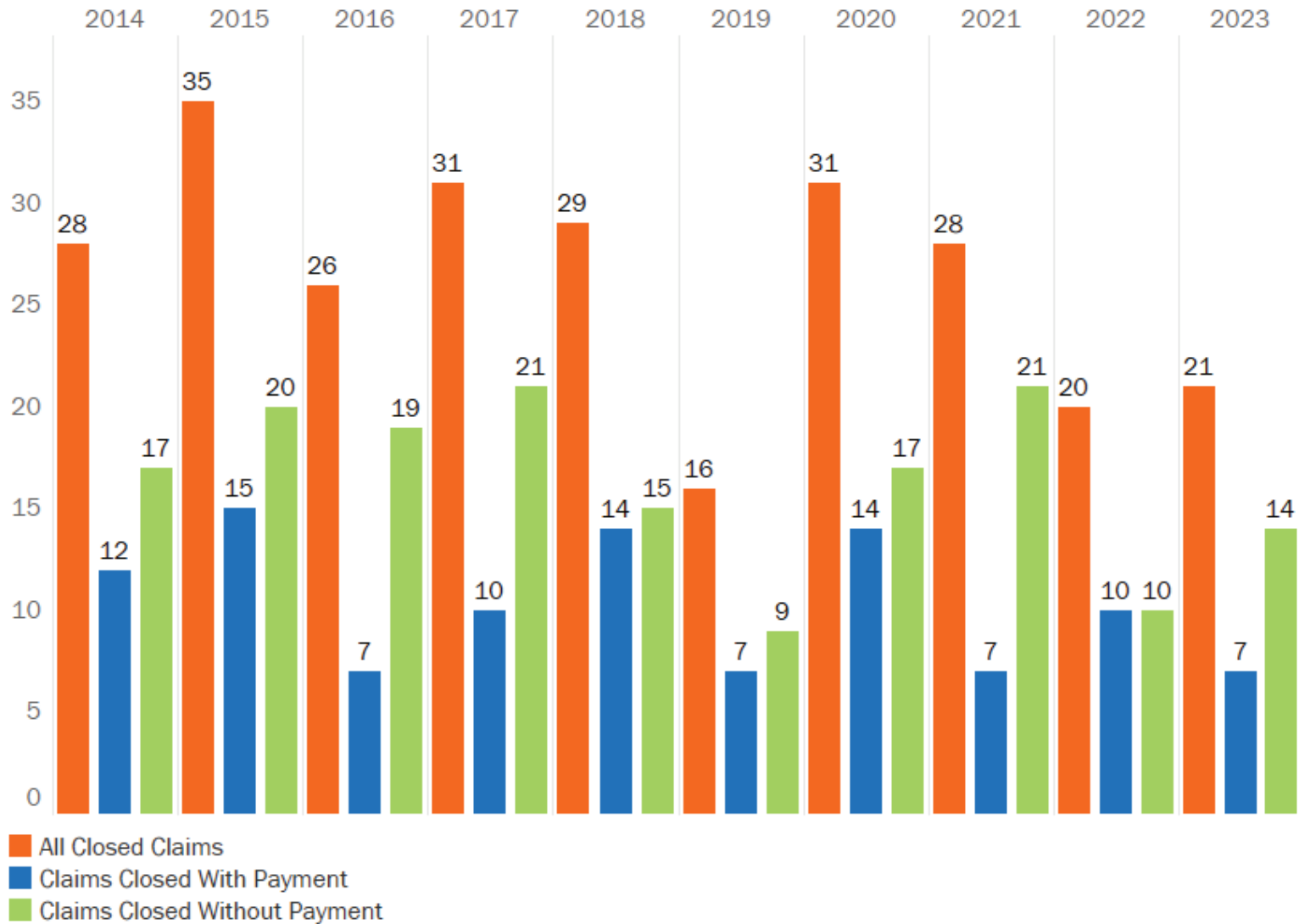
# BI/PD PLAINTIFF

## AVERAGE INDEMNITY & EXPENSE



# BI/PD PLAINTIFF

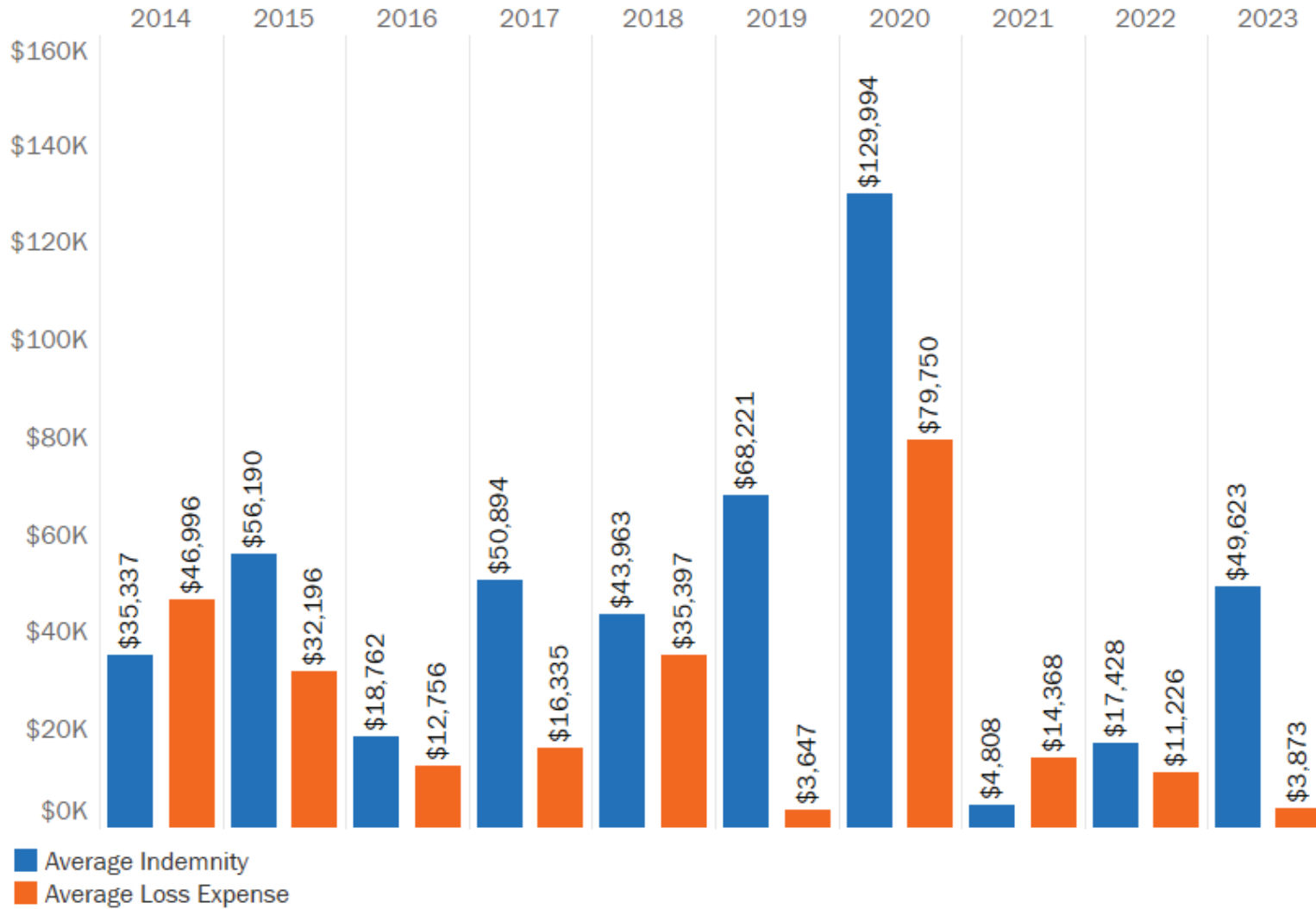
## CLOSED CLAIMS





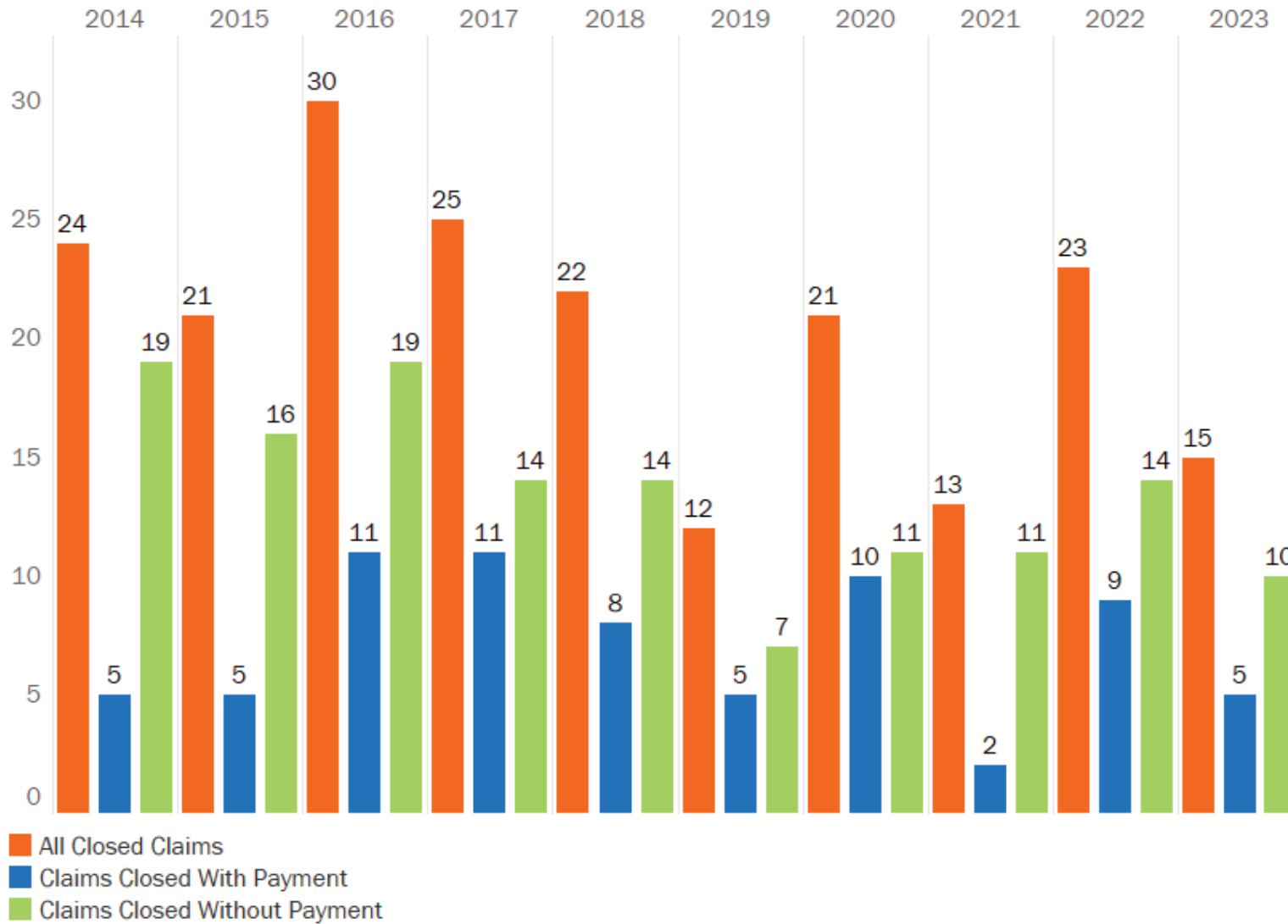
# ESTATE, TRUST, & PROBATE

## AVERAGE INDEMNITY & EXPENSE



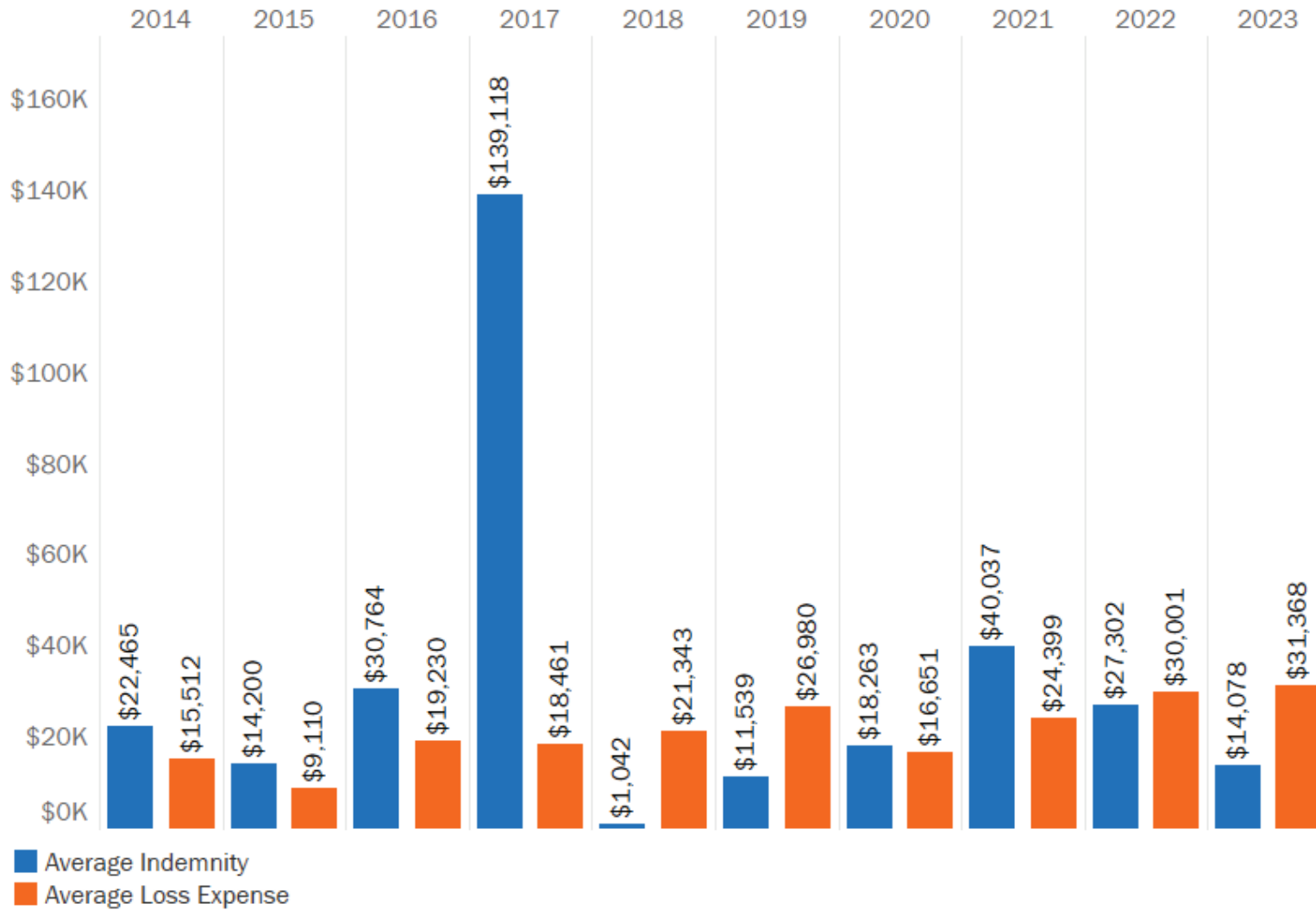
# ESTATE, TRUST, & PROBATE

## CLOSED CLAIMS



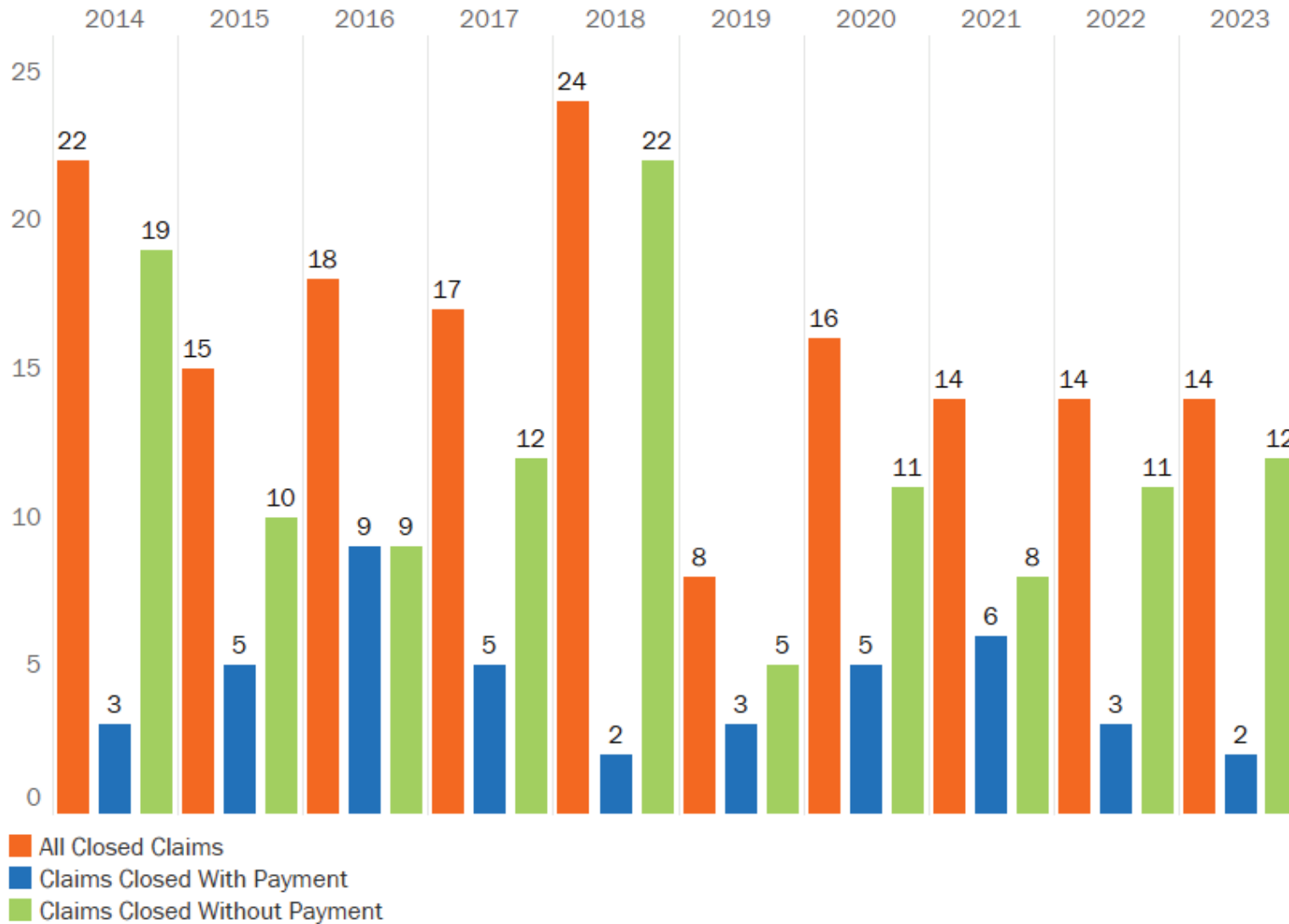
# FAMILY LAW

## AVERAGE INDEMNITY & EXPENSE



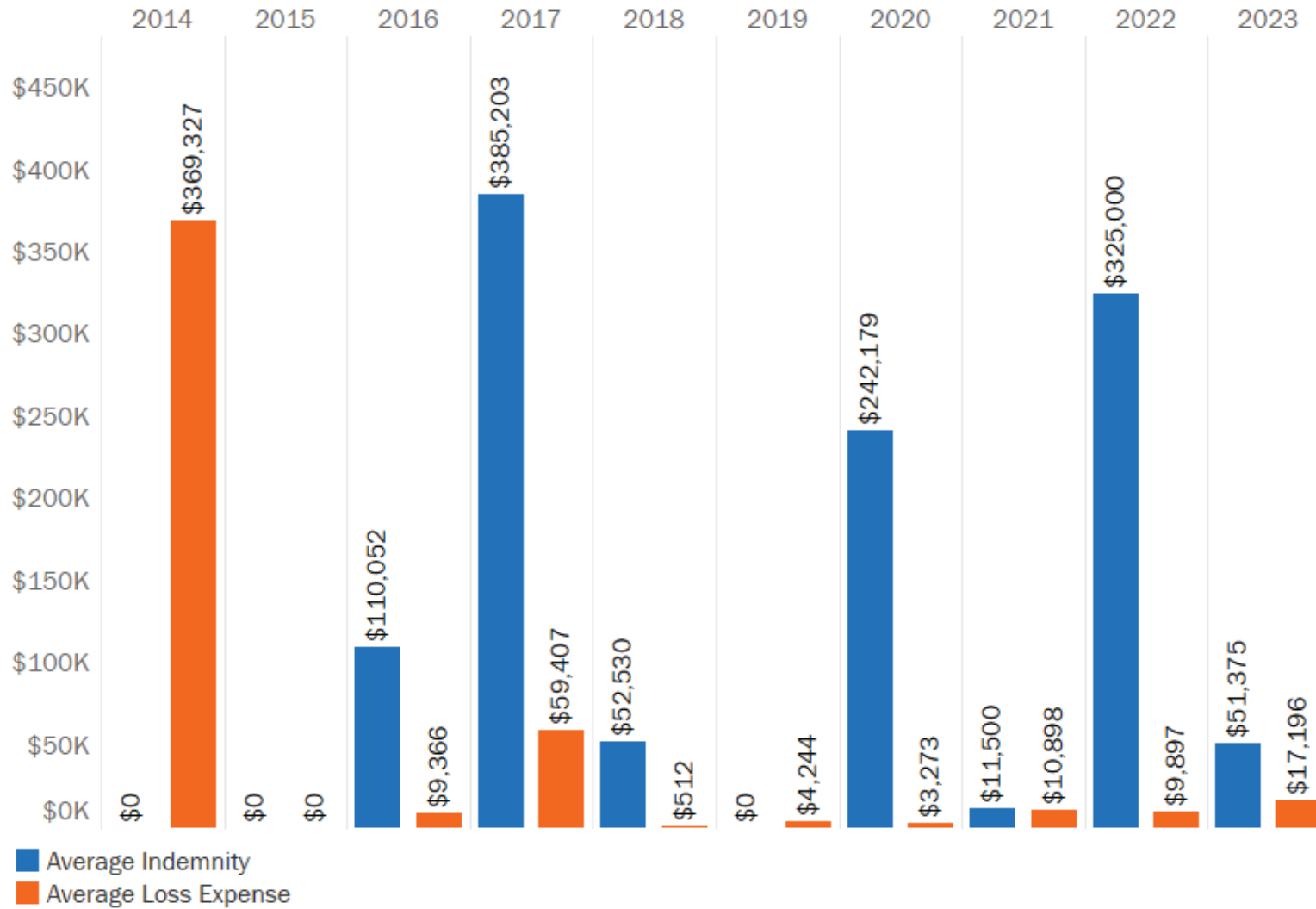
# FAMILY LAW

## CLOSED CLAIMS



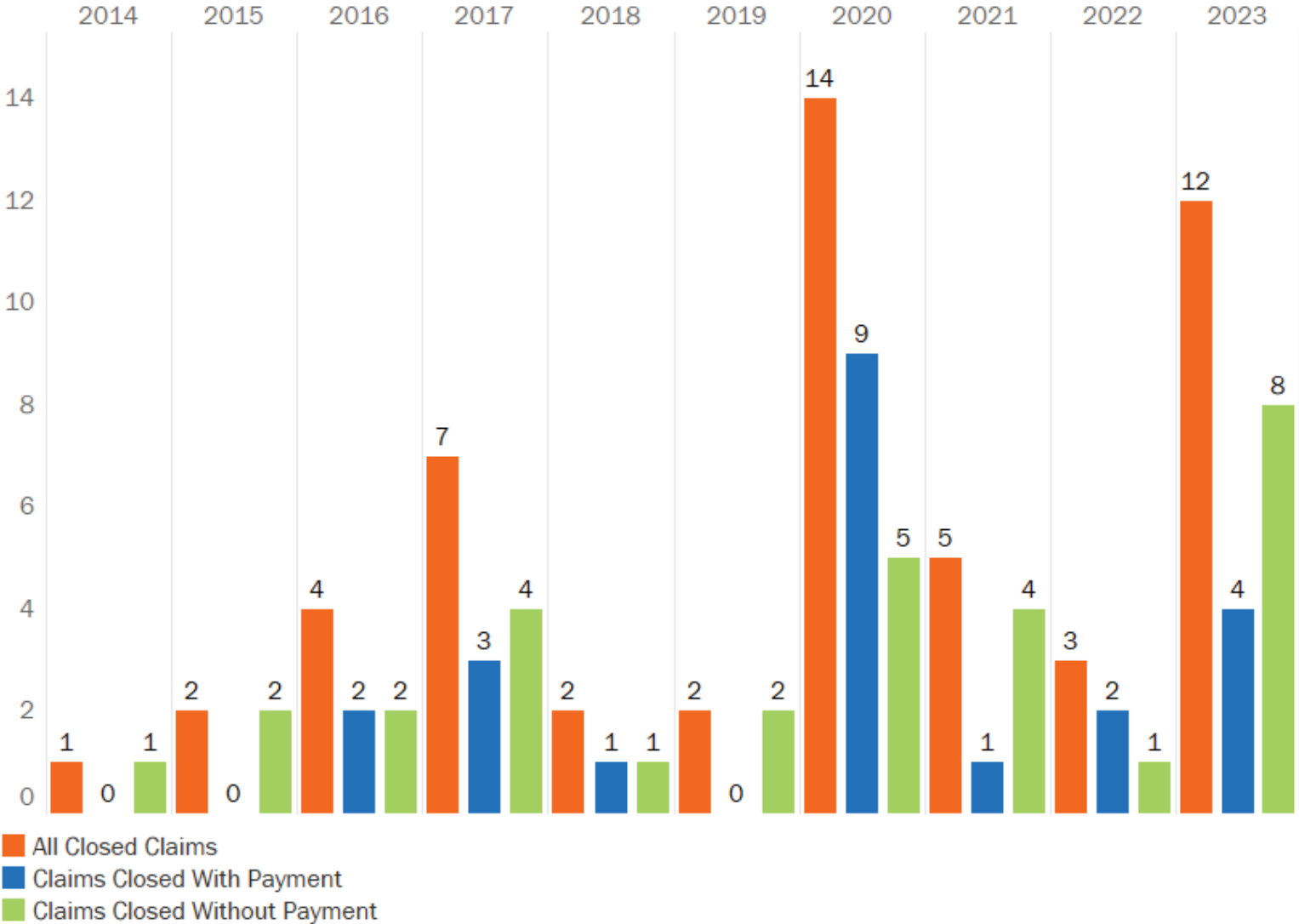
# BI/PD DEFENDANT

## AVERAGE INDEMNITY & EXPENSE



# BI/PD DEFENDANT

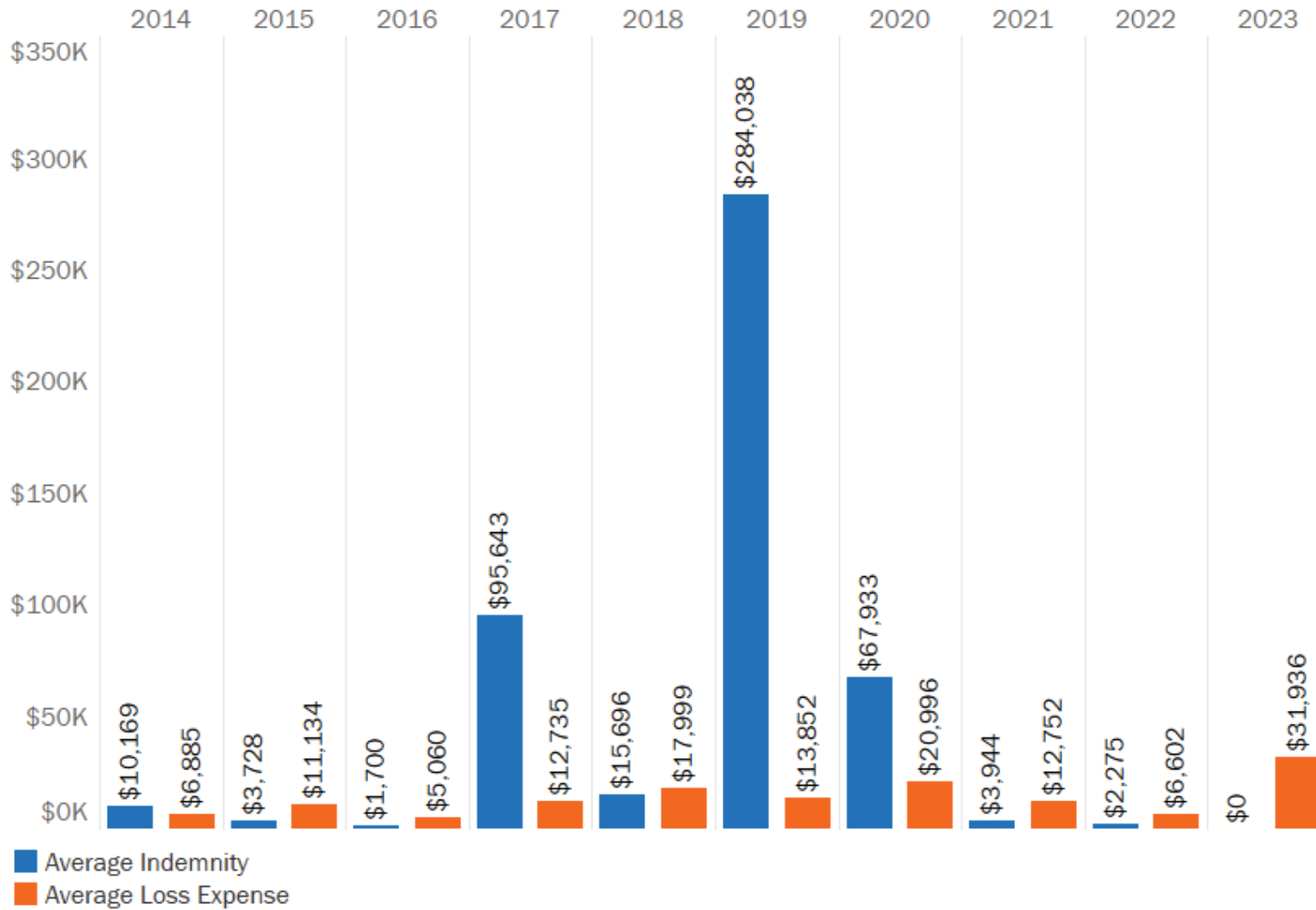
## CLOSED CLAIMS





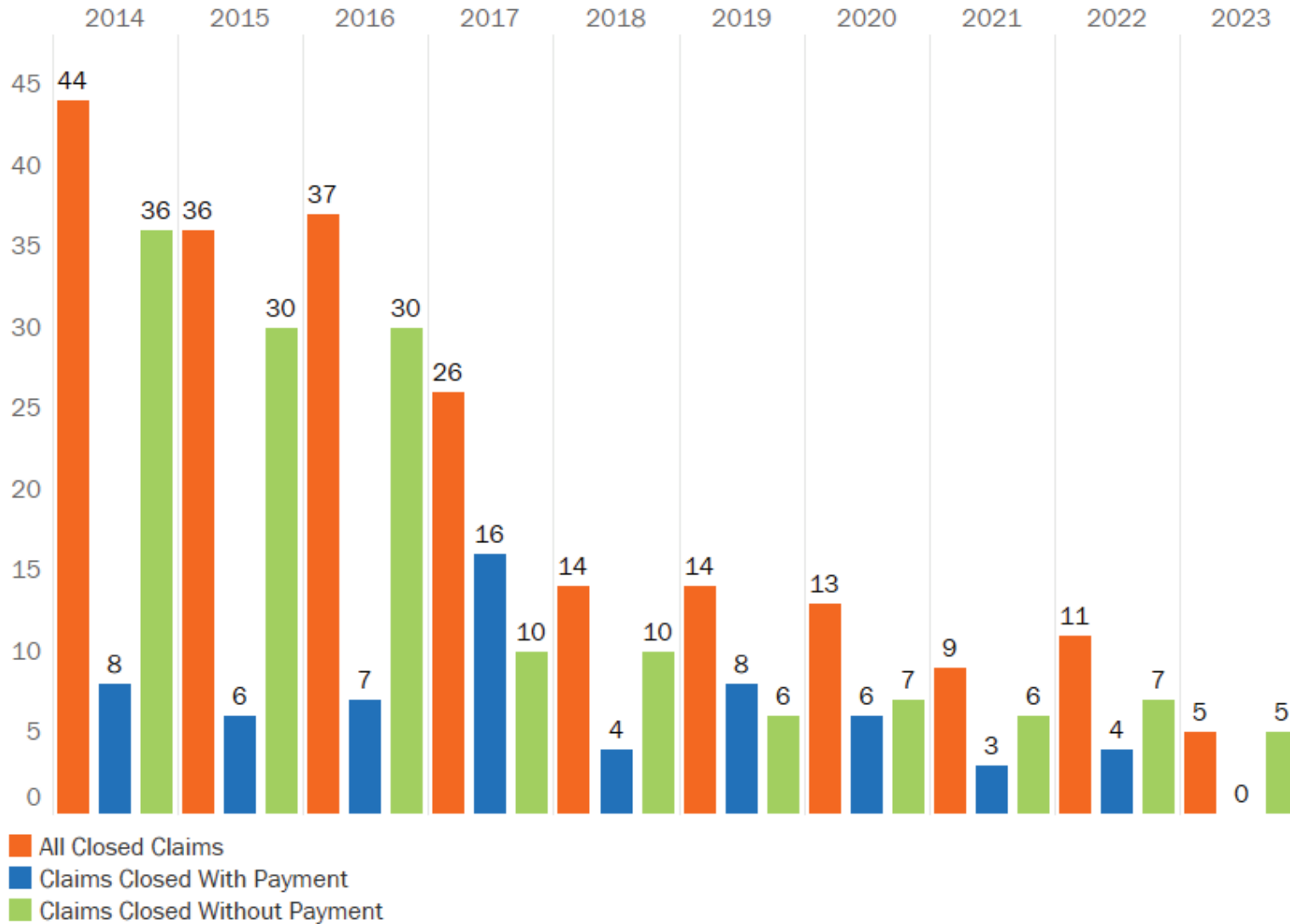
# COLLECTION & BANKRUPTCY

## AVERAGE INDEMNITY & EXPENSE



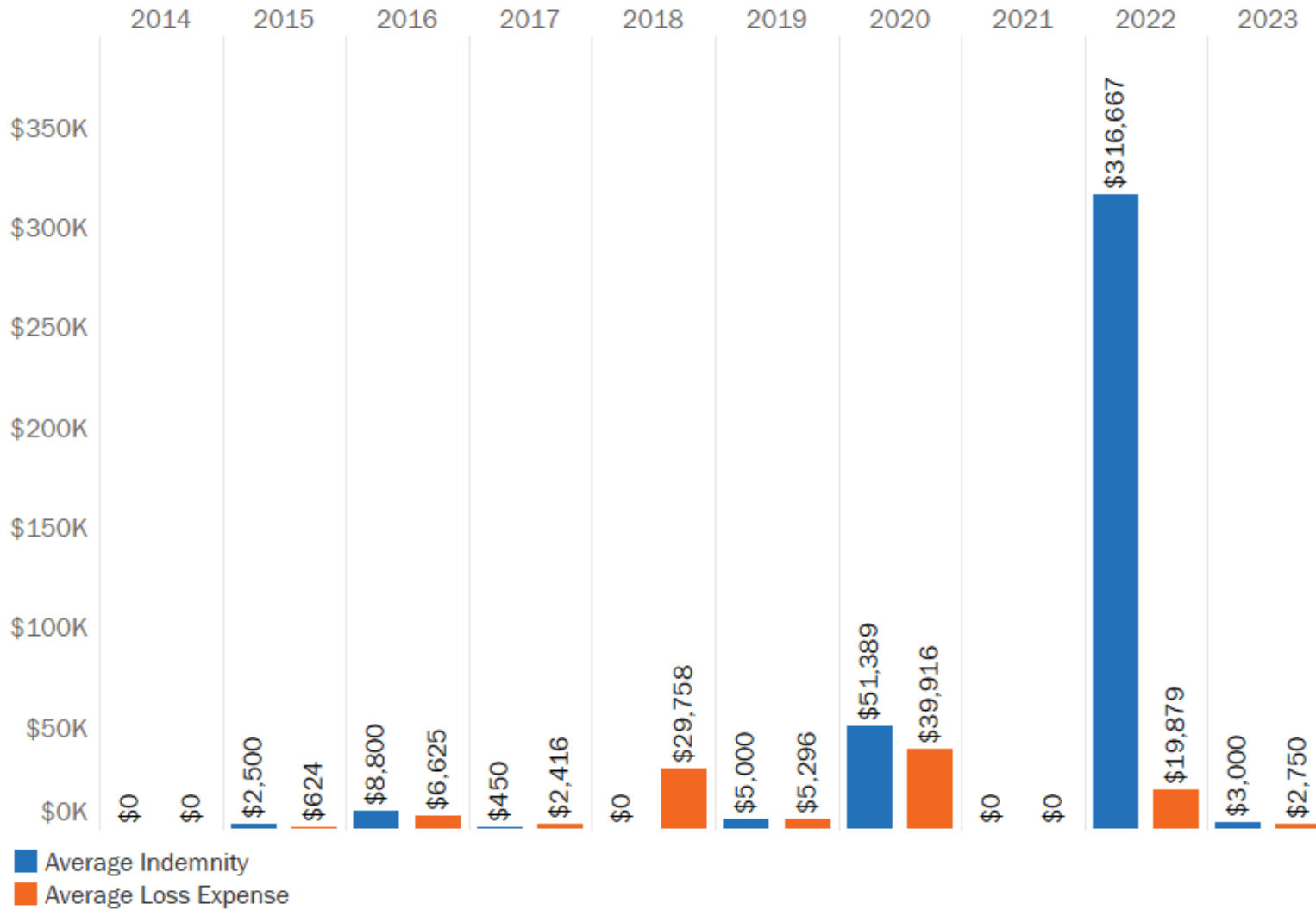
# COLLECTION & BANKRUPTCY

## CLOSED CLAIMS



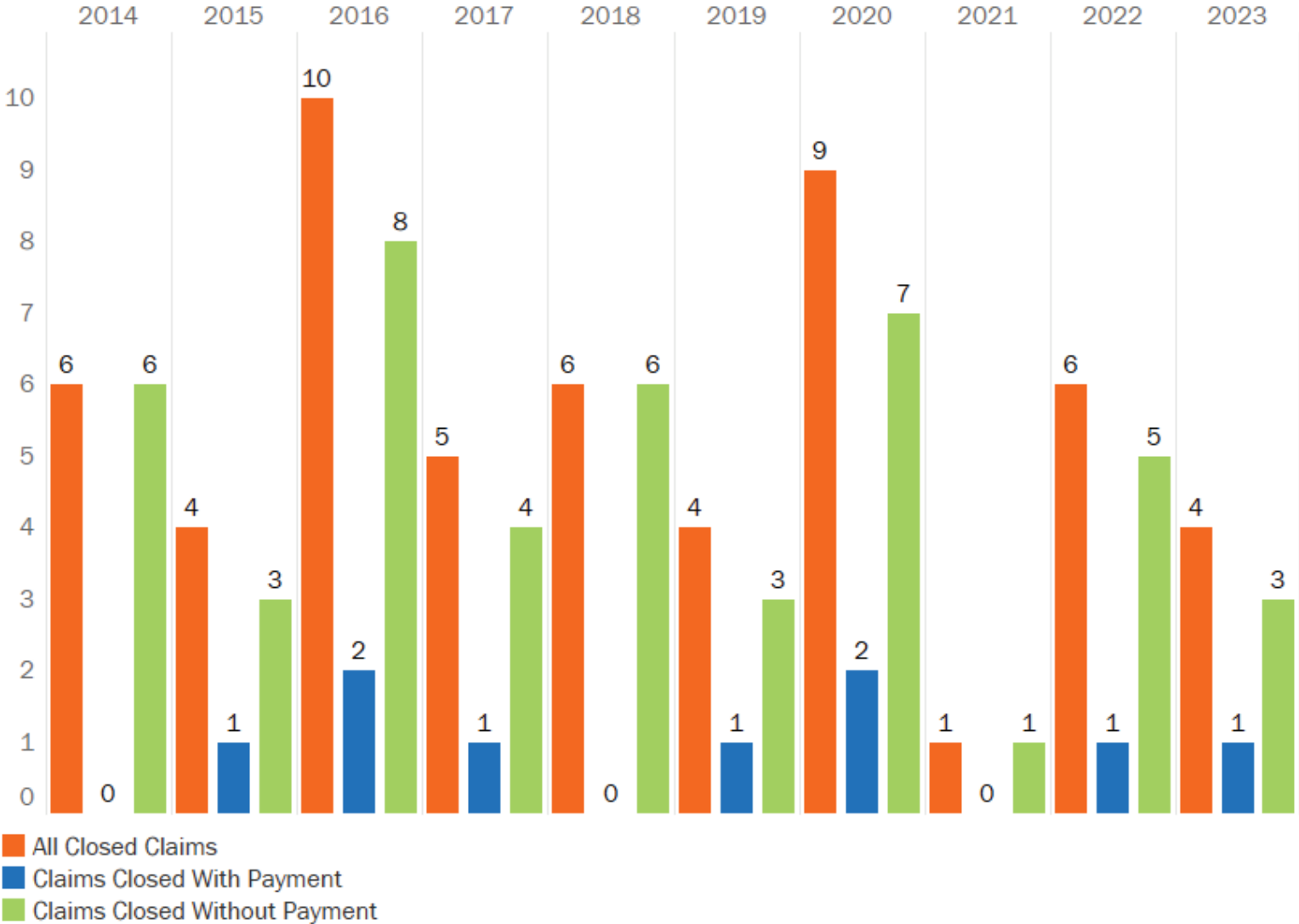
# CRIMINAL LAW

## AVERAGE INDEMNITY & EXPENSE



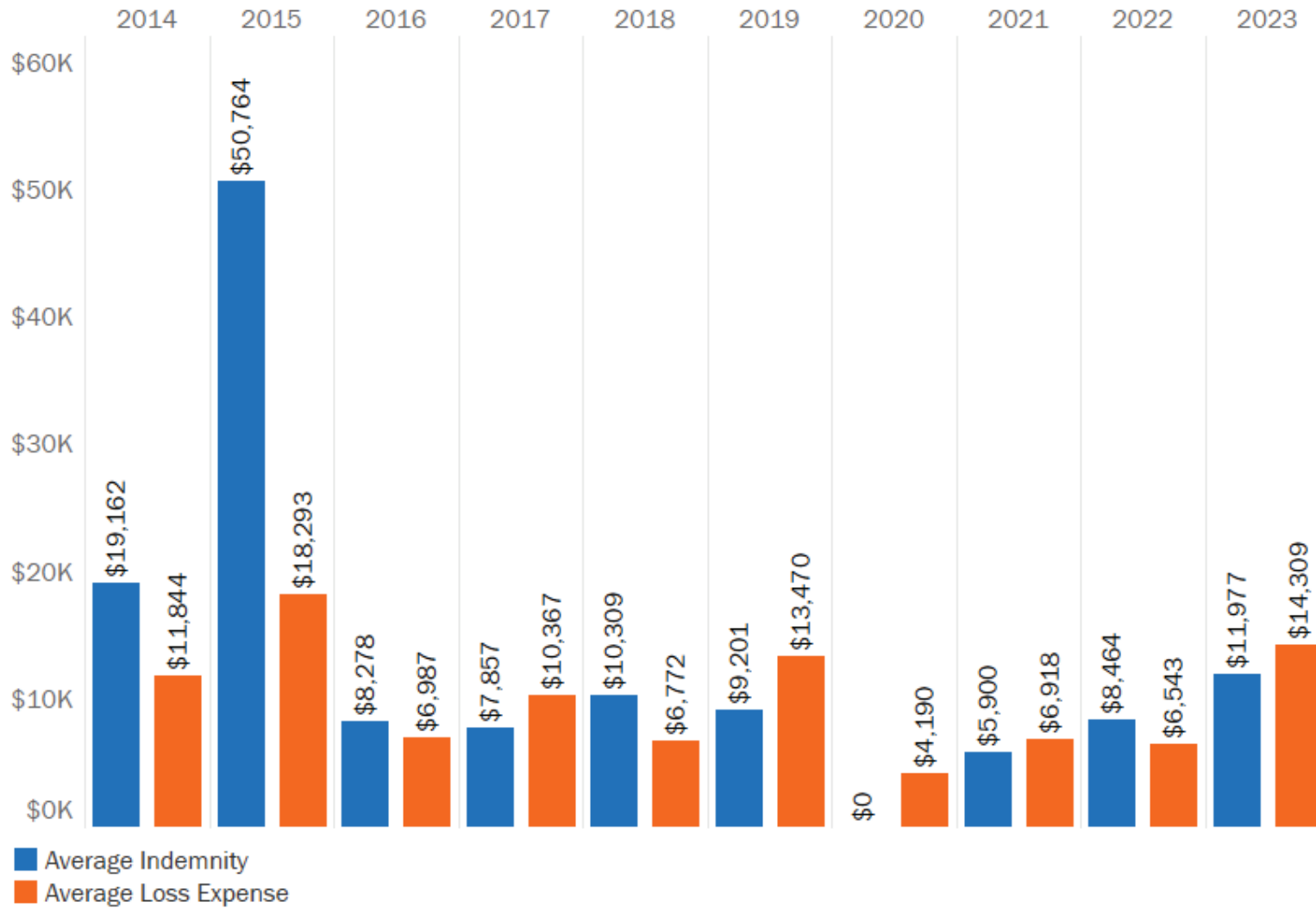
# CRIMINAL LAW

## CLOSED CLAIMS



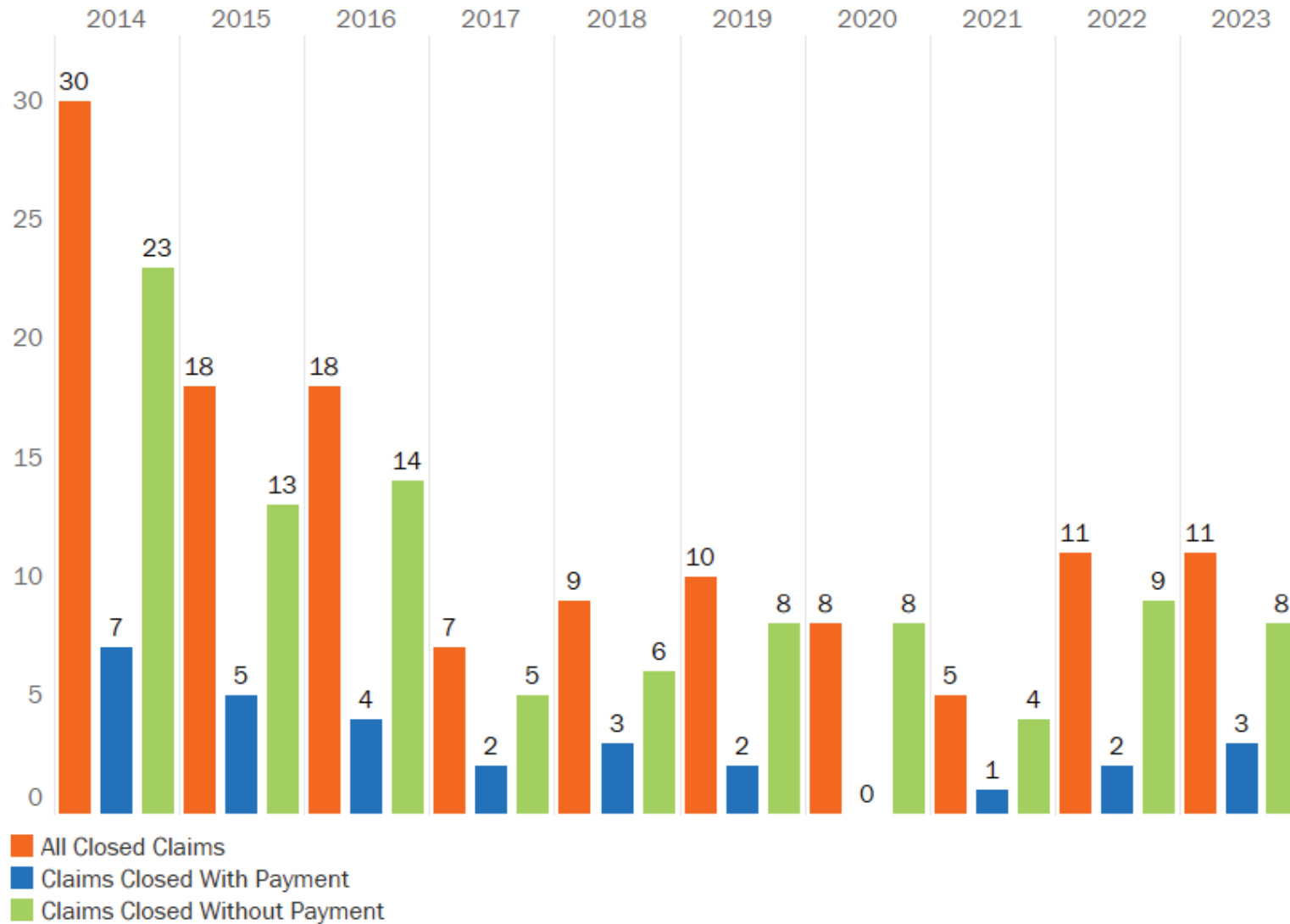
# REAL ESTATE

## AVERAGE INDEMNITY & EXPENSE



# REAL ESTATE

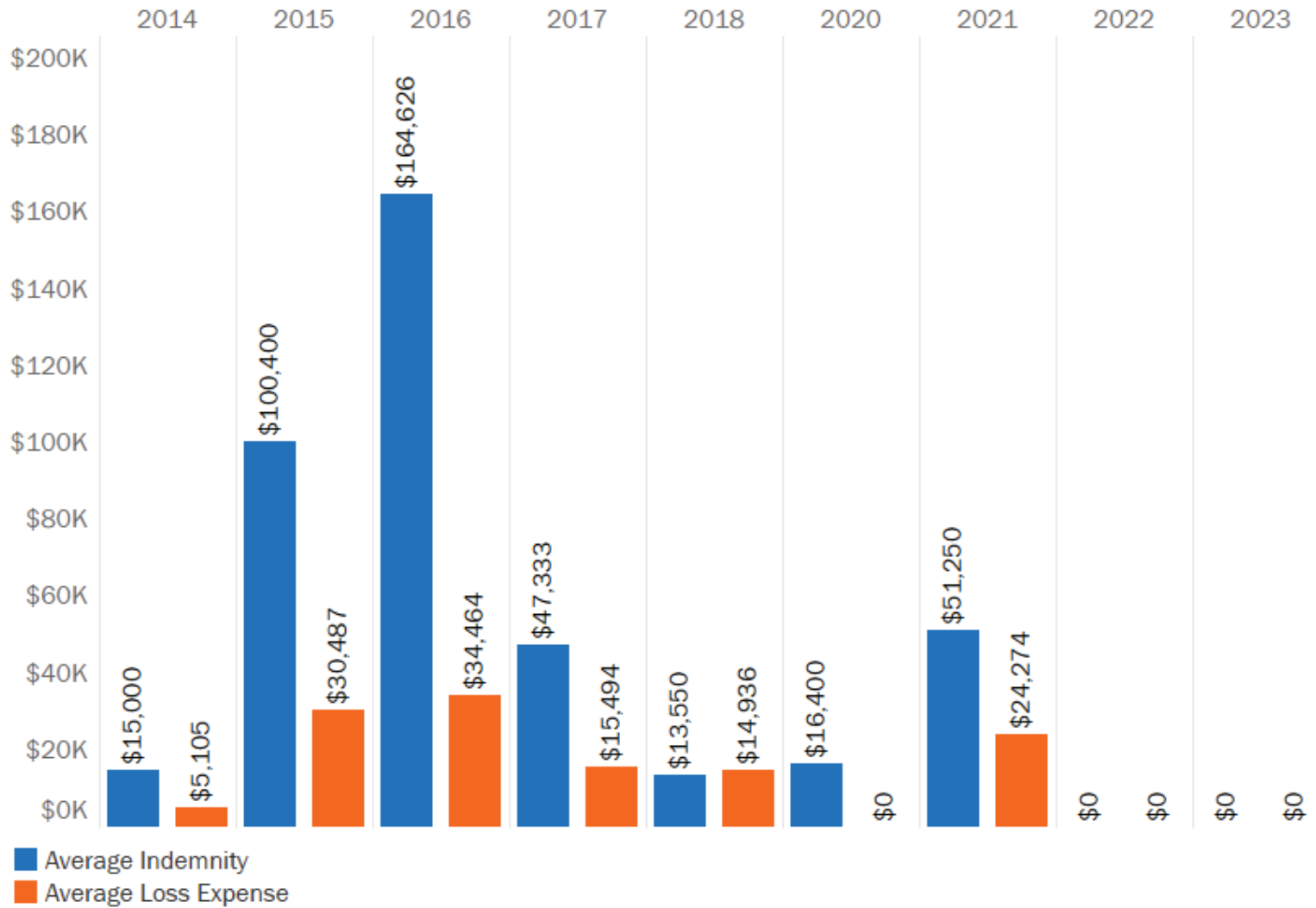
## CLOSED CLAIMS





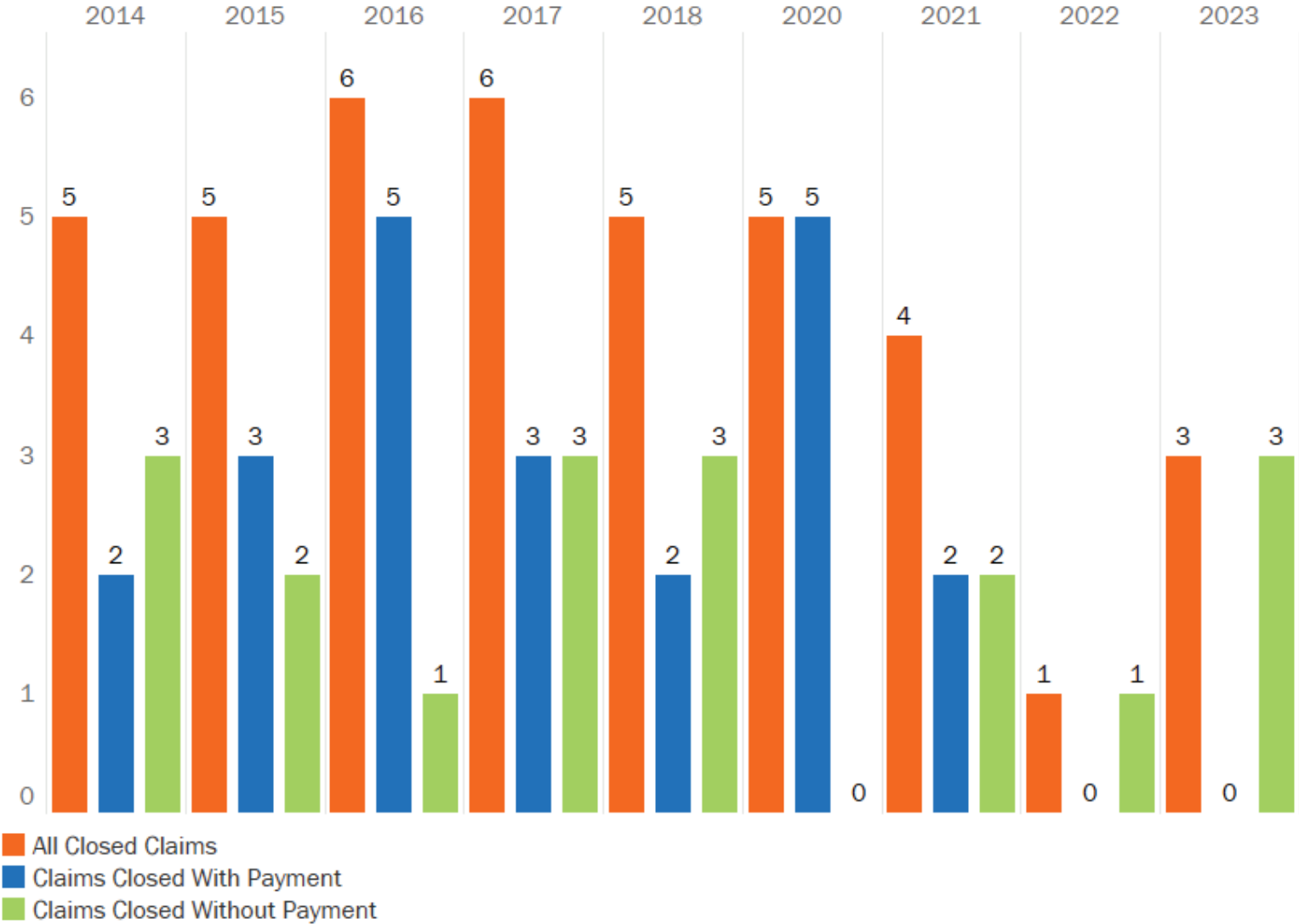
# LABOR LAW

## AVERAGE INDEMNITY & EXPENSE



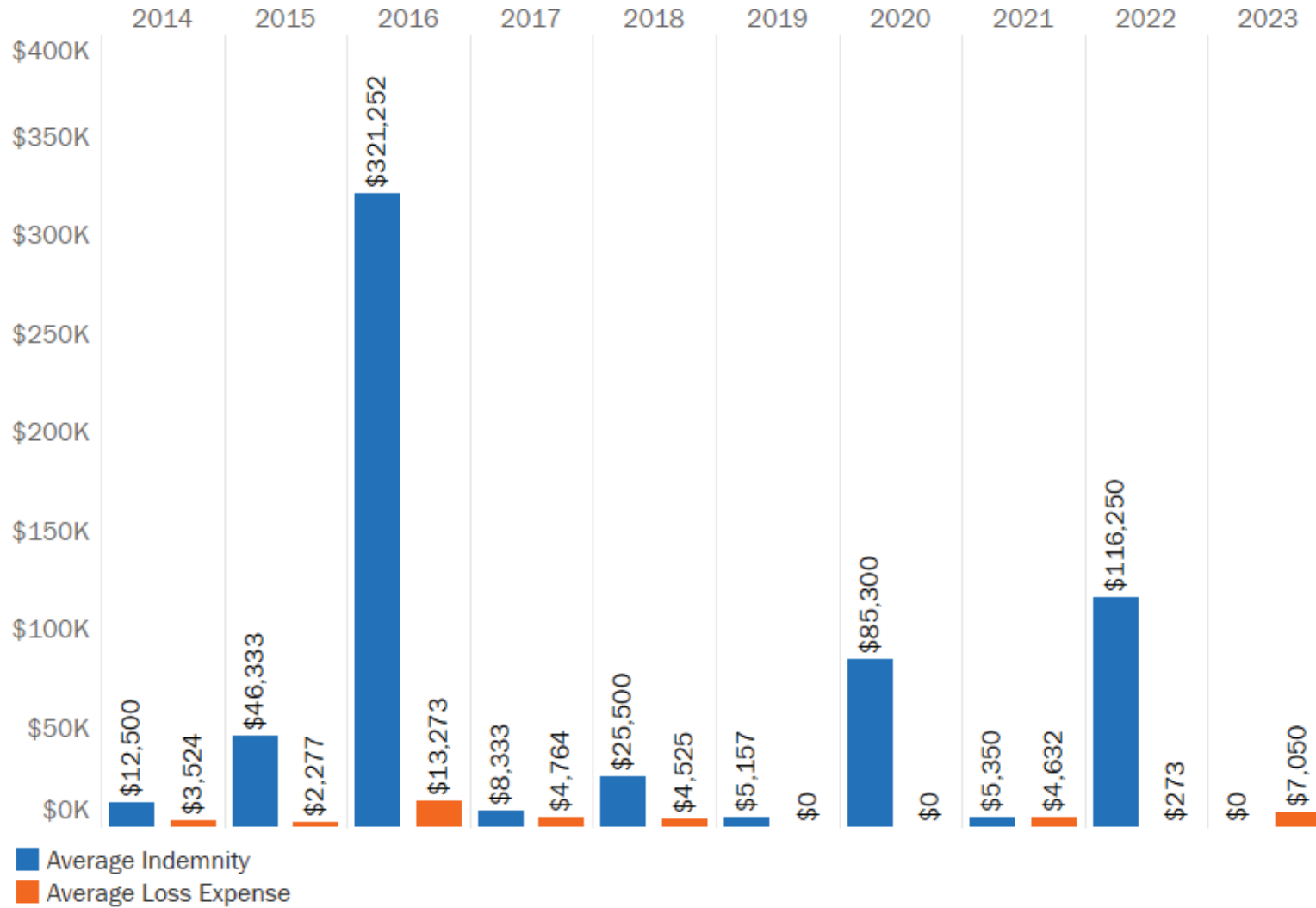
# LABOR LAW

## CLOSED CLAIMS



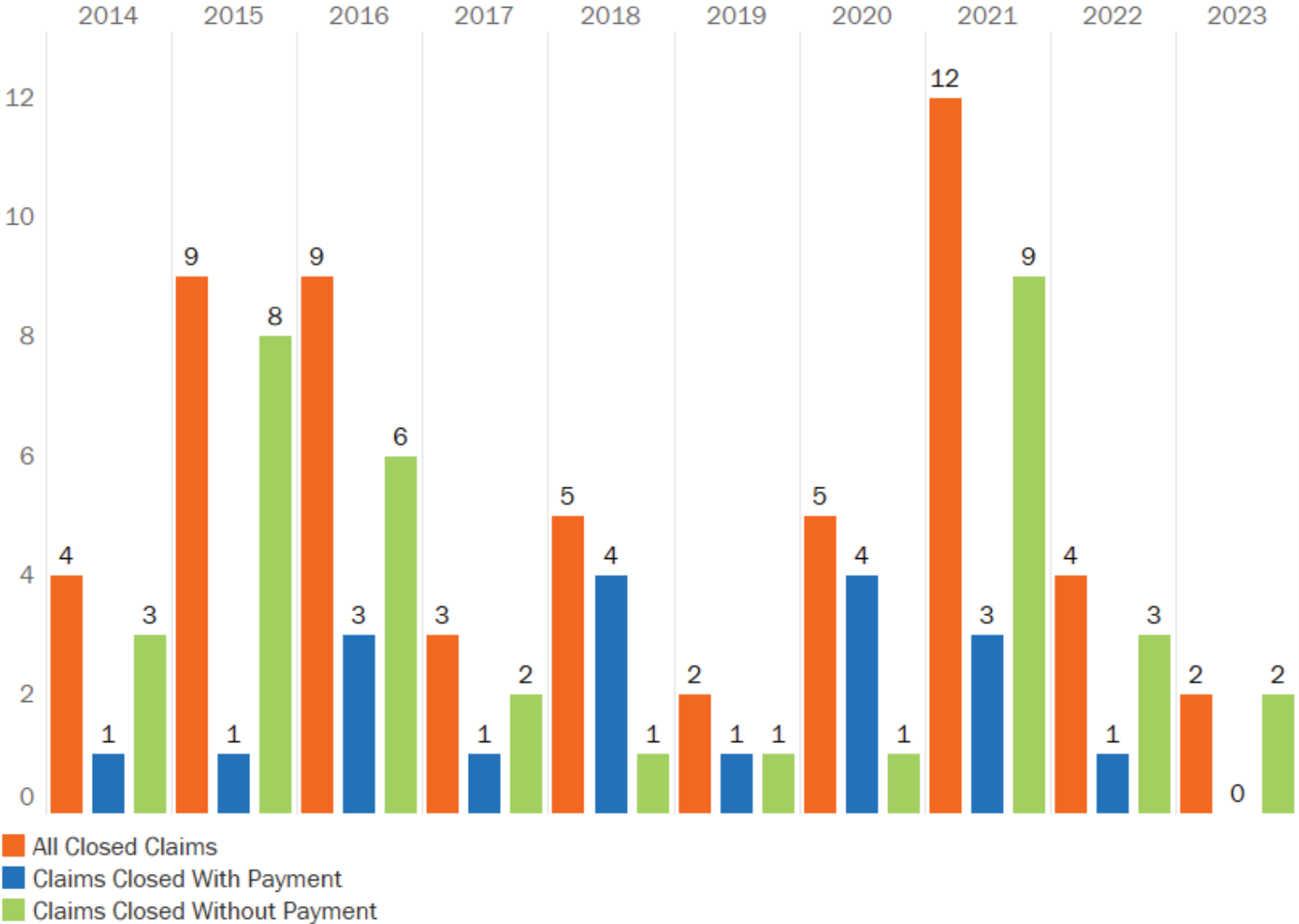
# WORKERS' COMPENSATION

## AVERAGE INDEMNITY & EXPENSE



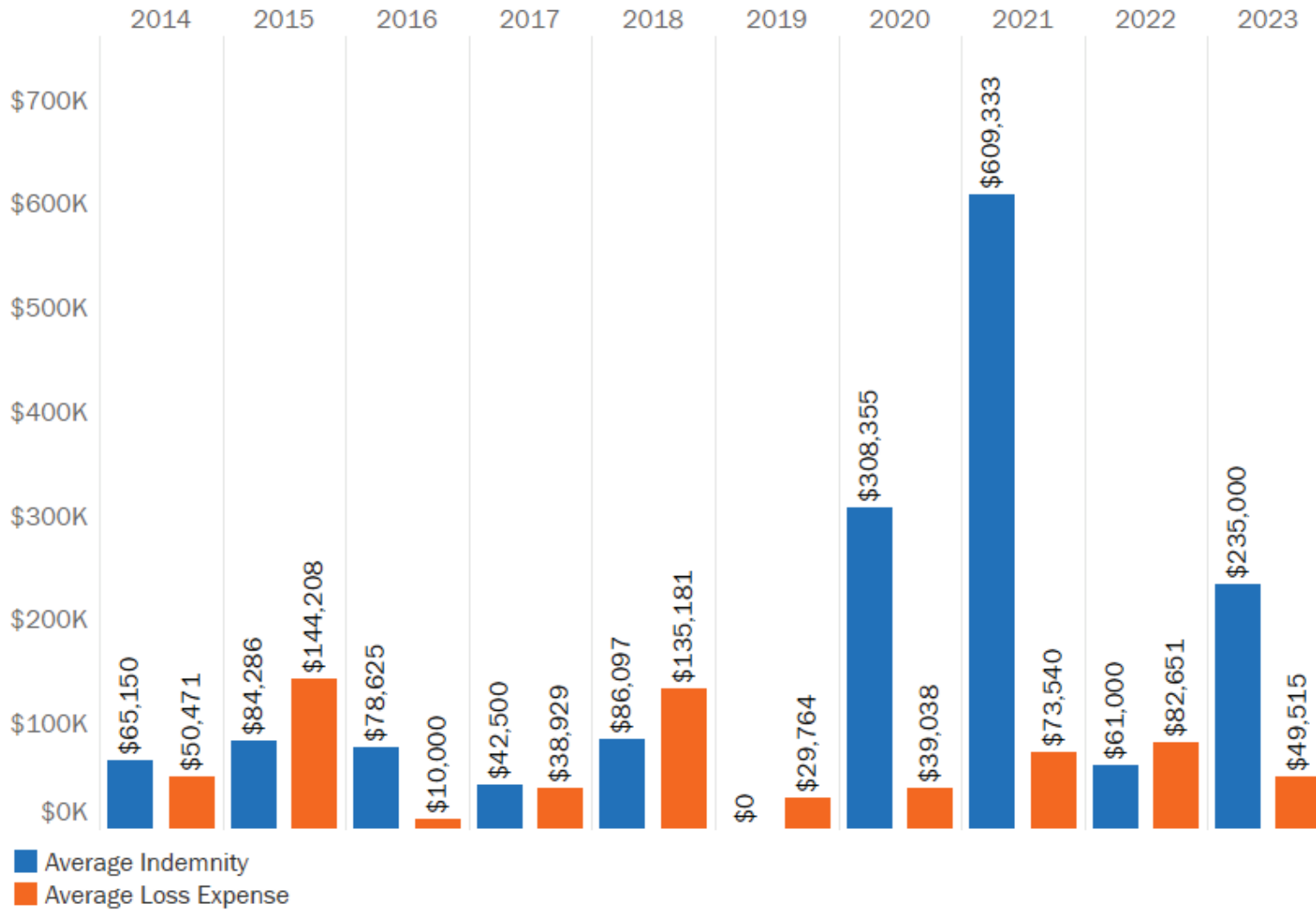
# WORKERS' COMPENSATION

## CLOSED CLAIMS



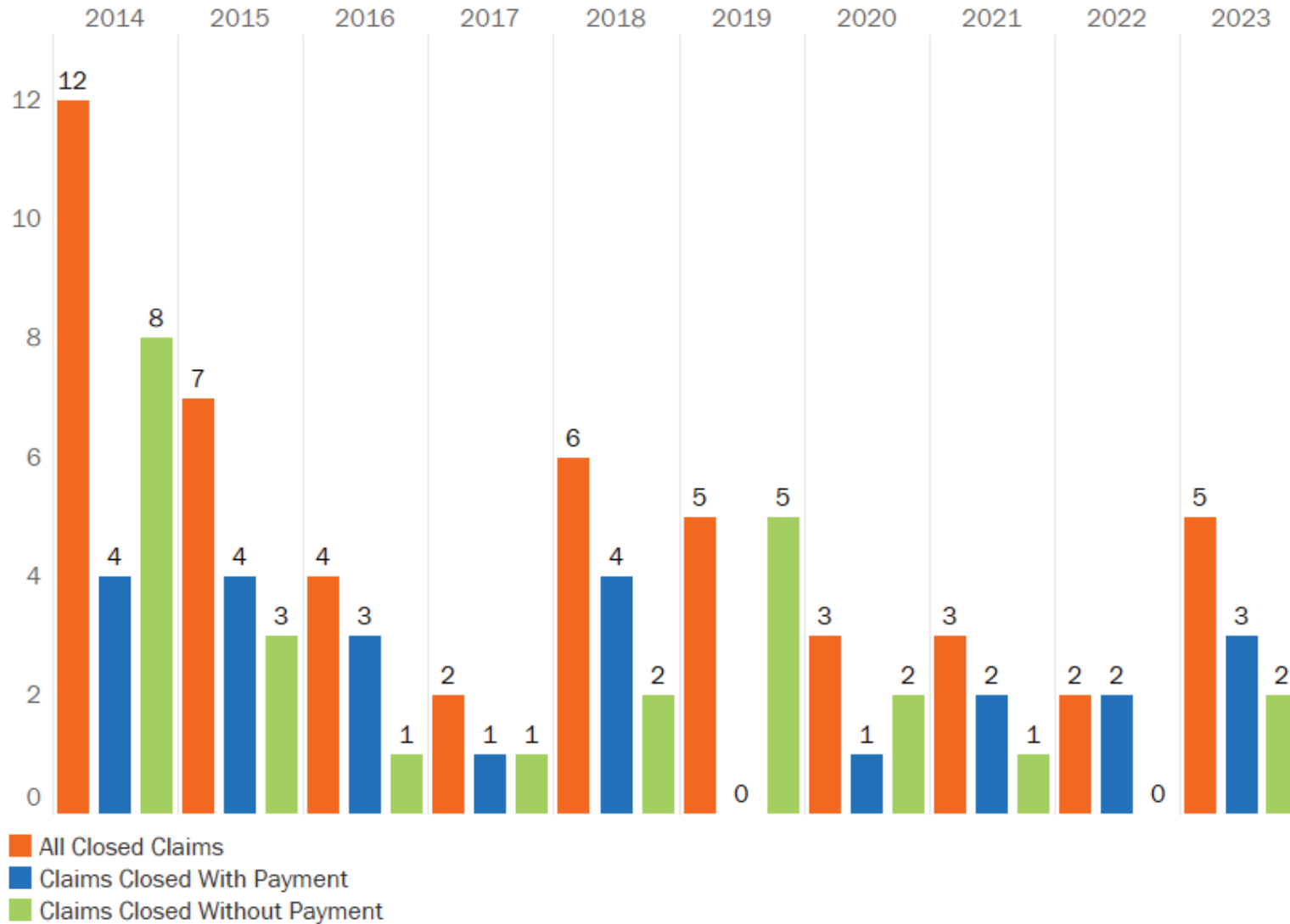
# BUSINESS/COMMERCIAL LAW

## AVERAGE INDEMNITY & EXPENSE



# BUSINESS/COMMERCIAL LAW

## CLOSED CLAIMS



## LEGAL PROCESS IMPLICATED IN ALLEGATION

### PRIOR TEN YEARS

Major Activity	All Closed Claims	Number of Paid Claims	Percent of Paid Claims	Average Indemnity Per Paid Claim	Total Indemnity	Percent of Total Indemnity	Average Loss Expense, All Closed Claims
COMMENCEMENT OF ACTION OR PROCEEDING	447	138	30%	\$132,385	\$18,269,096	24%	\$20,642
OTHER	195	52	11%	\$224,809	\$11,690,058	16%	\$28,625
PREPARATION, TRANSMITTAL, OR FILING	186	85	19%	\$121,091	\$10,292,774	14%	\$20,923
PRE-TRIAL, PRE-HEARING	148	50	11%	\$198,560	\$9,927,992	13%	\$25,819
SETTLEMENT & NEGOTIATION	114	51	11%	\$147,508	\$7,522,908	10%	\$15,939
CONSULTATION OR ADVICE	100	27	6%	\$112,836	\$3,046,565	4%	\$23,031
INVESTIGATION, OTHER THAN LITIGATION	45	10	2%	\$308,100	\$3,081,000	4%	\$12,205
TRIAL OR HEARING	42	16	4%	\$274,511	\$4,392,177	6%	\$35,893
OTHER WRITTEN OPINION	31	6	1%	\$72,355	\$434,128	1%	\$17,920
APPEAL ACTIVITIES	22	3	1%	\$69,167	\$207,500	0%	\$2,225
POST TRIAL OR HEARING	13	5	1%	\$523,730	\$2,618,650	3%	\$13,479
REFERRAL TO ANOTHER PROFESSIONAL	10	5	1%	\$454,268	\$2,271,338	3%	\$26,169
TAX REPORTING OR PAYMENT	10	4	1%	\$123,417	\$493,669	1%	\$74,352
EX PARTE PROCEEDINGS	6	1	0%	\$39,713	\$39,713	0%	\$22,624
TITLE OPINION	2	2	0%	\$275,000	\$550,000	1%	\$39,466
<b>TOTAL</b>	<b>1,371</b>	<b>455</b>	<b>100%</b>	<b>\$164,478</b>	<b>\$74,837,568</b>	<b>100%</b>	<b>\$22,391</b>

# LEGAL PROCESS IMPLICATED IN ALLEGATION

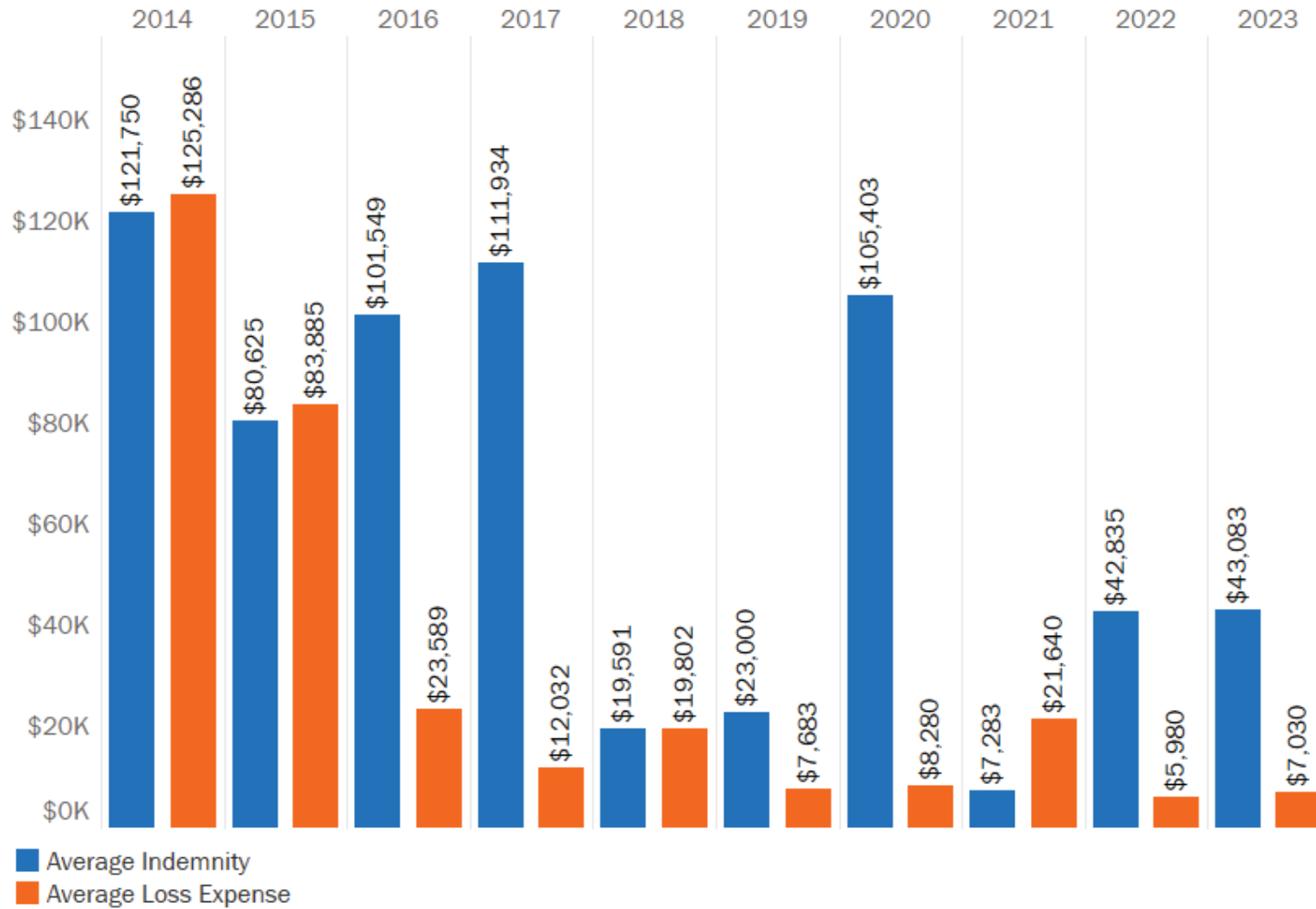
2023

Major Activity	All Closed Claims	Number of Paid Claims	Percent of Paid Clams	Average Indemnity Per Paid Claim	Total Indemnity	Percent of Total Indemnity	Average Loss Expense, All Closed Claims
COMMENCEMENT OF ACTION OR PROCEEDING	37	11	42%	\$153,409	\$1,687,500	39%	\$22,500
PRE-TRIAL, PRE-HEARING	19	4	15%	\$204,646	\$818,585	19%	\$7,030
PREPARATION, TRANSMITTAL, OR FILING	14	6	23%	\$200,958	\$1,205,750	28%	\$16,272
TRIAL OR HEARING	8	2	8%	\$143,500	\$287,000	7%	\$16,693
SETTLEMENT & NEGOTIATION	7	2	8%	\$145,000	\$290,000	7%	\$22,284
CONSULTATION OR ADVICE	6	0	0%	\$0	\$0	0%	\$9,278
OTHER	4	0	0%	\$0	\$0	0%	\$3,356
APPEAL ACTIVITIES	2	0	0%	\$0	\$0	0%	\$3,896
INVESTIGATION, OTHER THAN LITIGATION	2	0	0%	\$0	\$0	0%	\$0
REFERRAL TO ANOTHER PROFESSIONAL	2	1	4%	\$48,338	\$48,338	1%	\$6,036
POST TRIAL OR HEARING	1	0	0%	\$0	\$0	0%	\$0
<b>TOTAL</b>	<b>102</b>	<b>26</b>	<b>100%</b>	<b>\$166,814</b>	<b>\$4,337,173</b>	<b>100%</b>	<b>\$15,415</b>



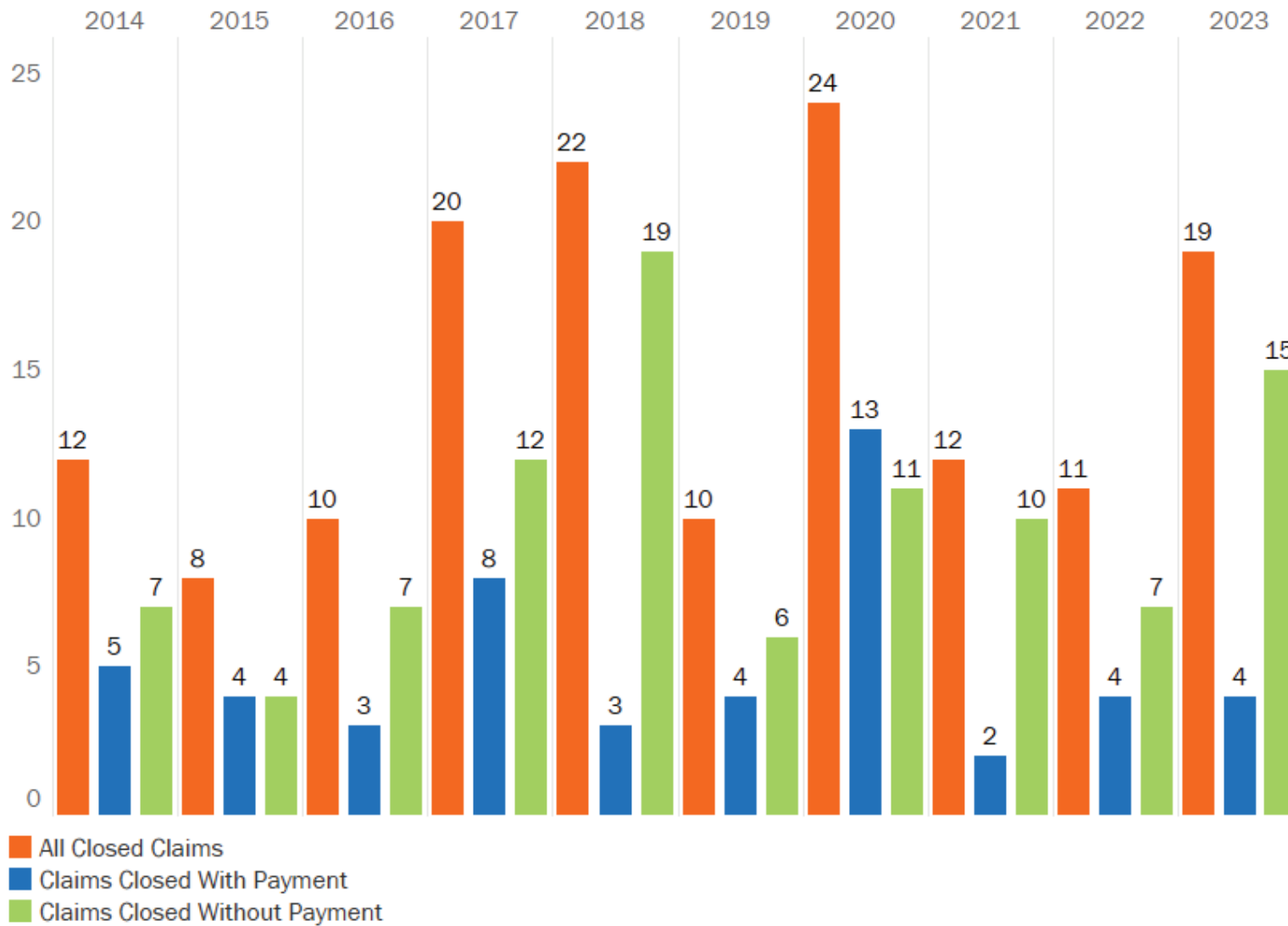
# PRE-TRIAL, PRE-HEARING

## AVERAGE INDEMNITY & EXPENSE



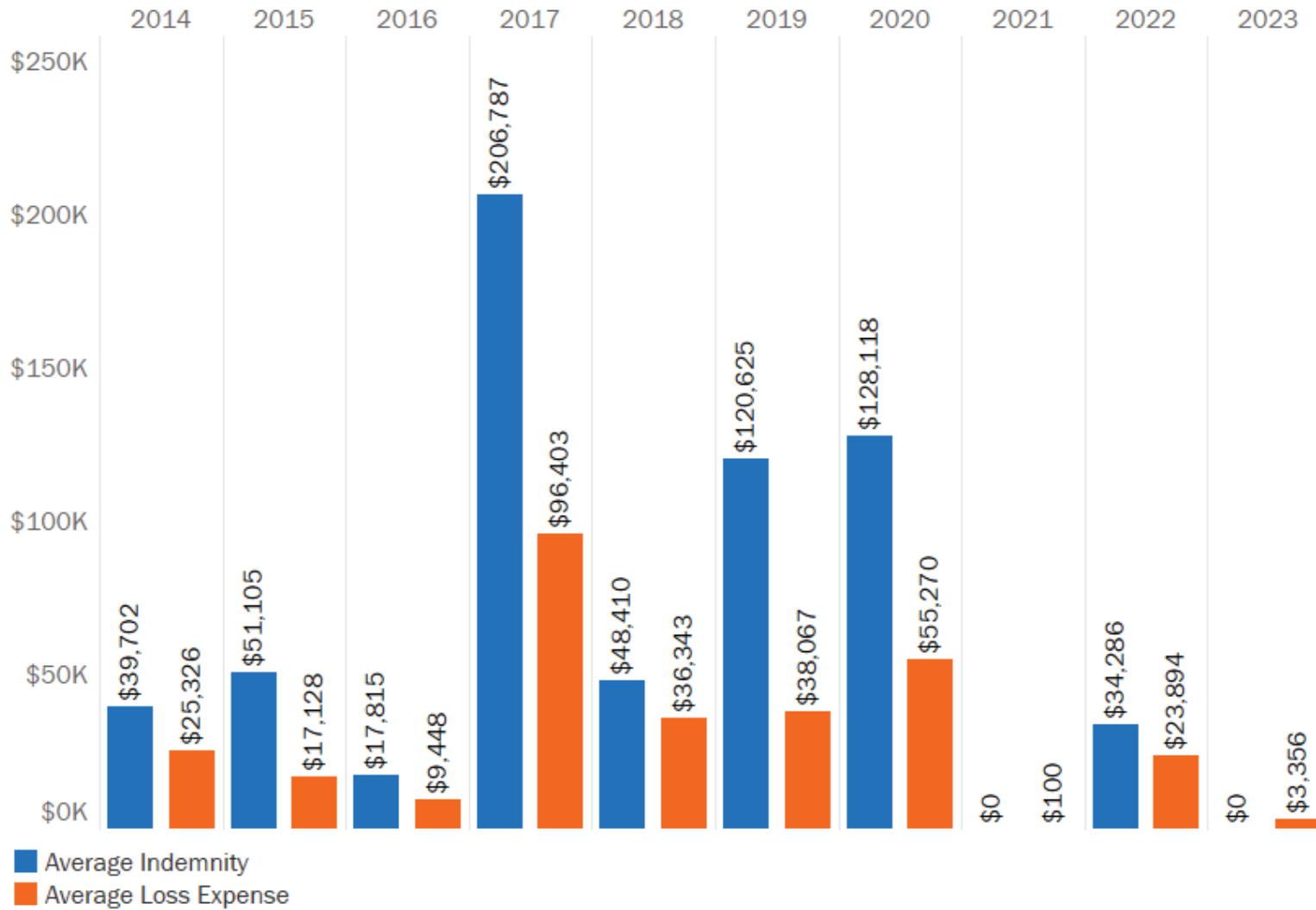
# PRE-TRIAL, PRE-HEARING

## CLOSED CLAIMS

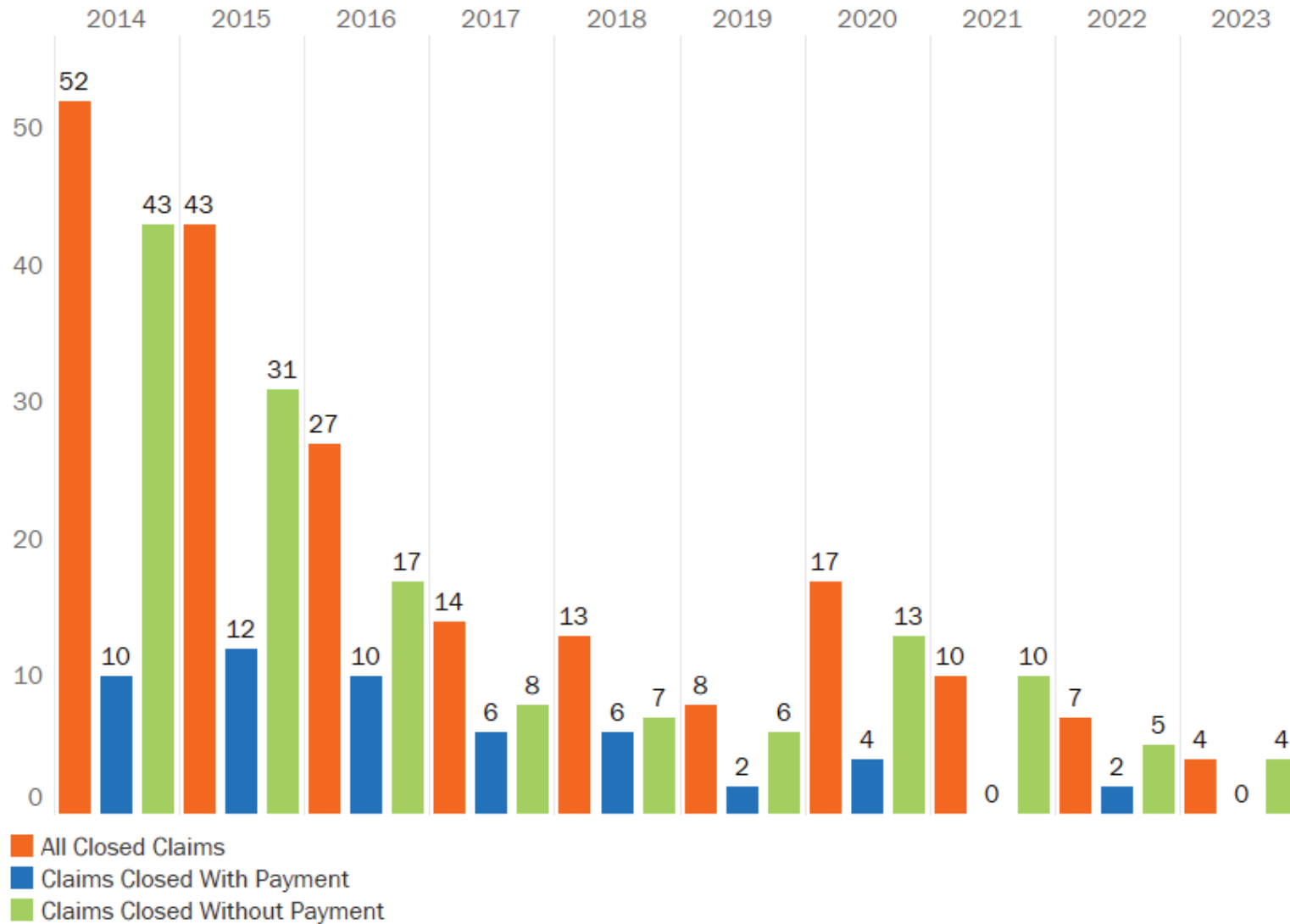


# OTHER

## AVERAGE INDEMNITY & EXPENSE

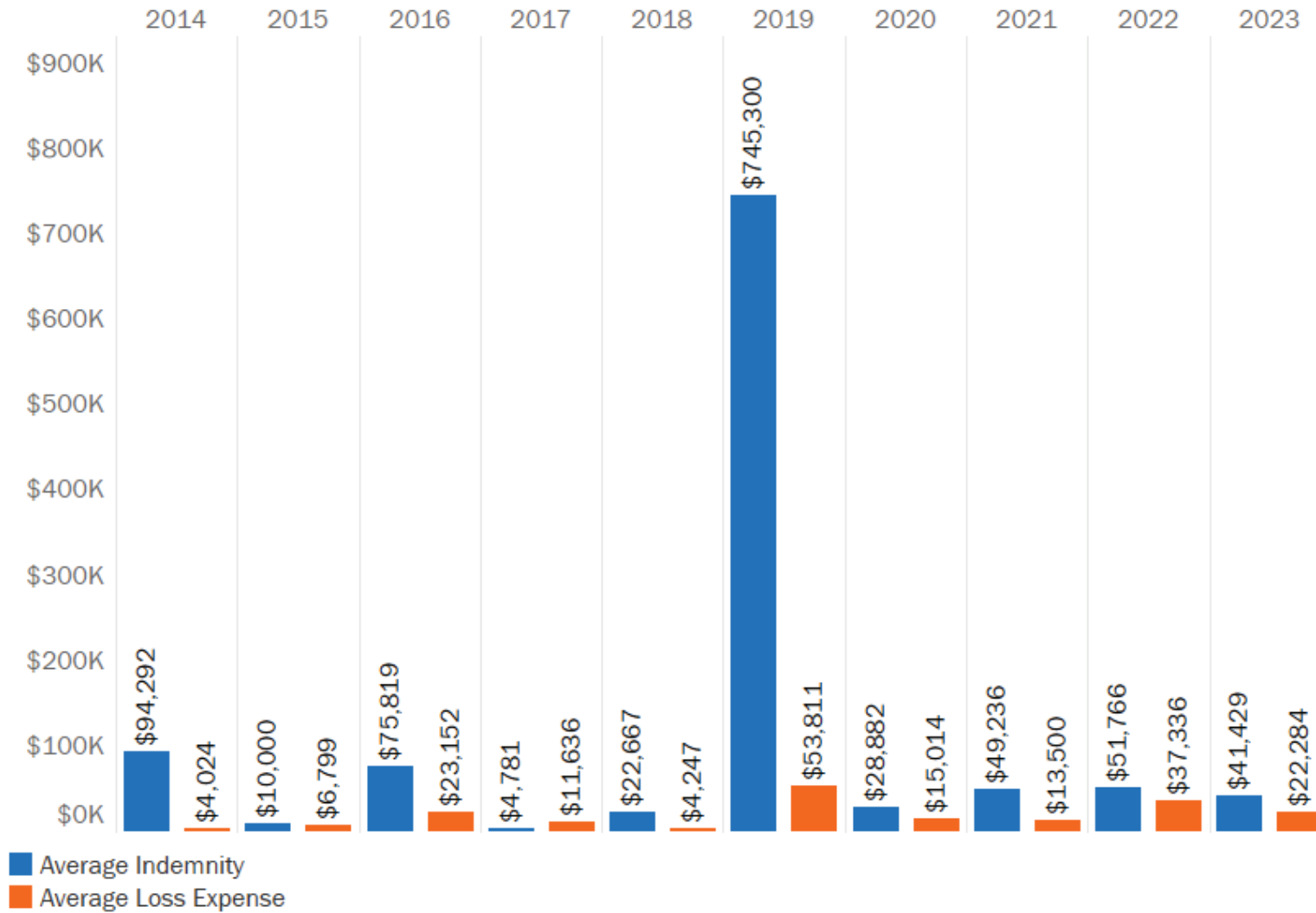


# OTHER CLOSED CLAIMS



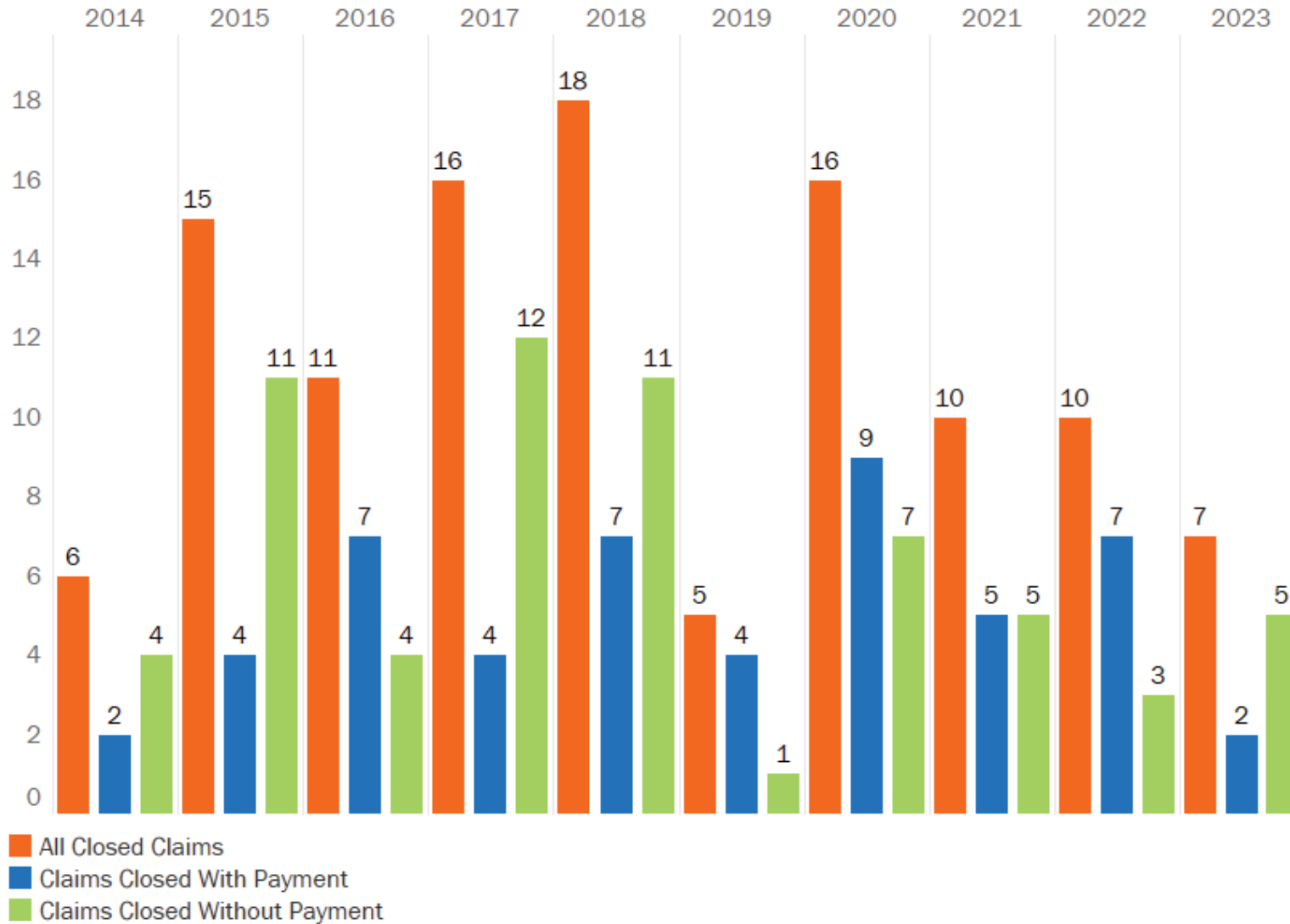
# SETTLEMENT/NEGOTIATION

## AVERAGE INDEMNITY & EXPENSE



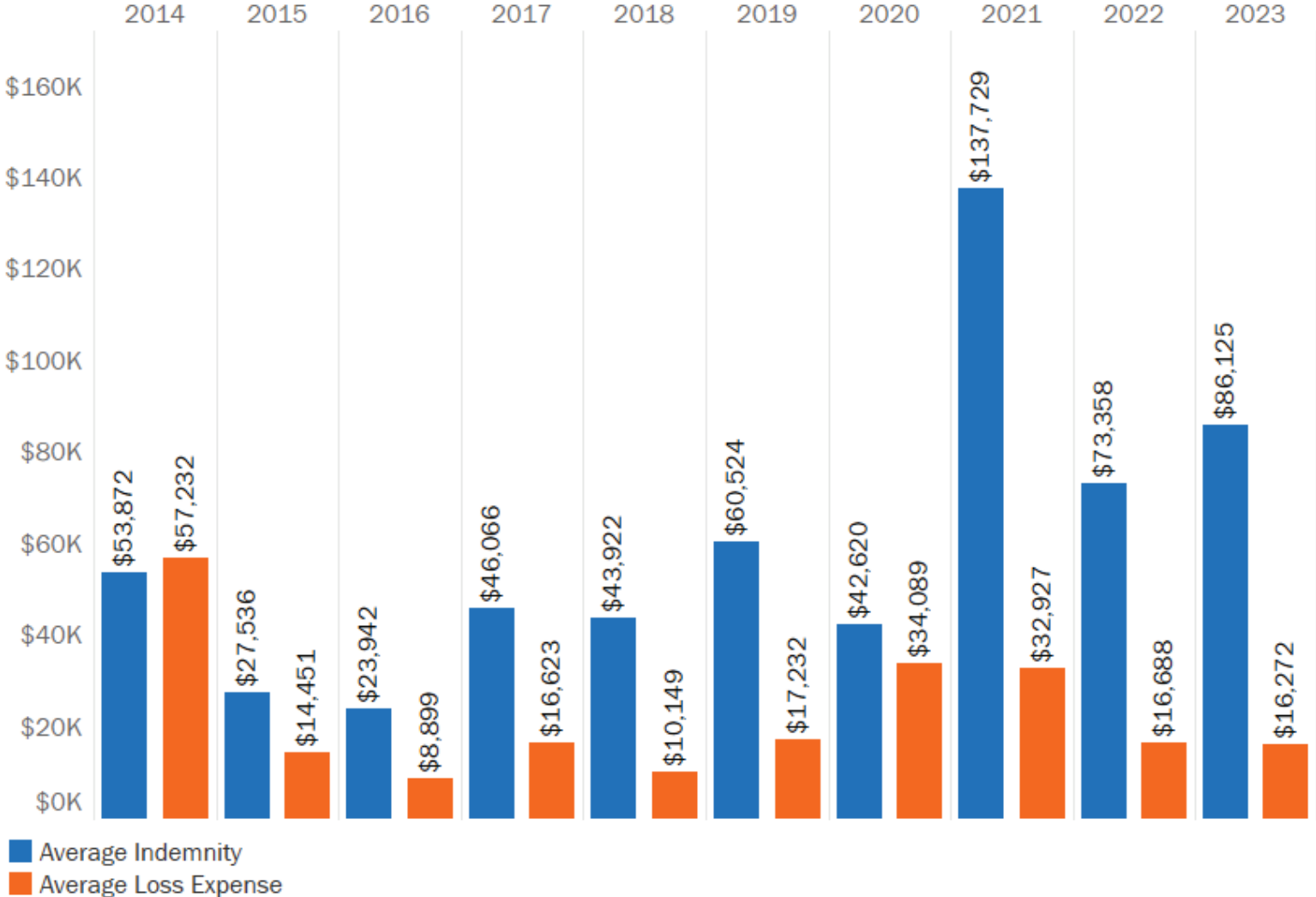
# SETTLEMENT/NEGOTIATION

## CLOSED CLAIMS



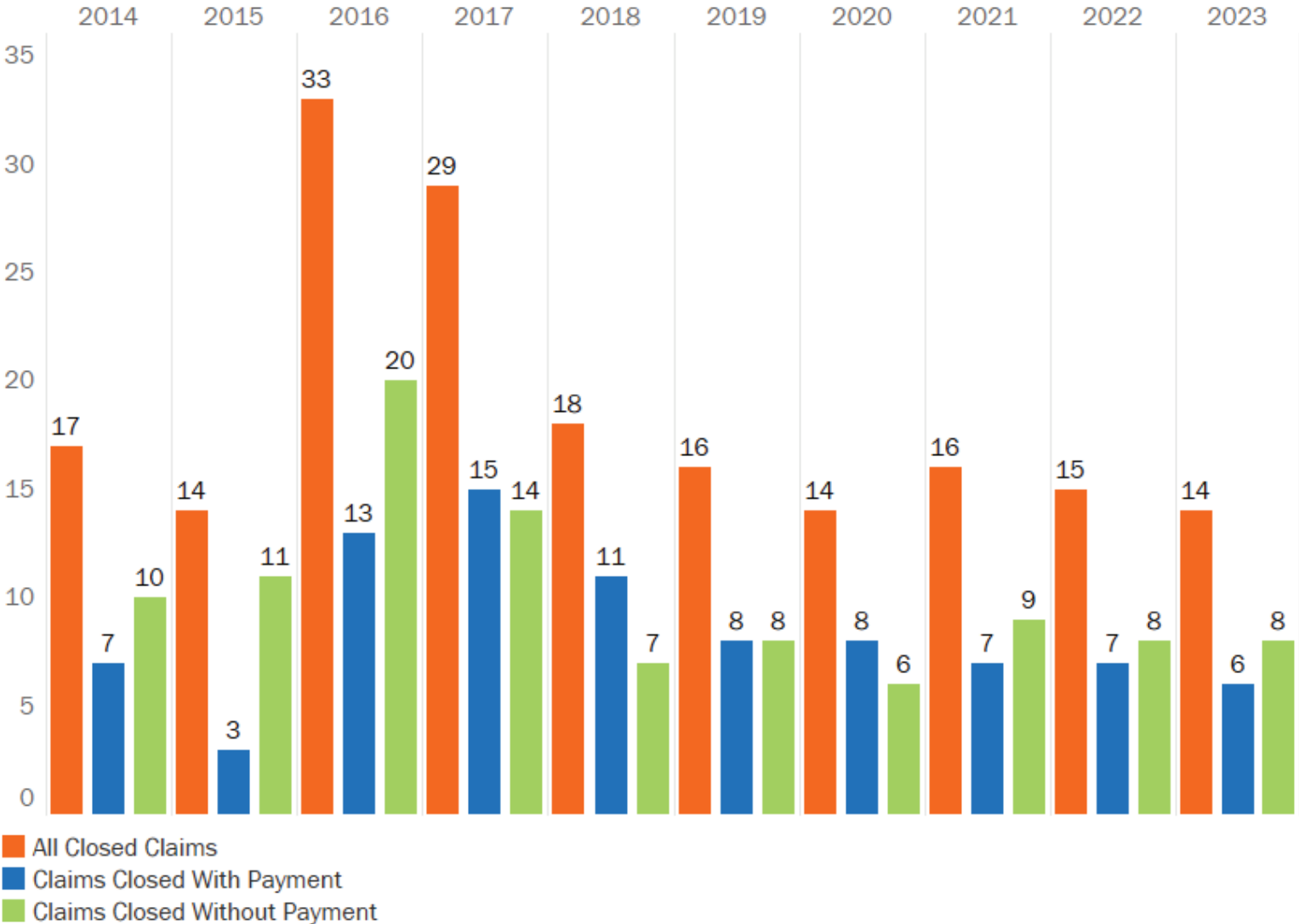
# PREPARATION, TRANSMITTAL, OR FILING

## AVERAGE INDEMNITY & EXPENSE



# PREPARATION, TRANSMITTAL, OR FILING

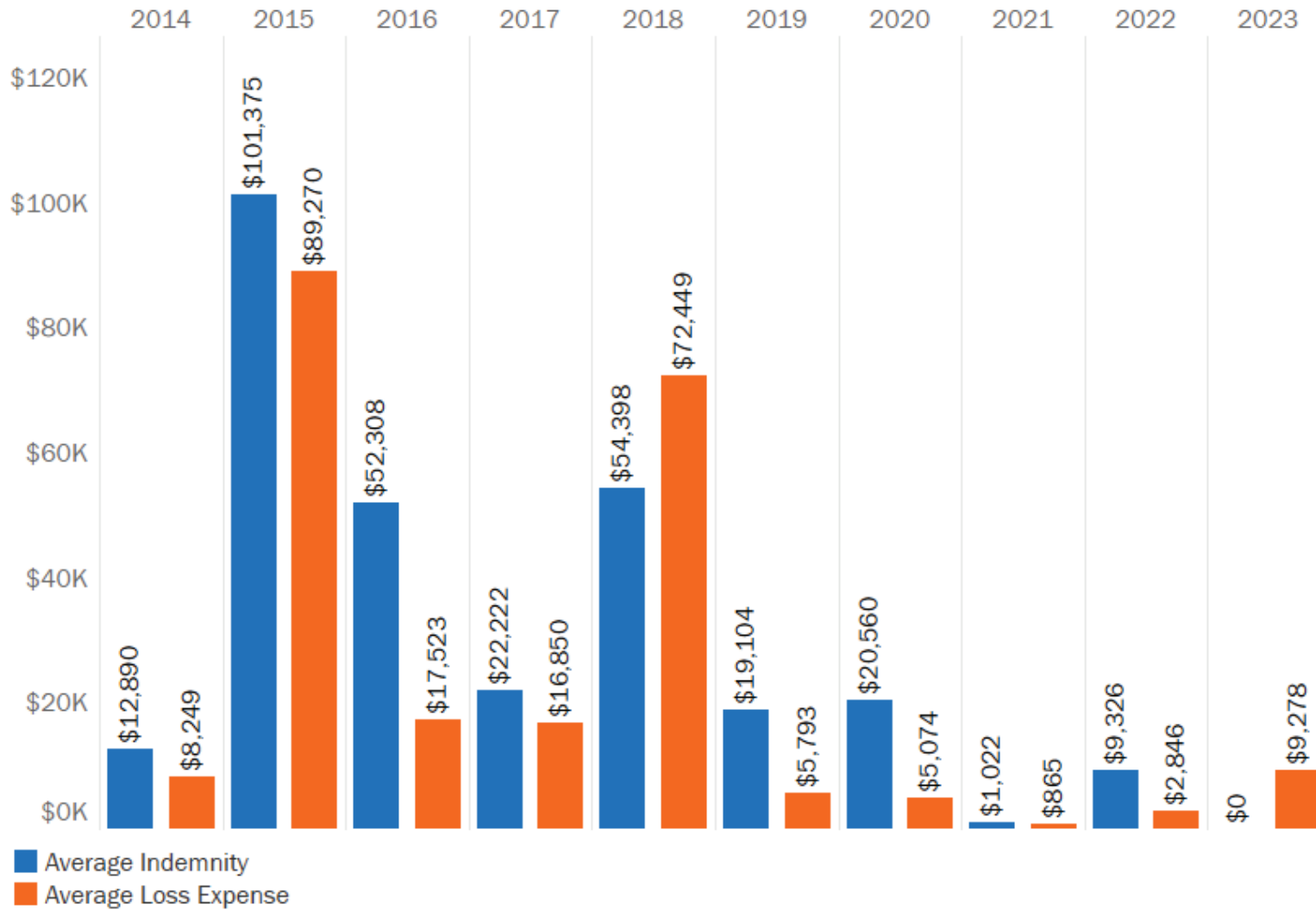
## CLOSED CLAIMS





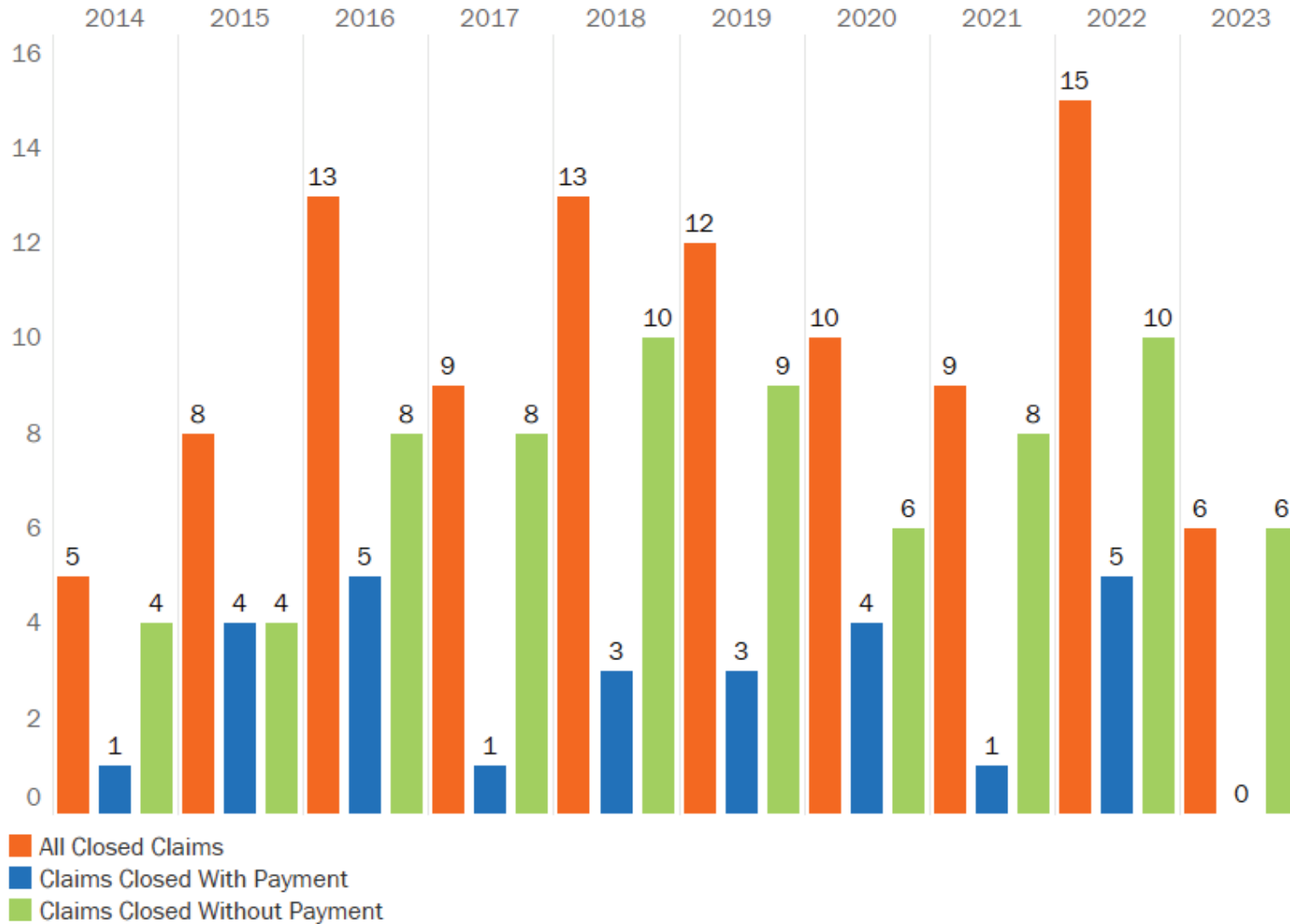
# CONSULTATION OR ADVICE

## AVERAGE INDEMNITY & EXPENSE



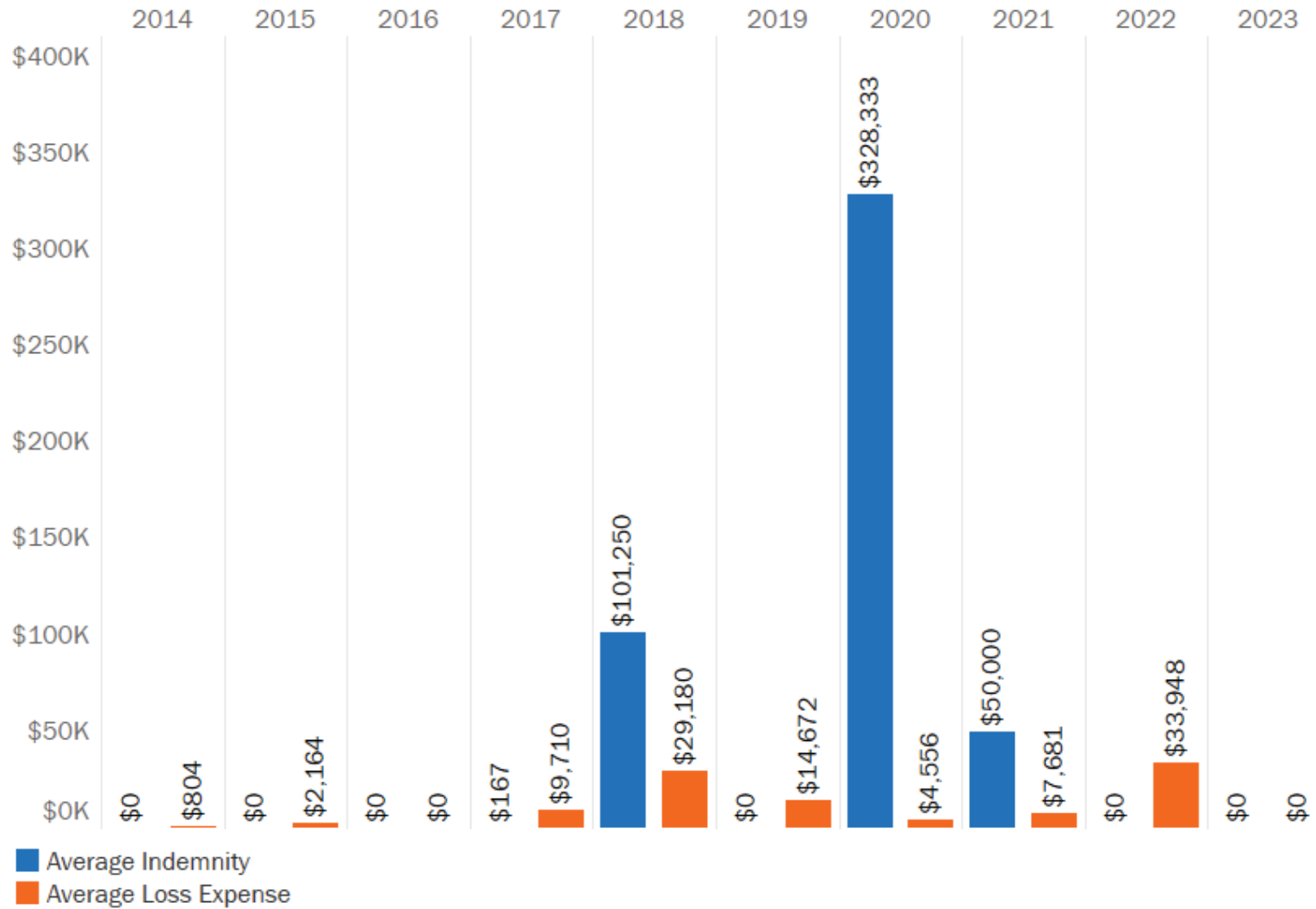
# CONSULTATION OR ADVICE

## CLOSED CLAIMS



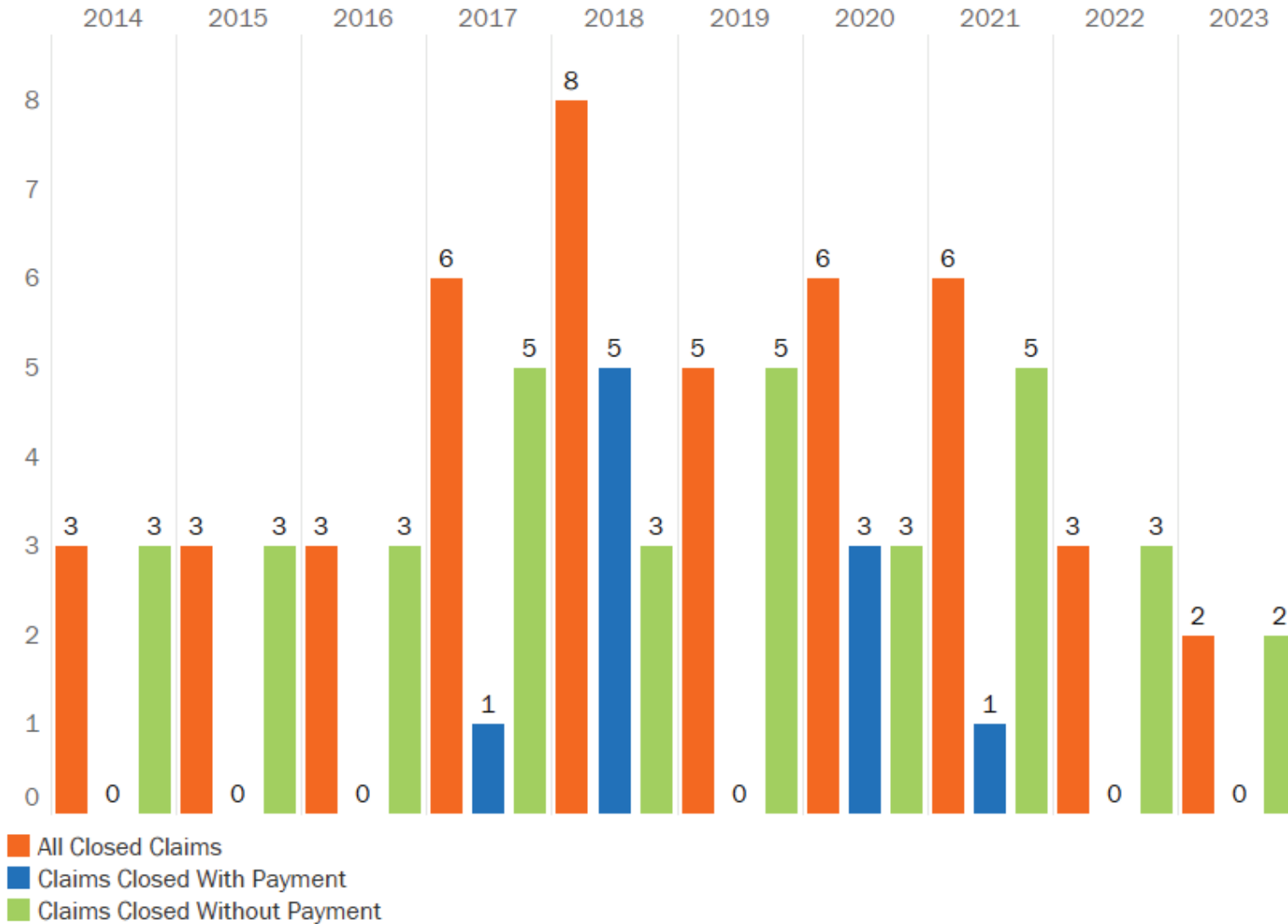
# INVESTIGATION OTHER THAN LITIGATION

## AVERAGE INDEMNITY & EXPENSE



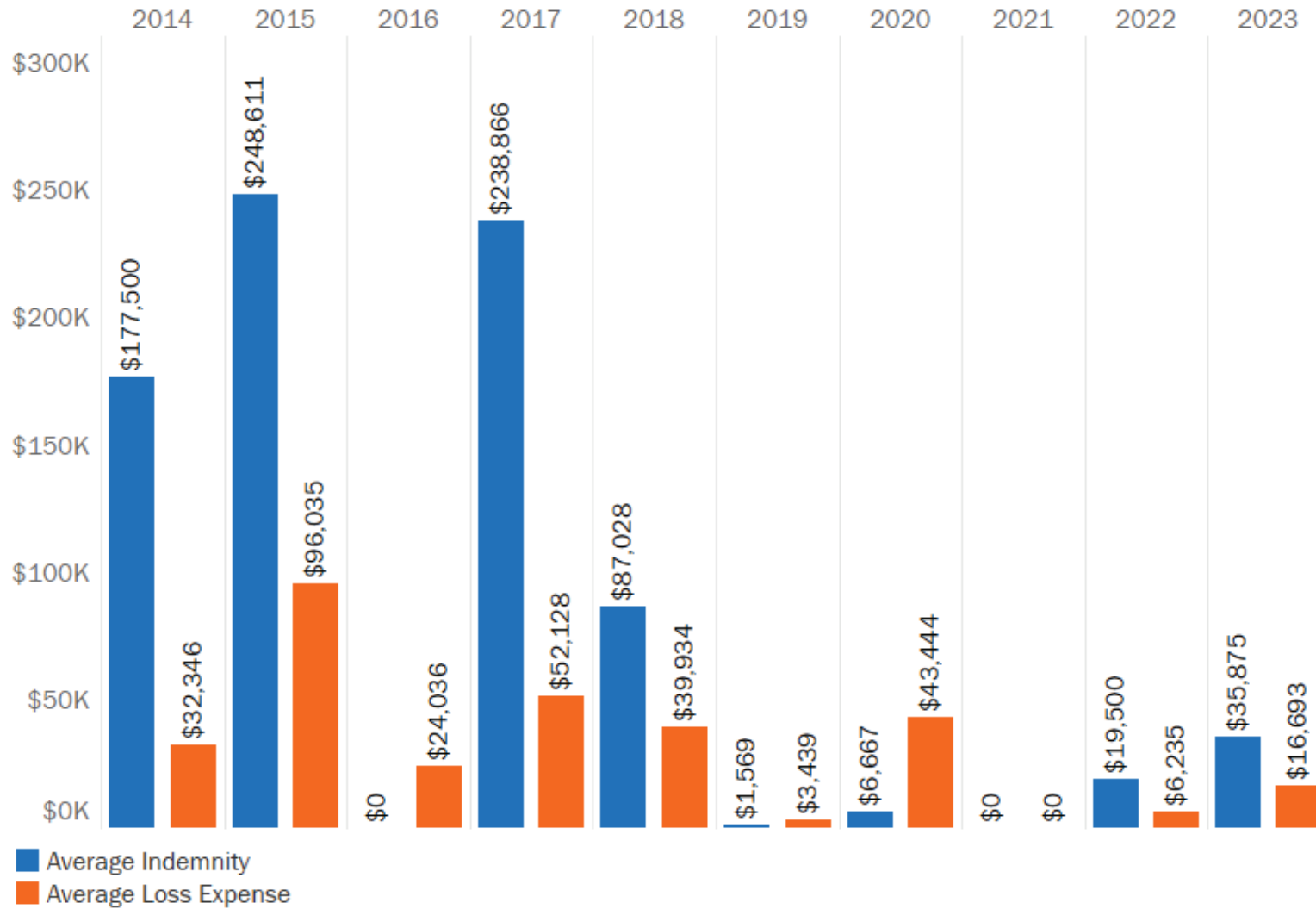
# INVESTIGATION OTHER THAN LITIGATION

## CLOSED CLAIMS



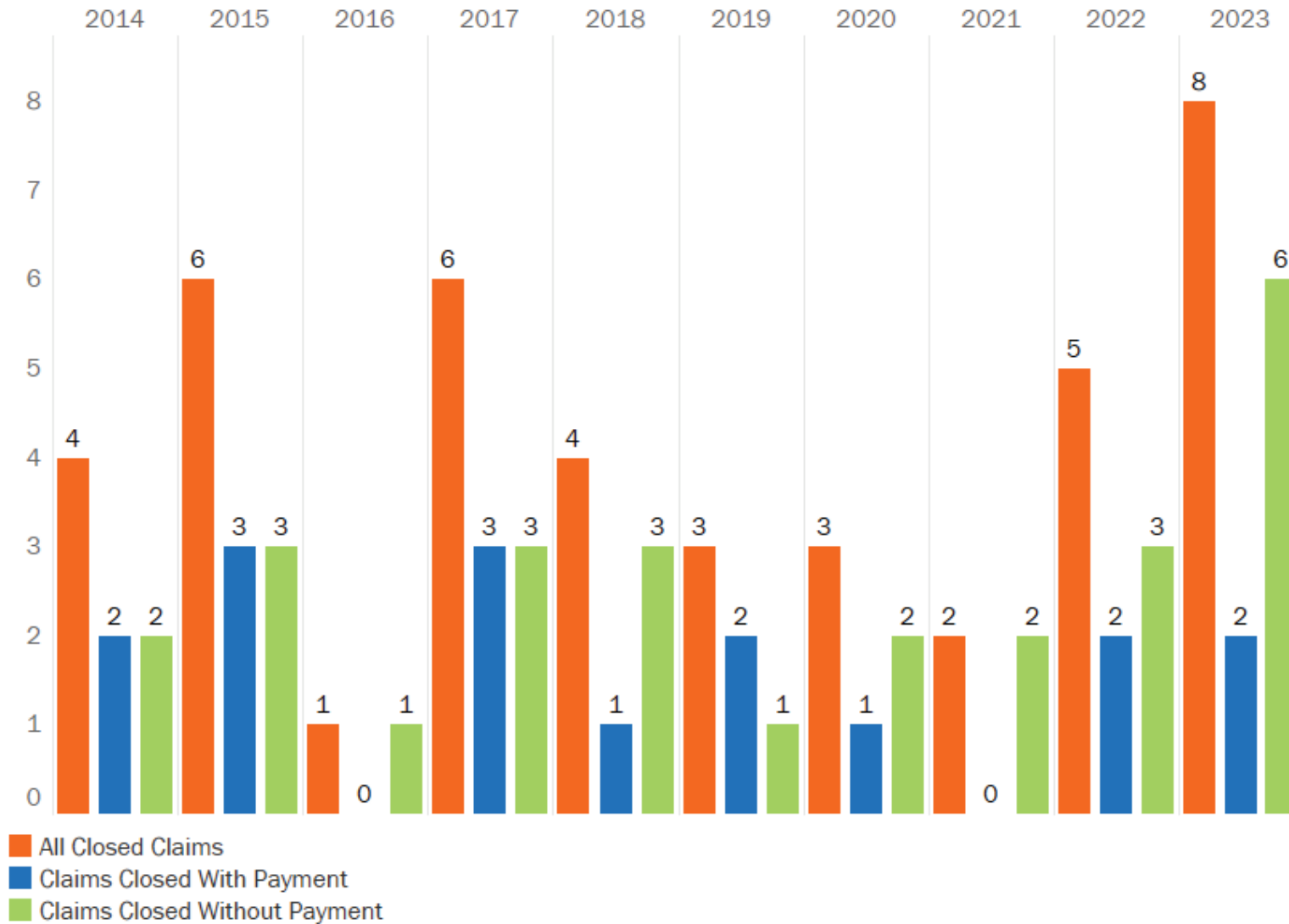
# TRIAL OR HEARING

## AVERAGE INDEMNITY & EXPENSE



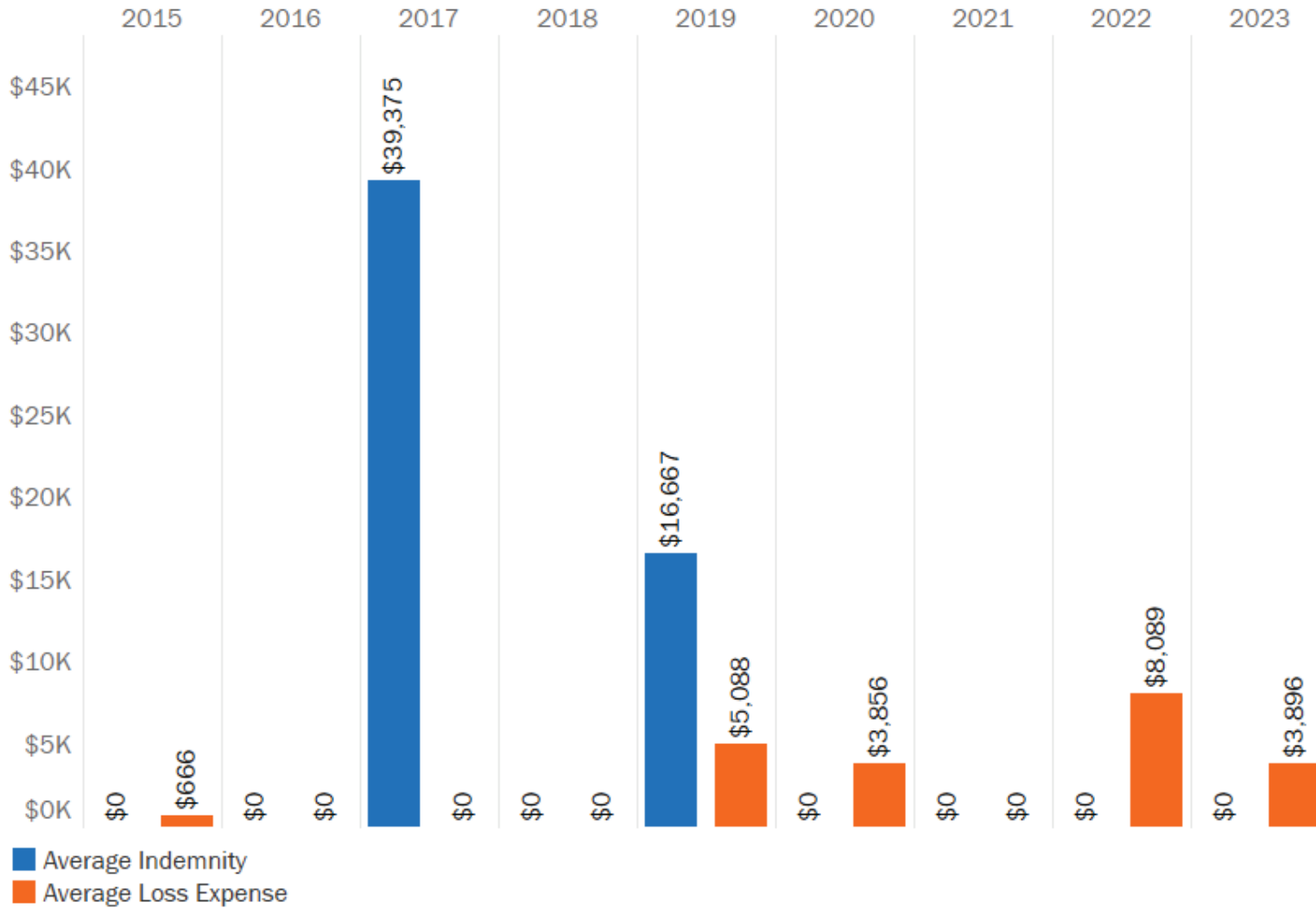
# TRIAL OR HEARING

## CLOSED CLAIMS



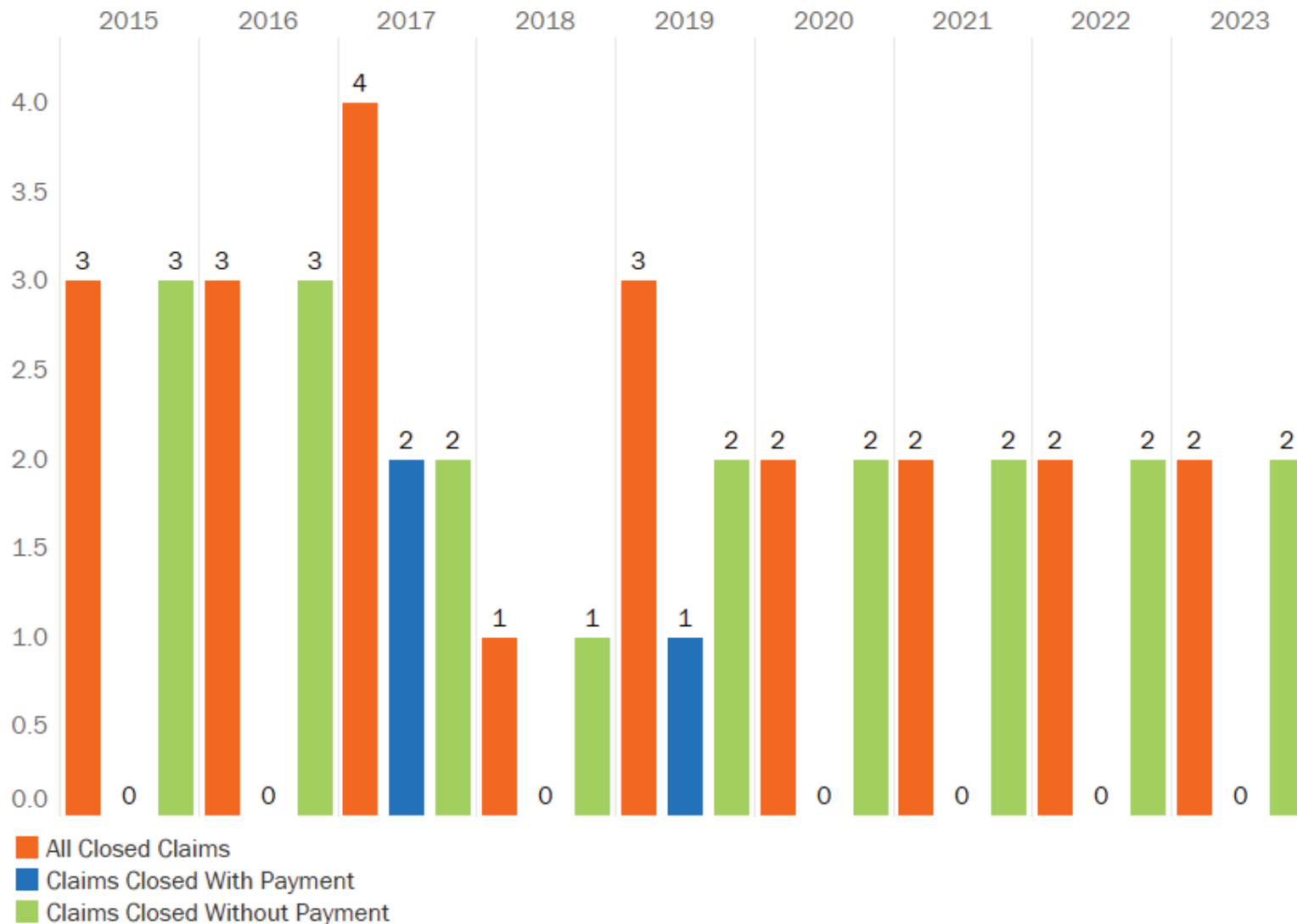
# APPEALS ACTIVITY

## AVERAGE INDEMNITY & EXPENSE



# APPEALS ACTIVITY

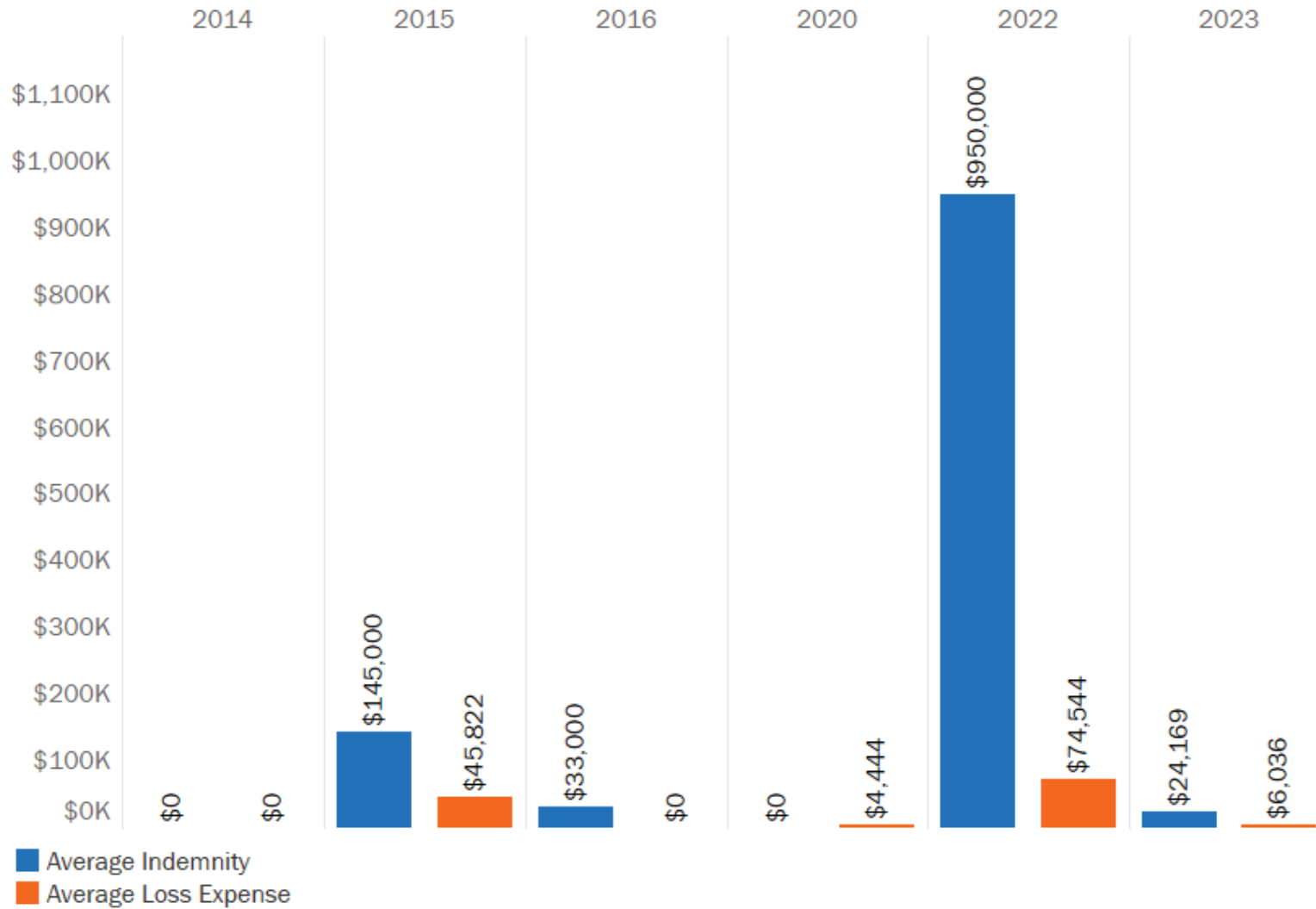
## CLOSED CLAIMS





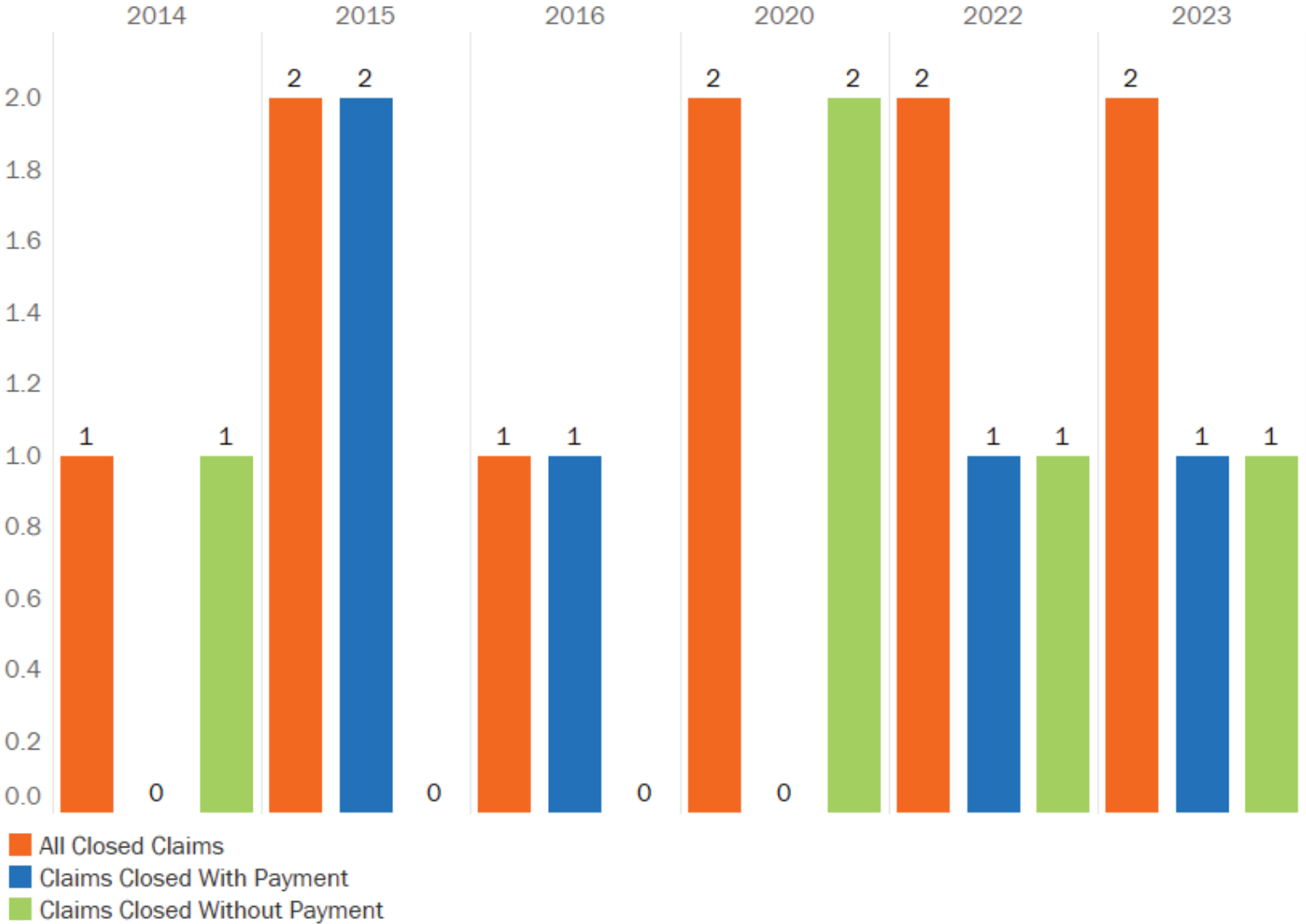
# REFERRALS

## AVERAGE INDEMNITY & EXPENSE



# REFERRALS

## CLOSED CLAIMS



## 5.3 CLAIMS ACTIVITY BY ALLEGED ERROR OR OMISSION

# INDEMNITY ANALYSIS BY ALLEGATION

### PRIOR TEN YEARS

Alleged Error or Omission	All Closed Claims	Number of Paid Claims	Percent of Paid Clams	Average Indemnity Per Paid Claim	Total Indemnity	Percent of Total Indemnity	Average Loss Expense, All Closed Claims
OTHER	230	41	9%	\$155,555	\$6,377,757	9%	\$20,410
FAIL TO KNOW OR PROPERLY APPLY THE LAW	151	55	12%	\$158,675	\$8,727,103	12%	\$25,063
PLANNING OR STRATEGY ERROR	138	45	10%	\$290,336	\$13,065,114	17%	\$27,263
FAIL TO ASCERTAIN DEADLINE CORRECTLY	128	54	12%	\$154,618	\$8,349,369	11%	\$8,259
INADEQUATE INVESTIGATION	101	42	9%	\$194,266	\$8,159,185	11%	\$24,360
MALICIOUS PROSECUTION OR ABUSE OF PROCESS	72	17	4%	\$103,459	\$1,758,803	2%	\$33,348
PROCRASTINATION OR LACK OF FOLLOW-UP	71	27	6%	\$148,123	\$3,999,308	5%	\$8,956
FRAUD	68	16	4%	\$122,723	\$1,963,563	3%	\$51,610
FAILURE TO CALENDAR PROPERLY	65	36	8%	\$108,856	\$3,918,808	5%	\$11,501
FAIL TO FOLLOW CLIENTS INSTRUCTIONS	62	19	4%	\$93,549	\$1,777,433	2%	\$16,717
CONFLICT OF INTEREST	56	25	5%	\$261,352	\$6,533,801	9%	\$55,546
FAIL TO FILE DOCUMENTS WITH NO DEADLINE	47	28	6%	\$83,020	\$2,324,564	3%	\$17,398
FAIL TO OBTAIN CLIENTS CONSENT	34	12	3%	\$421,888	\$5,062,661	7%	\$40,604
FAILURE TO REACT TO CALENDAR	33	8	2%	\$88,602	\$708,813	1%	\$4,469
CLERICAL ERROR	27	13	3%	\$76,139	\$989,804	1%	\$7,442
VIOLATION OF CIVIL RIGHTS	26	2	0%	\$10,300	\$20,600	0%	\$5,812
IMPROPER WITHDRAWAL FROM REPRESENTATION	16	1	0%	\$10,000	\$10,000	0%	\$3,911
LIBEL OR SLANDER	13	2	0%	\$35,000	\$70,000	0%	\$14,291

Alleged Error or Omission	All Closed Claims	Number of Paid Claims	Percent of Paid Clams	Average Indemnity Per Paid Claim	Total Indemnity	Percent of Total Indemnity	Average Loss Expense, All Closed Claims
ERROR IN MATHEMATICAL CALCULATION	12	7	2%	\$43,102	\$301,713	0%	\$14,629
FAIL TO ANTICIPATE TAX CONSEQUENCES	11	3	1%	\$163,690	\$491,069	1%	\$26,558
ERROR IN PUBLIC RECORD SEARCH	6	1	0%	\$33,100	\$33,100	0%	\$5,996
LOST FILE, DOCUMENT, OR EVIDENCE	4	1	0%	\$195,000	\$195,000	0%	\$12,156
<b>TOTAL</b>	<b>1,371</b>	<b>455</b>	<b>100%</b>	<b>\$164,478</b>	<b>\$74,837,568</b>	<b>100%</b>	<b>\$22,391</b>

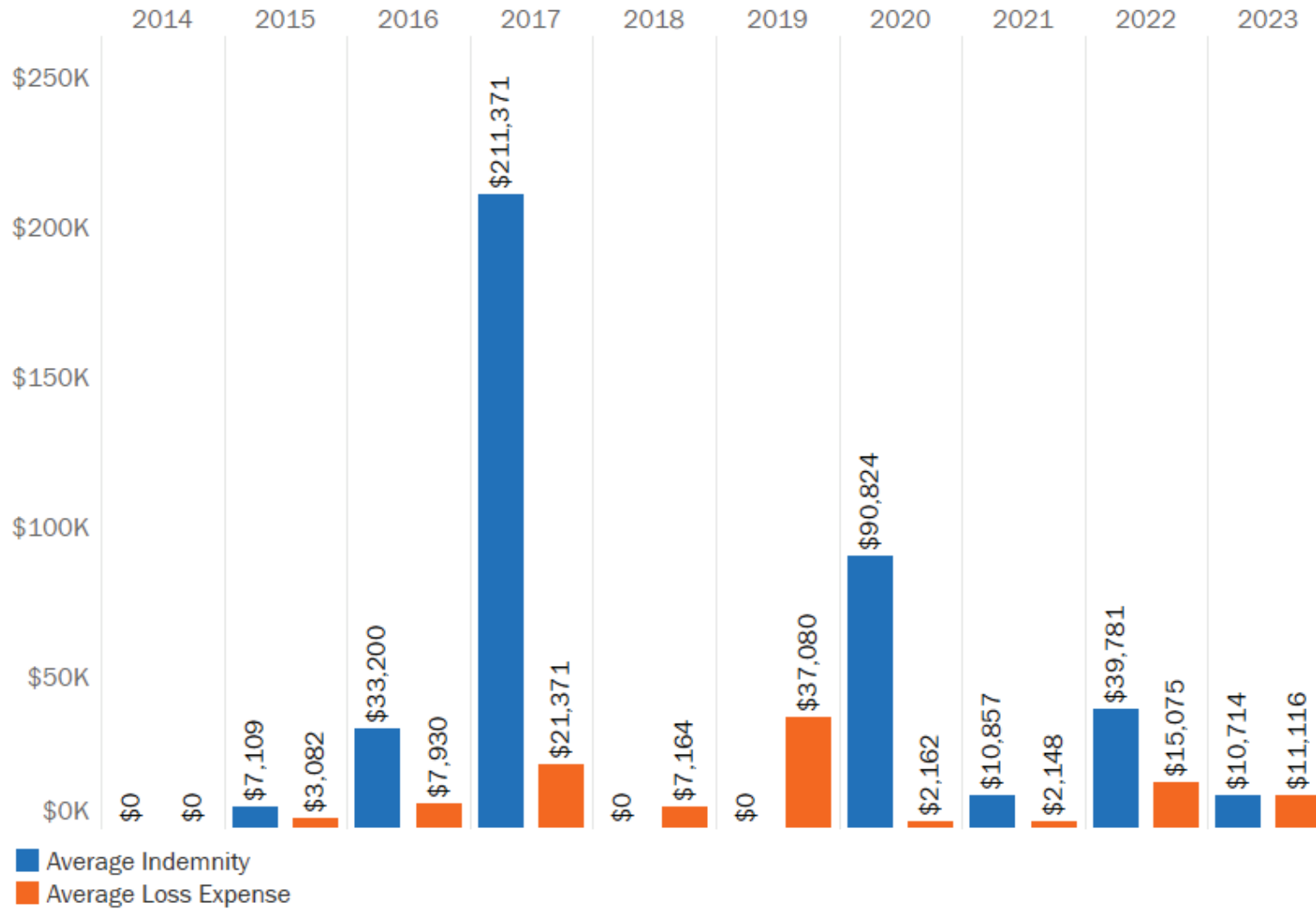
# INDEMNITY ANALYSIS BY ALLEGATION

2023

Alleged Error or Omission	All Closed Claims	Number of Paid Claims	Percent of Paid Clams	Average Indemnity Per Paid Claim	Total Indemnity	Percent of Total Indemnity	Average Loss Expense, All Closed Claims
FAIL TO ASCERTAIN DEADLINE CORRECTLY	13	4	15%	\$319,000	\$1,276,000	29%	\$6,167
FAIL TO KNOW OR PROPERLY APPLY THE LAW	10	1	4%	\$500,000	\$500,000	12%	\$9,909
OTHER	10	3	12%	\$93,446	\$280,338	6%	\$14,601
INADEQUATE INVESTIGATION	9	2	8%	\$335,000	\$670,000	15%	\$5,626
FAILURE TO REACT TO CALENDAR	8	3	12%	\$42,833	\$128,500	3%	\$5,351
MALICIOUS PROSECUTION OR ABUSE OF PROCESS	8	2	8%	\$100,000	\$200,000	5%	\$19,780
PROCRASTINATION OR LACK OF FOLLOW-UP	7	1	4%	\$75,000	\$75,000	2%	\$11,116
FAILURE TO CALENDAR PROPERLY	6	2	8%	\$28,500	\$57,000	1%	\$9,321
PLANNING OR STRATEGY ERROR	6	2	8%	\$362,500	\$725,000	17%	\$50,509
FAIL TO FOLLOW CLIENTS INSTRUCTIONS	5	1	4%	\$98,750	\$98,750	2%	\$32,739
FRAUD	5	1	4%	\$1,000	\$1,000	0%	\$8,144
FAIL TO OBTAIN CLIENTS CONSENT	4	0	0%	\$0	\$0	0%	\$8,131
VIOLATION OF CIVIL RIGHTS	4	0	0%	\$0	\$0	0%	\$3,963
CONFLICT OF INTEREST	3	1	4%	\$90,000	\$90,000	2%	\$74,525
FAIL TO FILE DOCUMENTS WITH NO DEADLINE	3	3	12%	\$78,528	\$235,585	5%	\$17,562
ERROR IN PUBLIC RECORD SEARCH	1	0	0%	\$0	\$0	0%	\$29,576
<b>TOTAL</b>	<b>102</b>	<b>26</b>	<b>100%</b>	<b>\$166,814</b>	<b>\$4,337,173</b>	<b>100%</b>	<b>\$15,415</b>

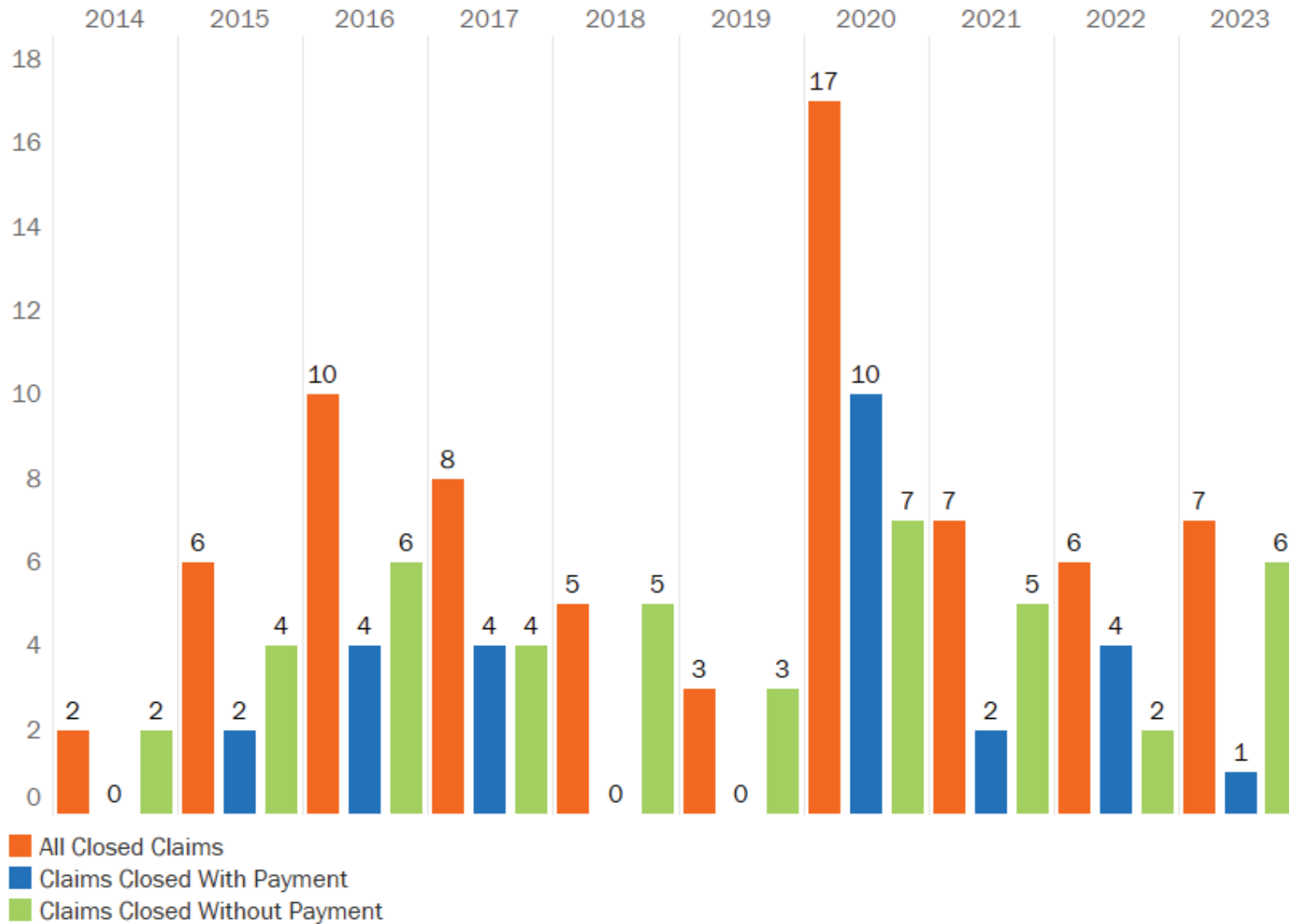
# LACK OF FOLLOW-UP

## AVERAGE INDEMNITY & EXPENSE



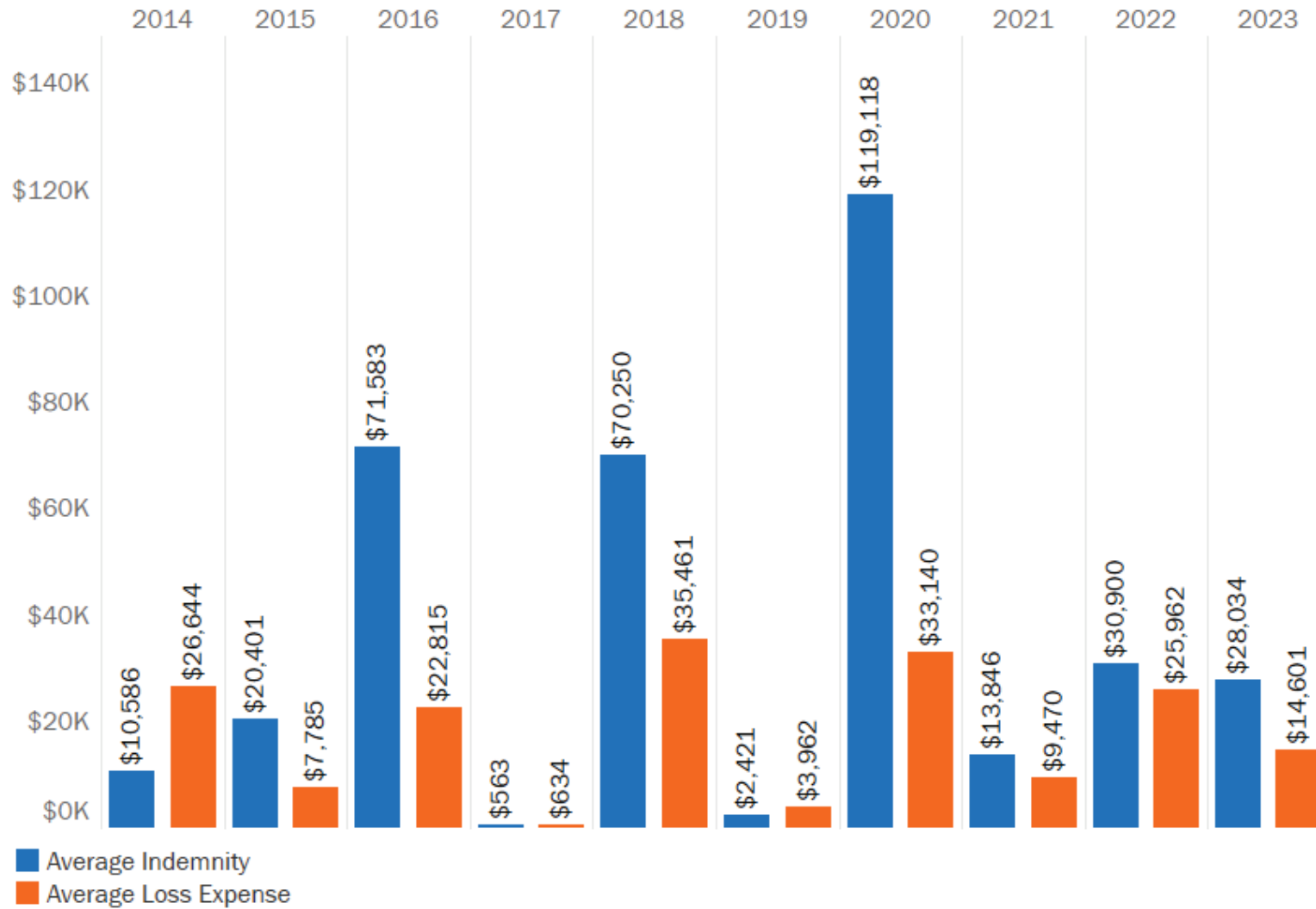
# LACK OF FOLLOW-UP

## CLOSED CLAIMS



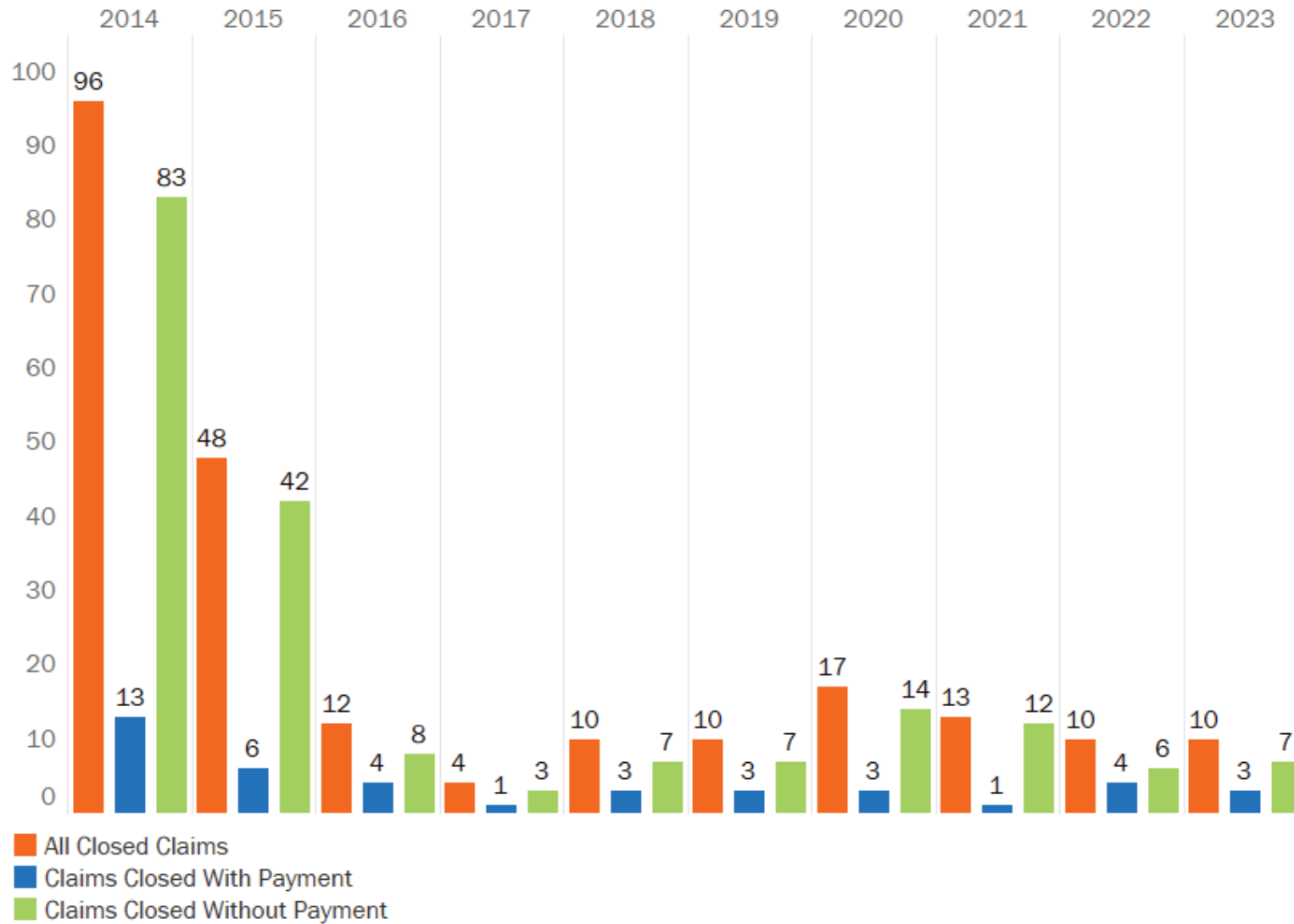
# OTHER

## AVERAGE INDEMNITY & EXPENSE



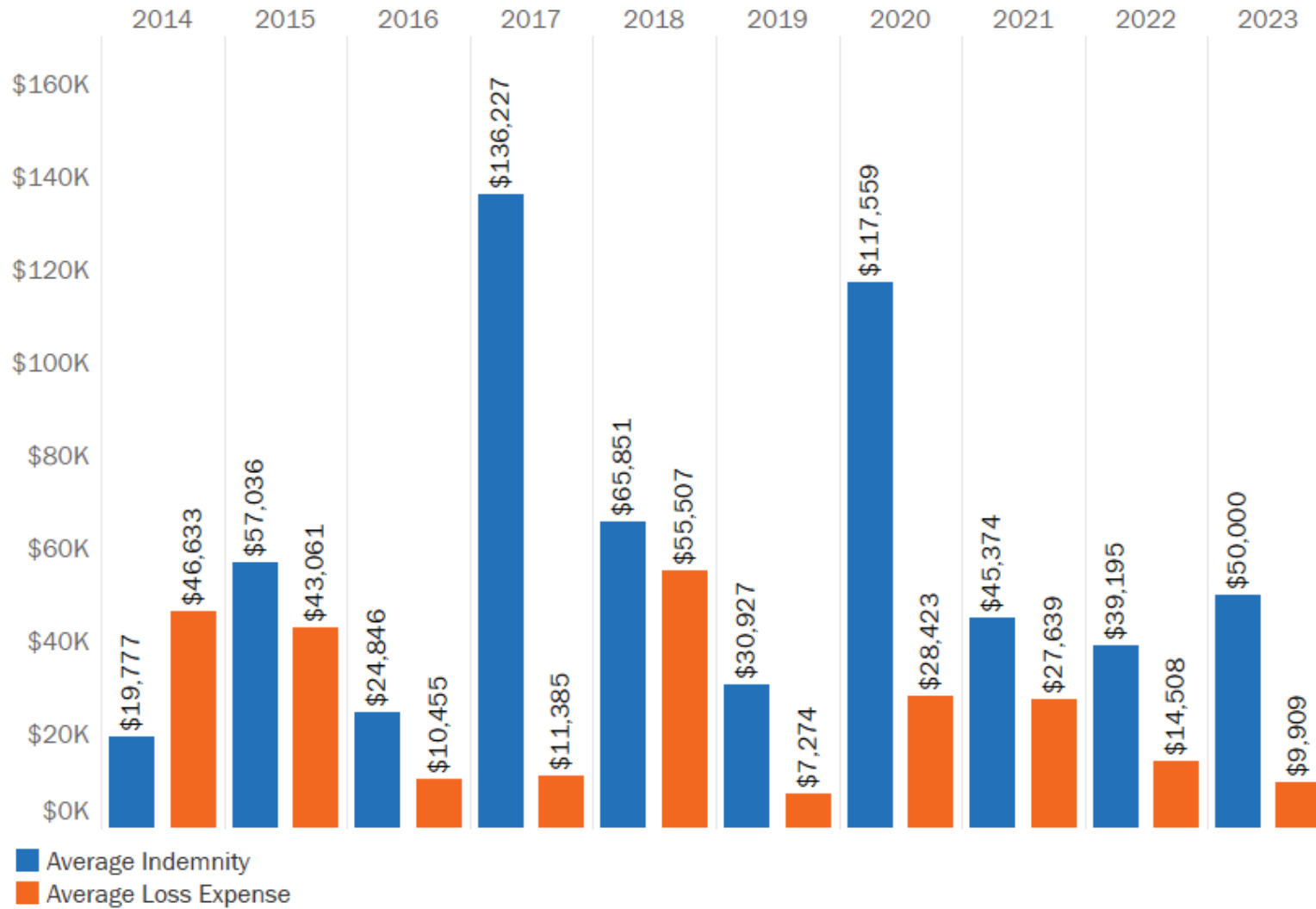


# OTHER CLOSED CLAIMS



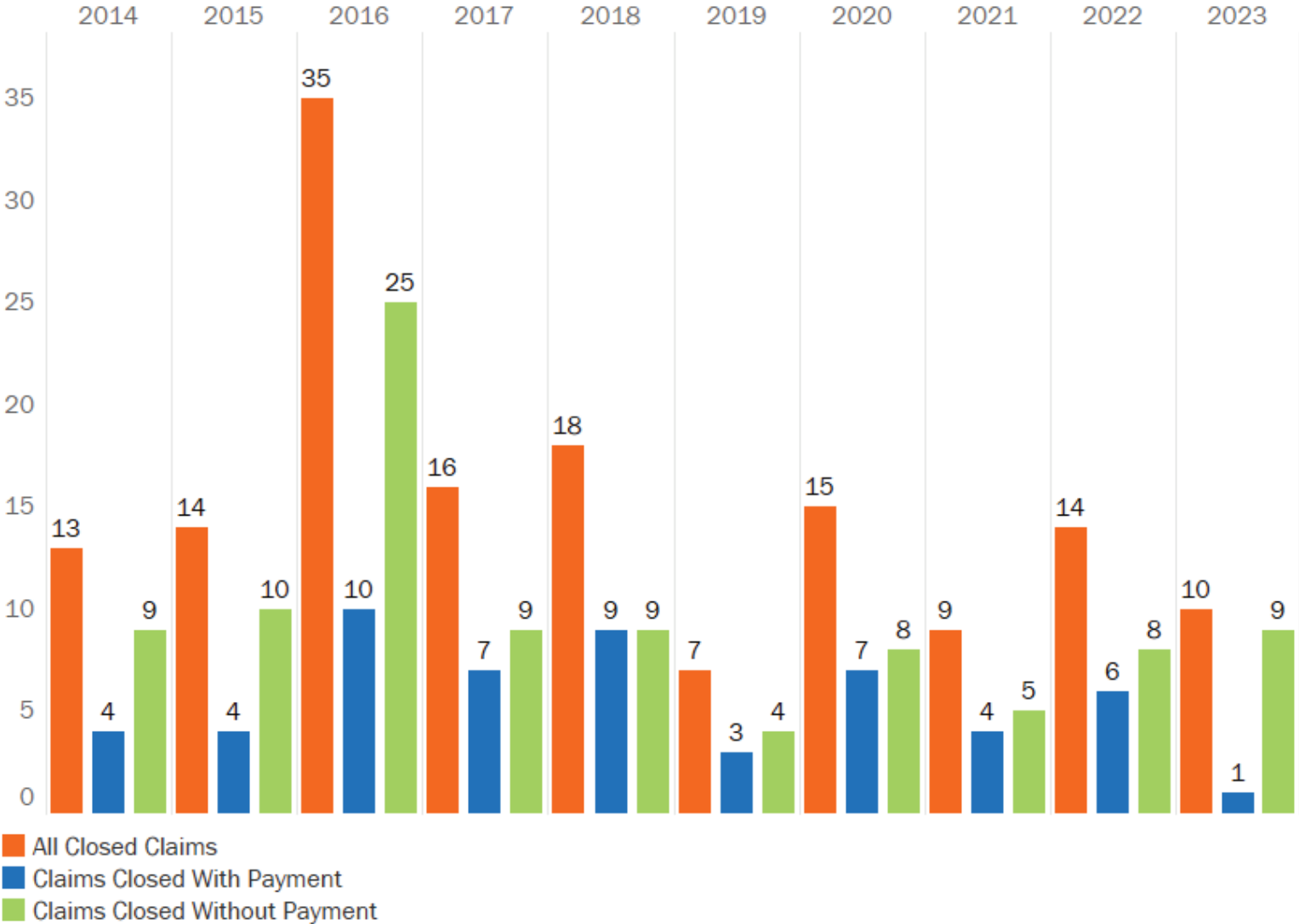
# FAILURE TO KNOW/PROPERLY APPLY LAW

## AVERAGE INDEMNITY & EXPENSE



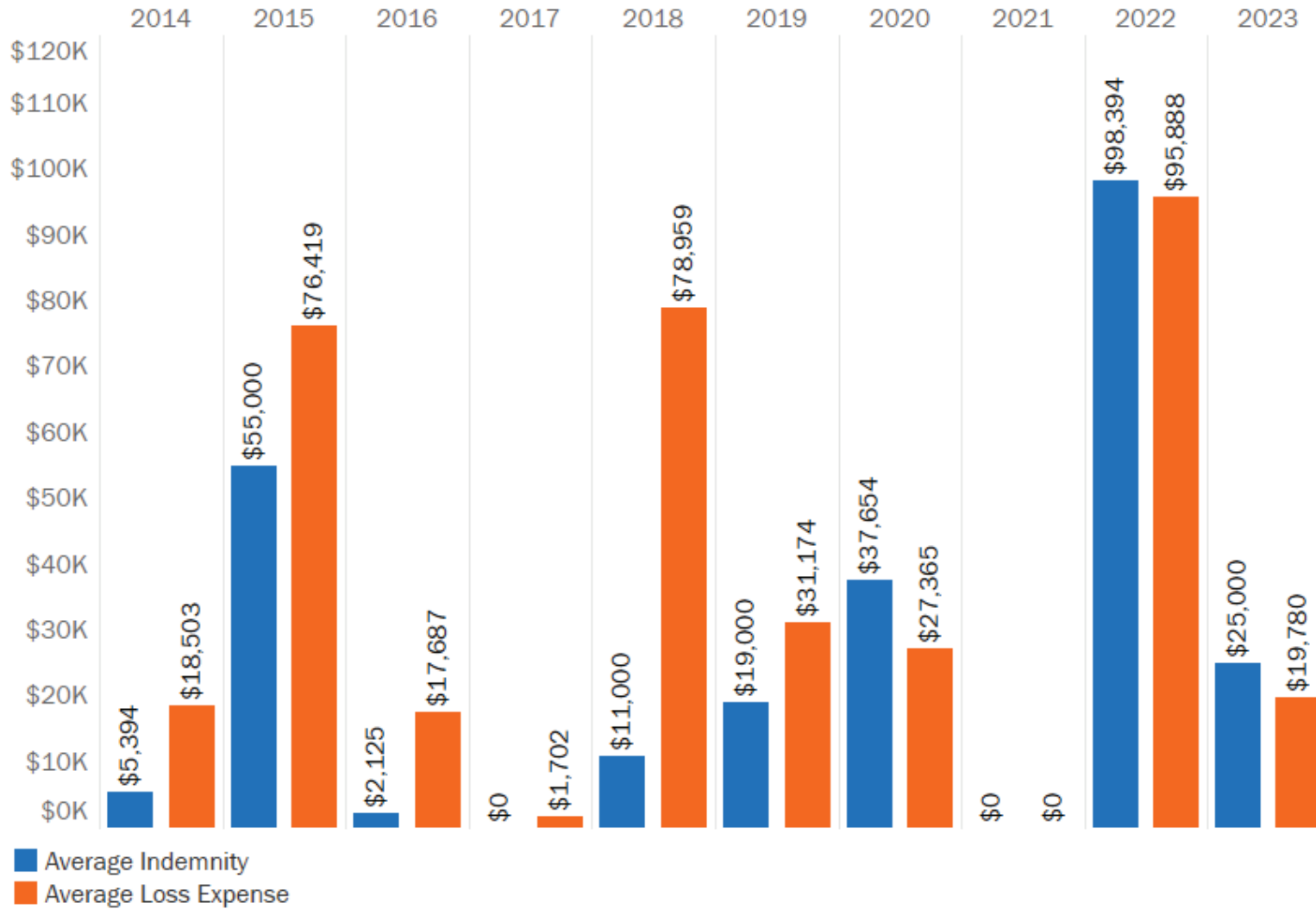
# FAILURE TO KNOW/PROPERLY APPLY LAW

## CLOSED CLAIMS



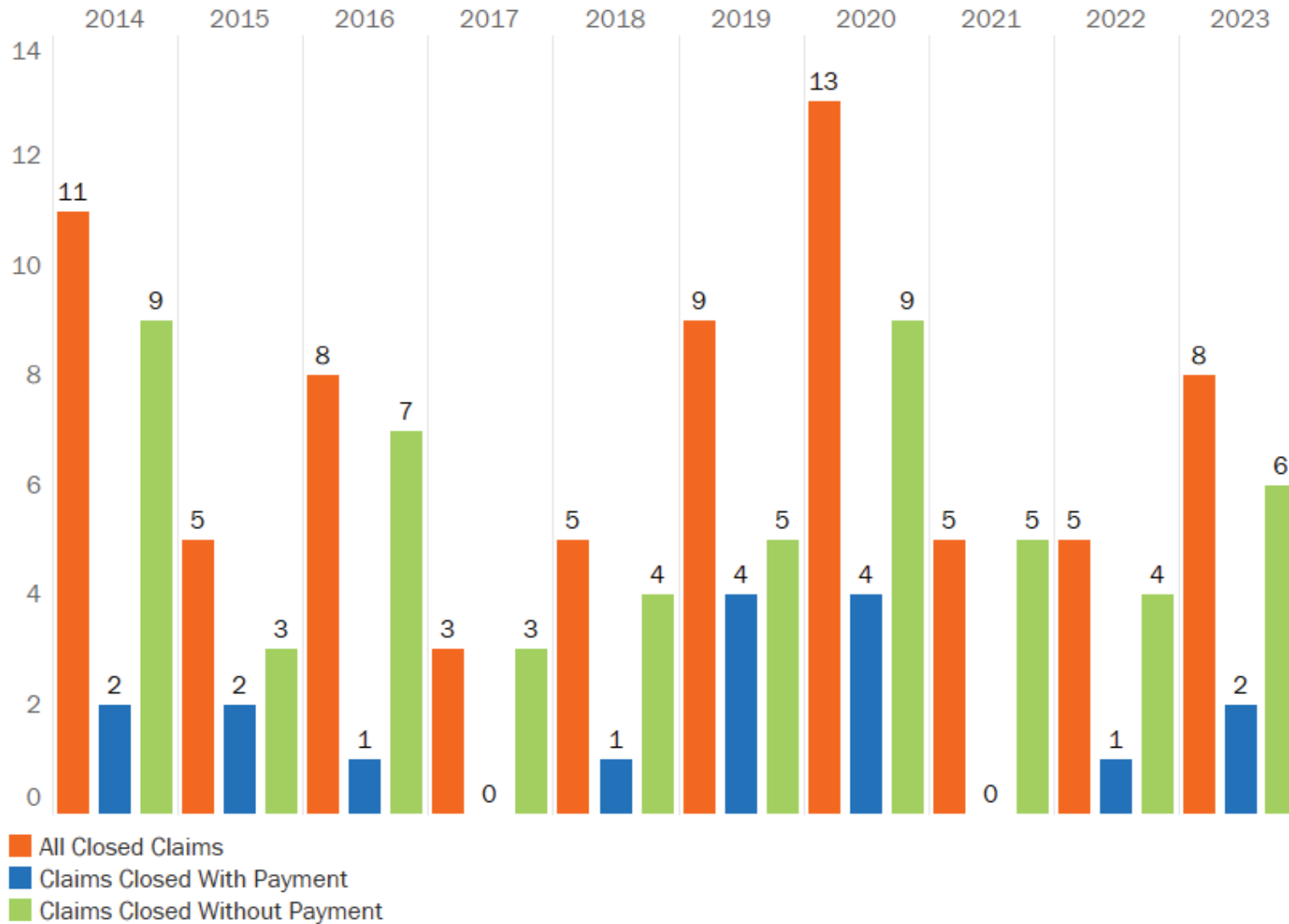
# MALICIOUS PROSECUTION/ABUSIVE PROCESS

## AVERAGE INDEMNITY & EXPENSE



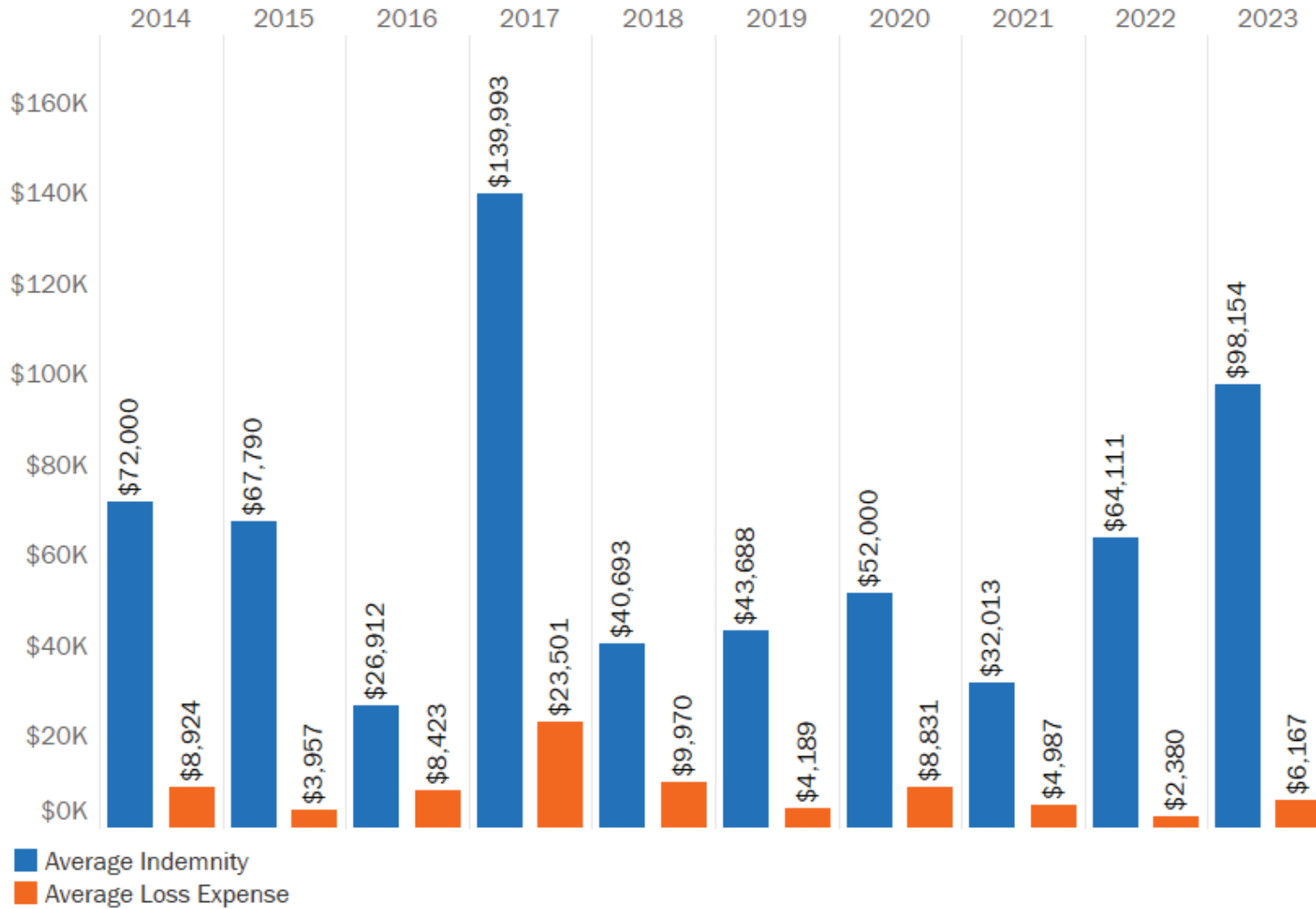
# MALICIOUS PROSECUTION/ABUSIVE PROCESS

## CLOSED CLAIMS



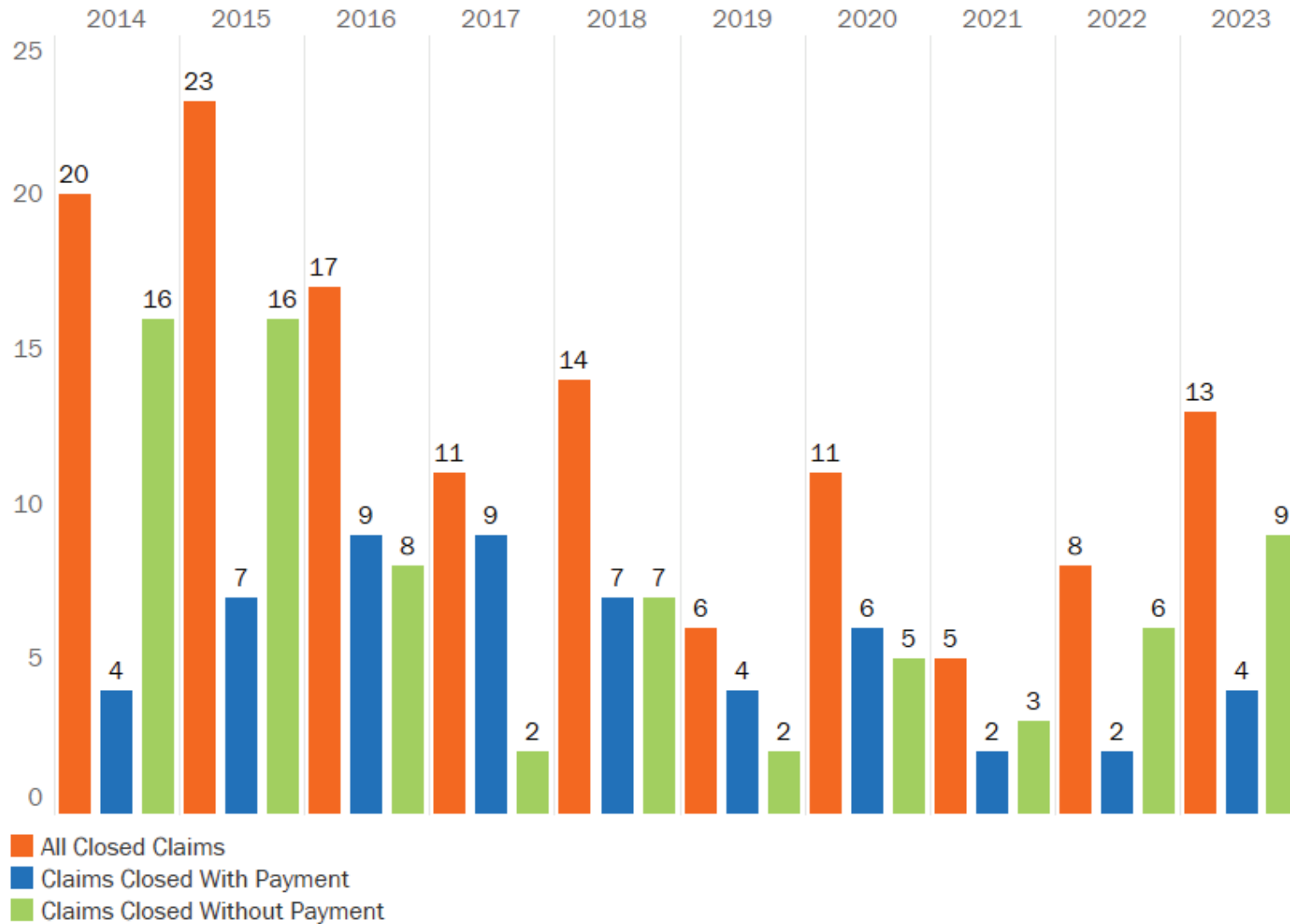
# FAILURE TO ASCERTAIN DEADLINE CORRECTLY

## AVERAGE INDEMNITY & EXPENSE



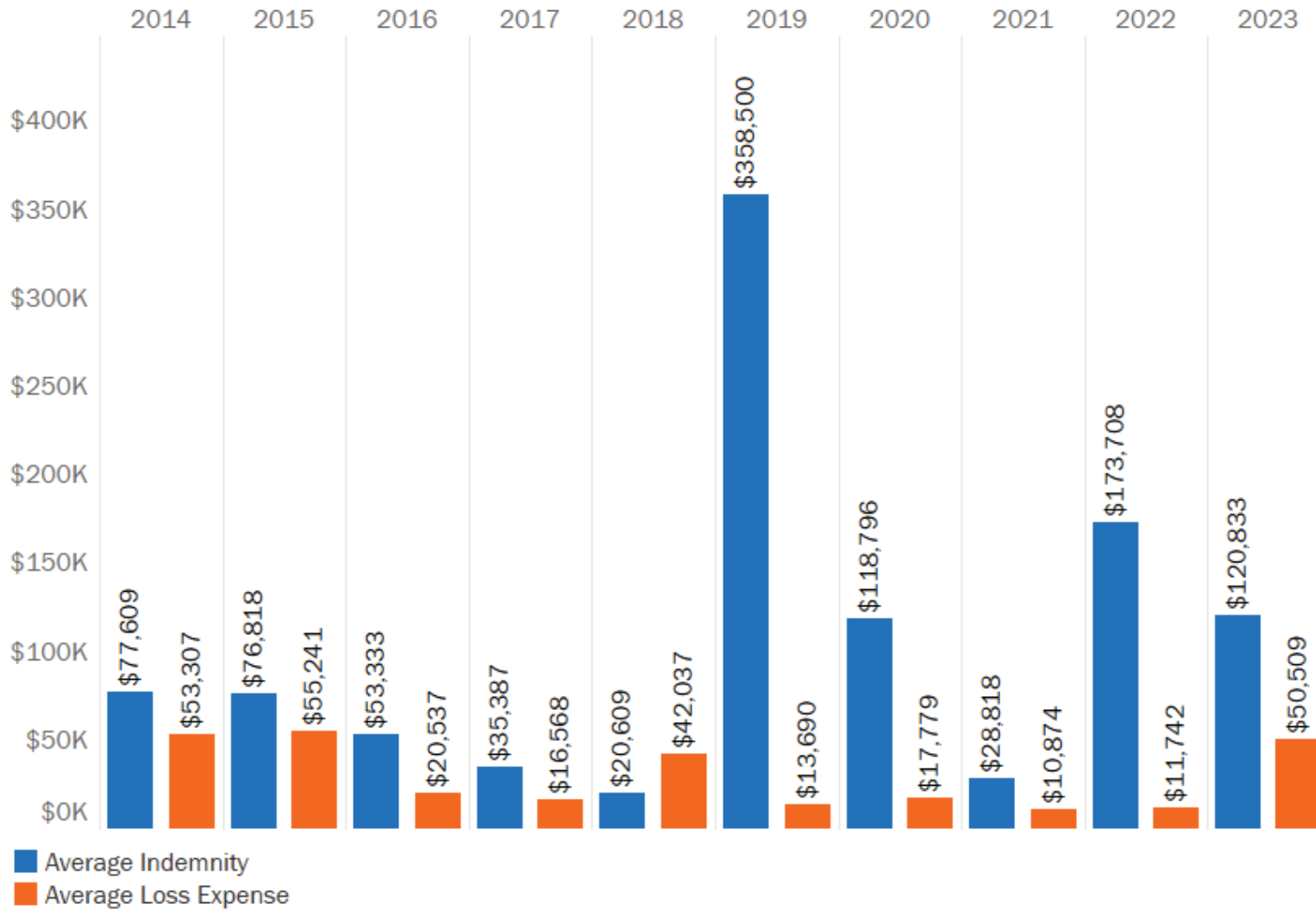
# FAILURE TO ASCERTAIN DEADLINE CORRECTLY

## CLOSED CLAIMS



# PLANNING OR STRATEGY ERROR

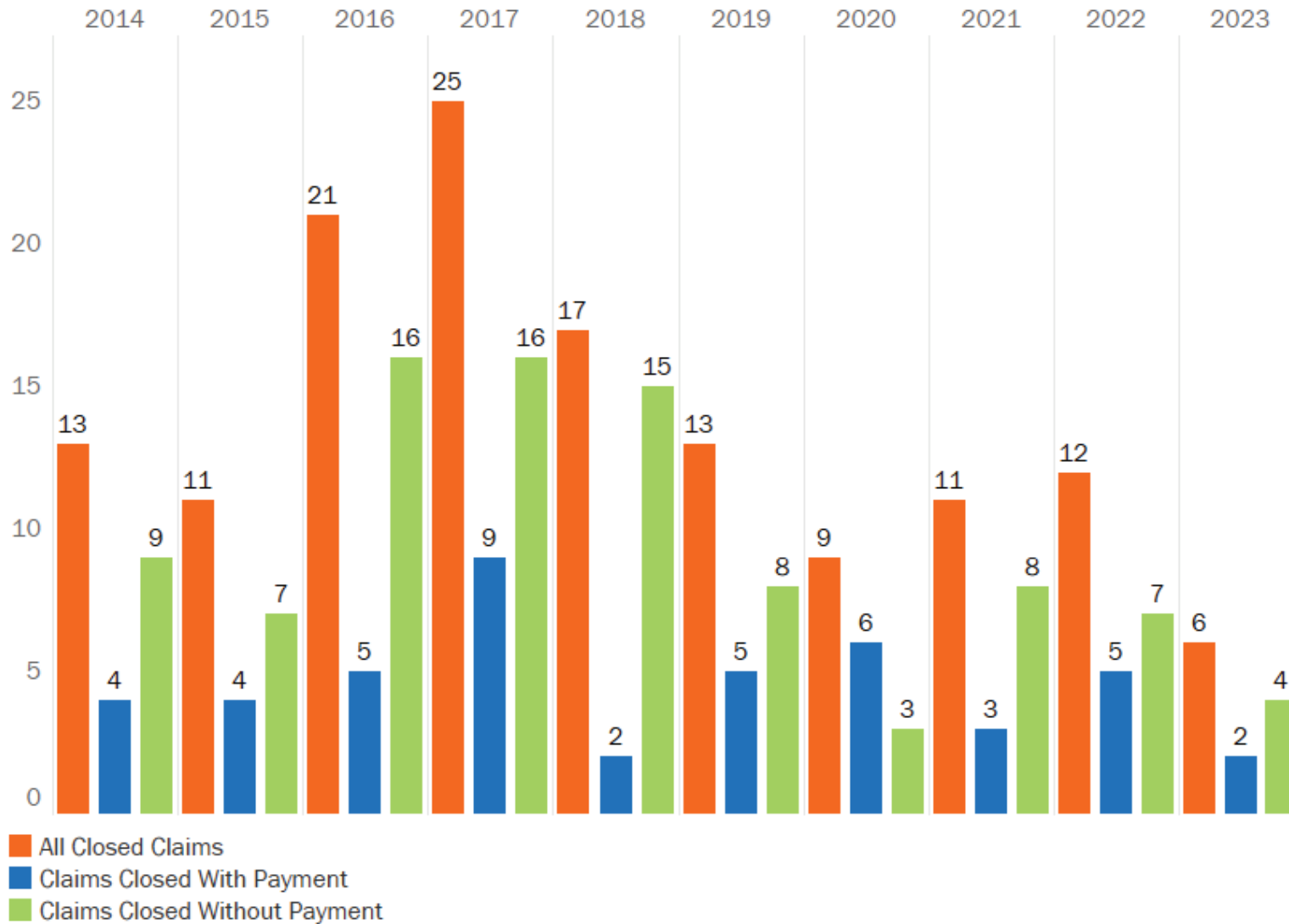
## AVERAGE INDEMNITY & EXPENSE





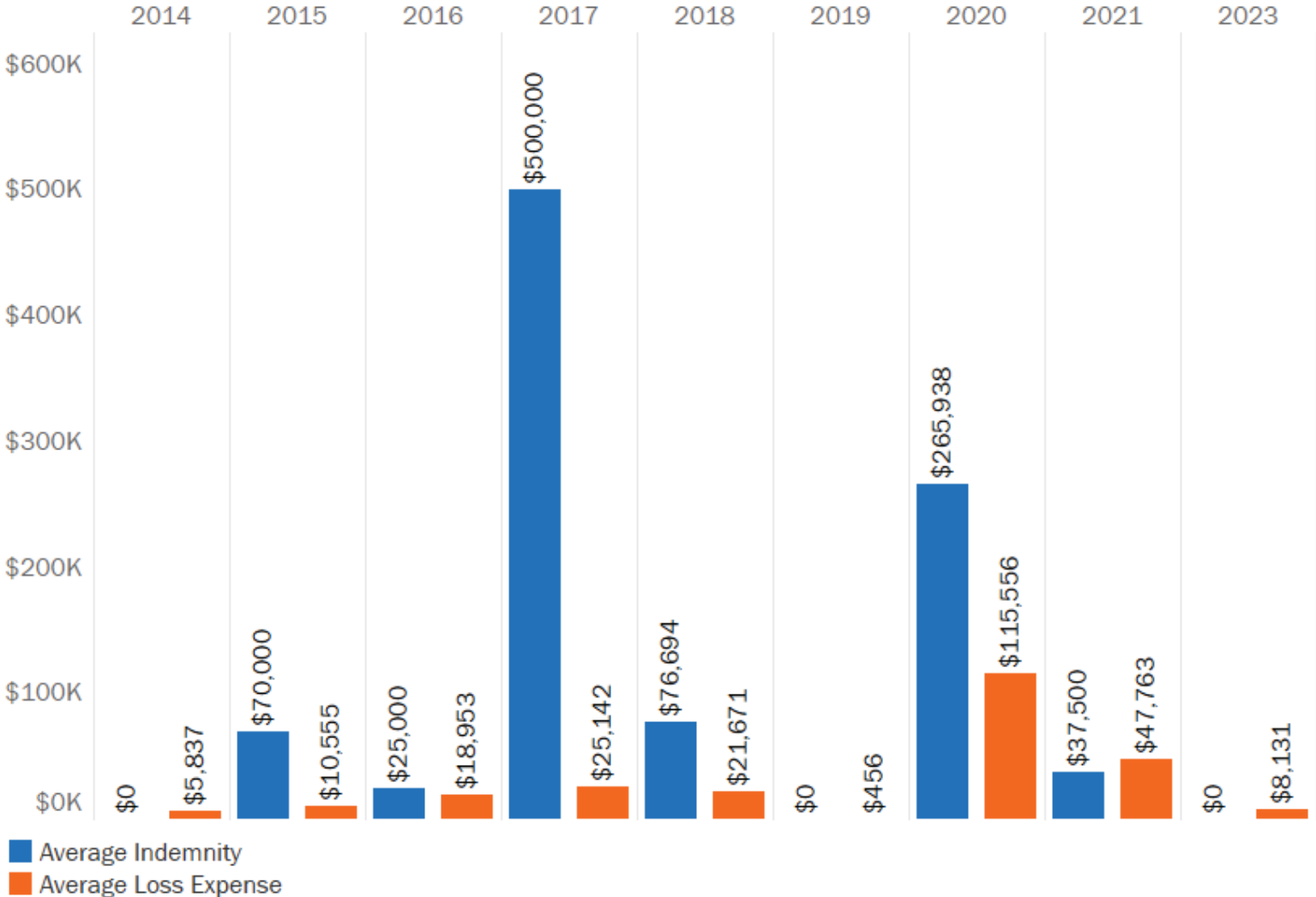
# PLANNING OR STRATEGY ERROR

## CLOSED CLAIMS



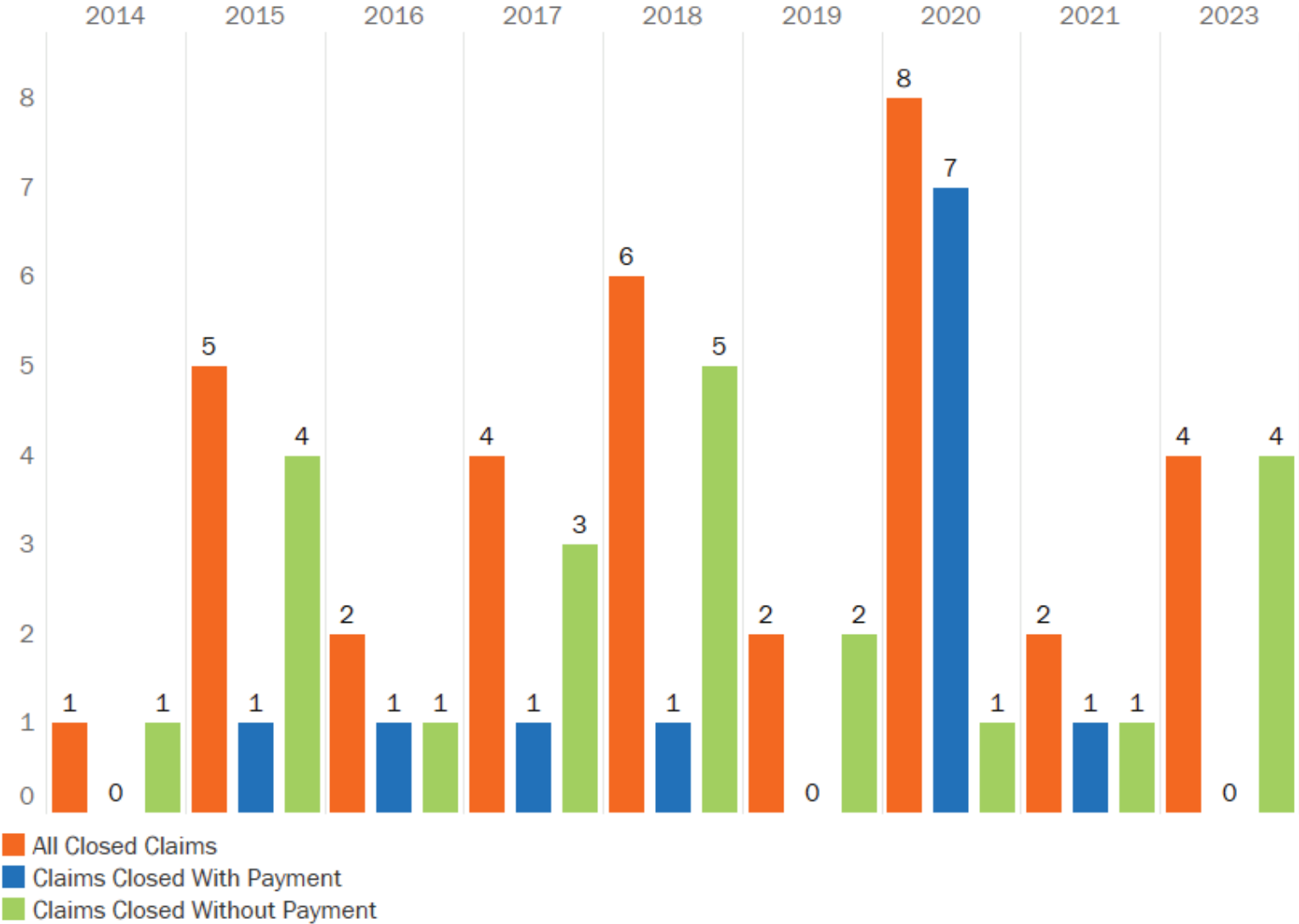
# FAILURE TO OBTAIN CLIENT CONSENT

## AVERAGE INDEMNITY & EXPENSE



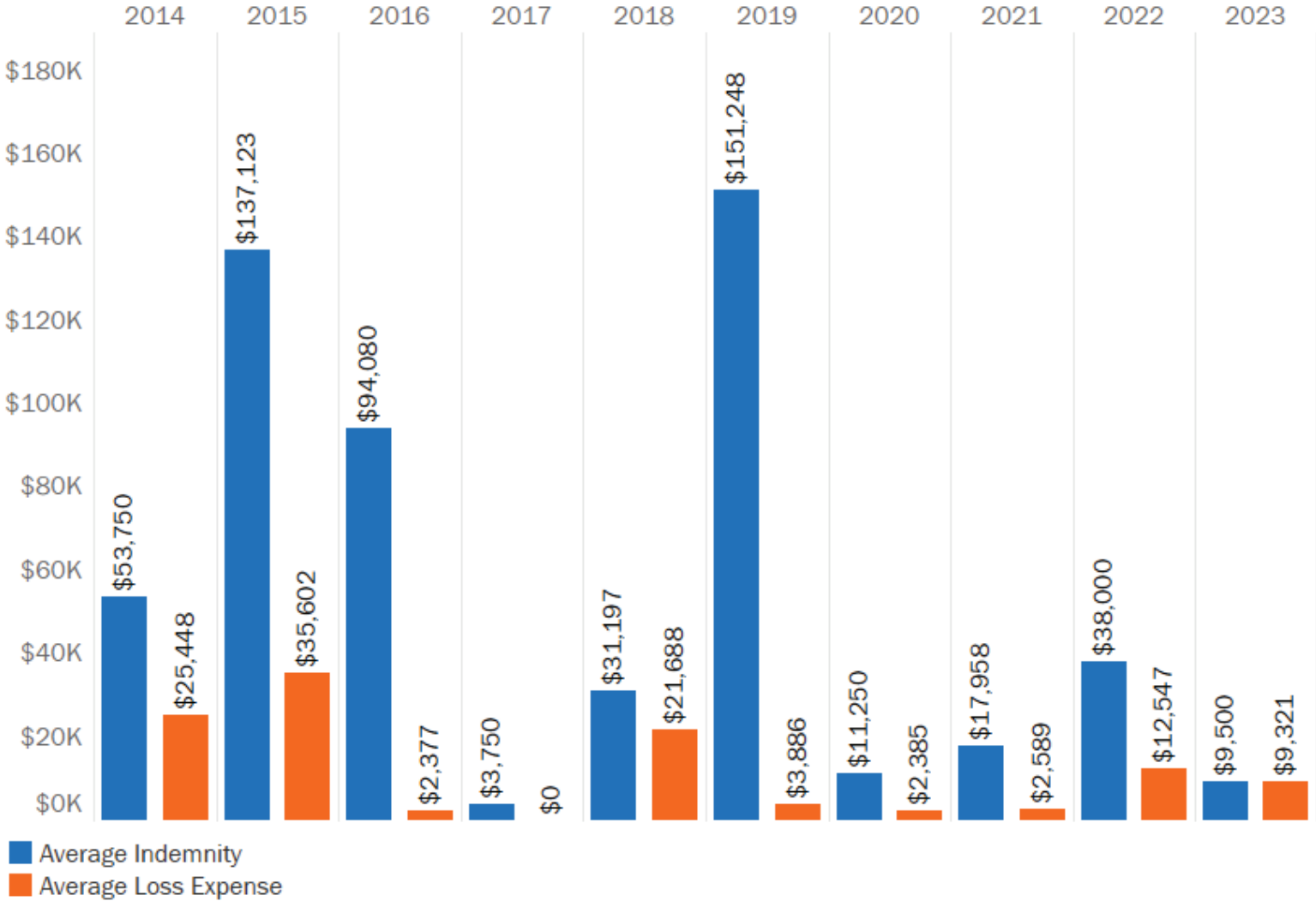
# FAILURE TO OBTAIN CLIENT CONSENT

## CLOSED CLAIMS



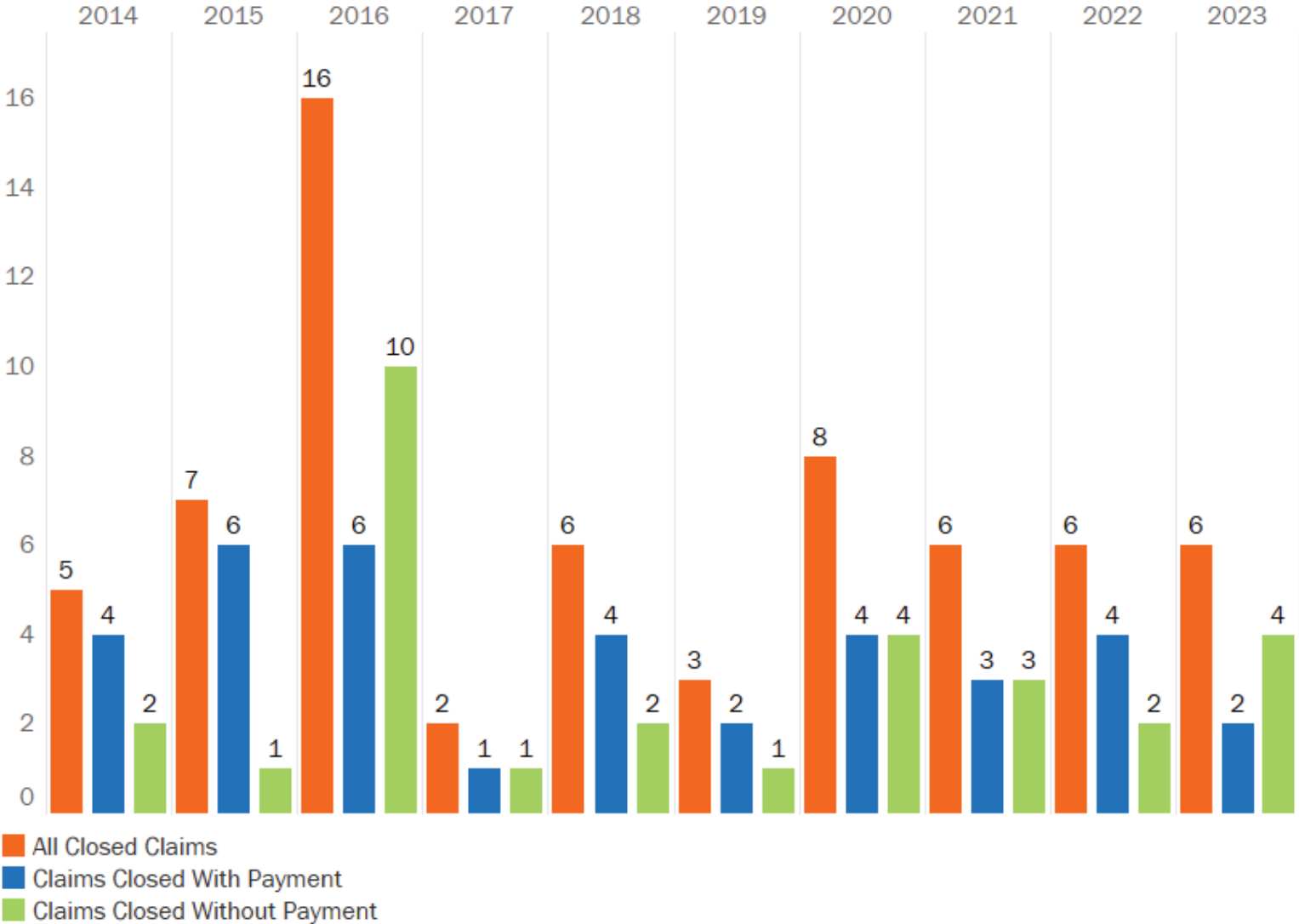
# FAILURE TO CALENDAR PROPERLY

## AVERAGE INDEMNITY & EXPENSE



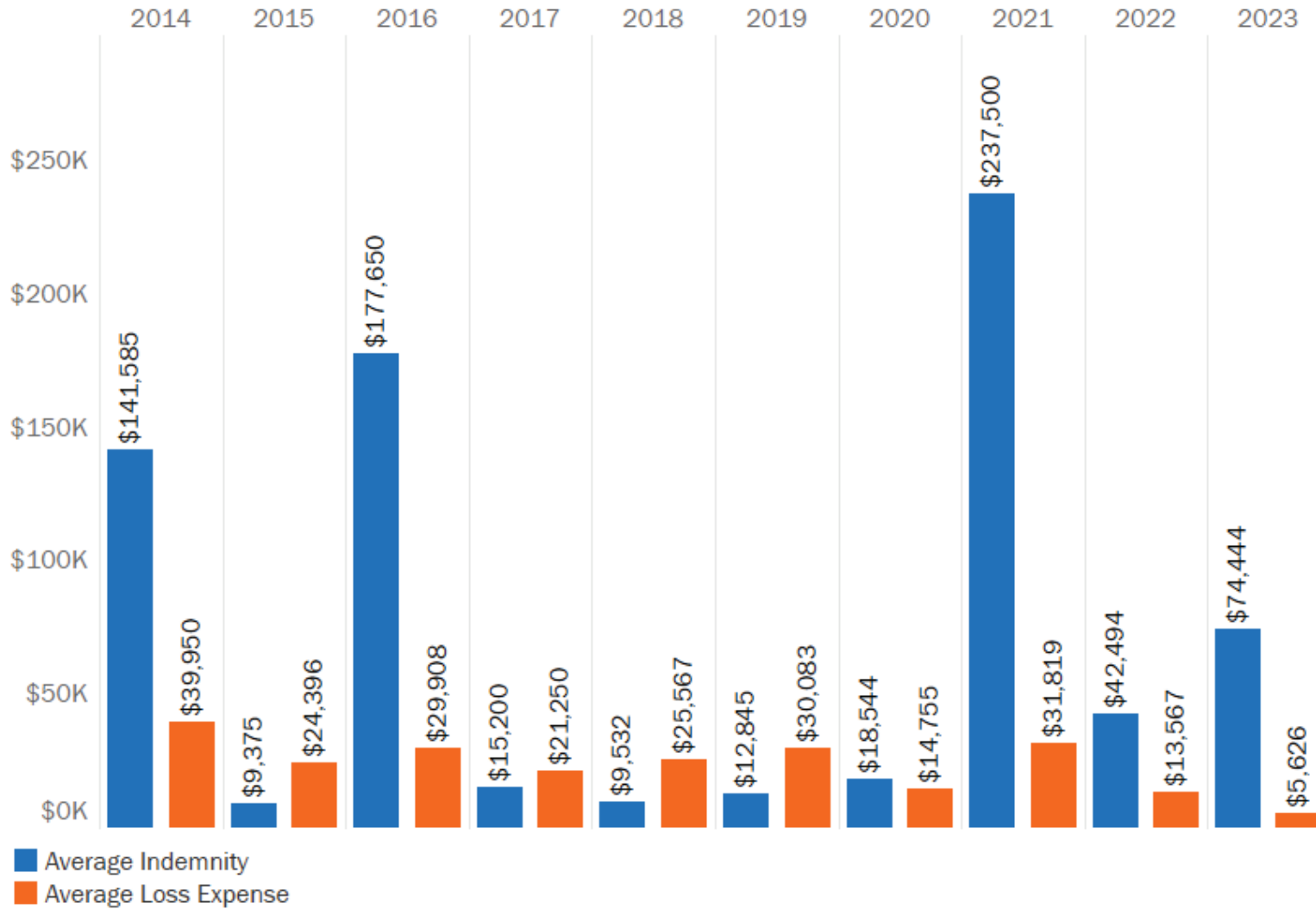
# FAILURE TO CALENDAR PROPERLY

## CLOSED CLAIMS



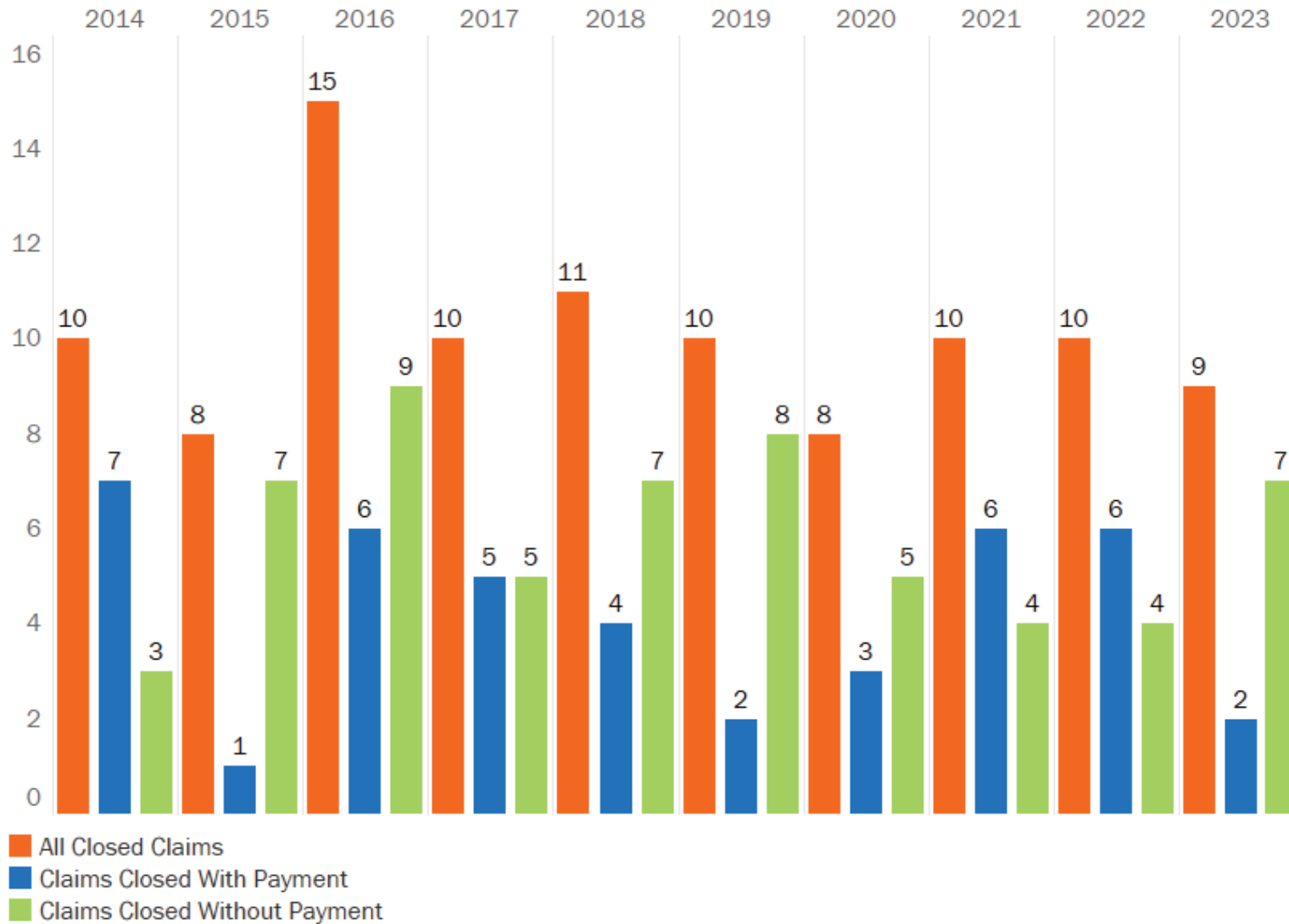
# INADEQUATE INVESTIGATION

## AVERAGE INDEMNITY & EXPENSE



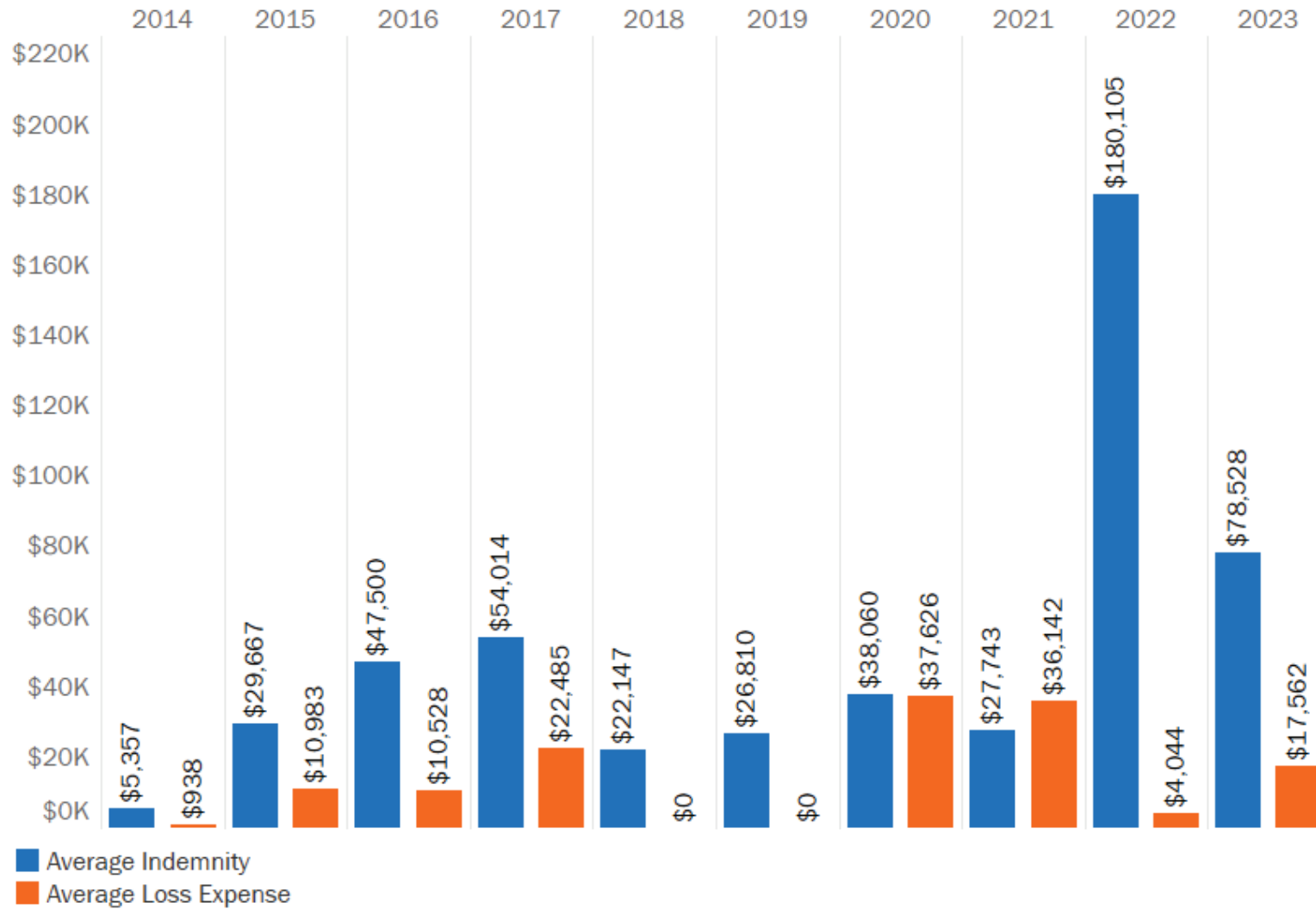
# INADEQUATE INVESTIGATION

## CLOSED CLAIMS



# FAILURE TO FILE DOCUMENTS WITH NO DEADLINE

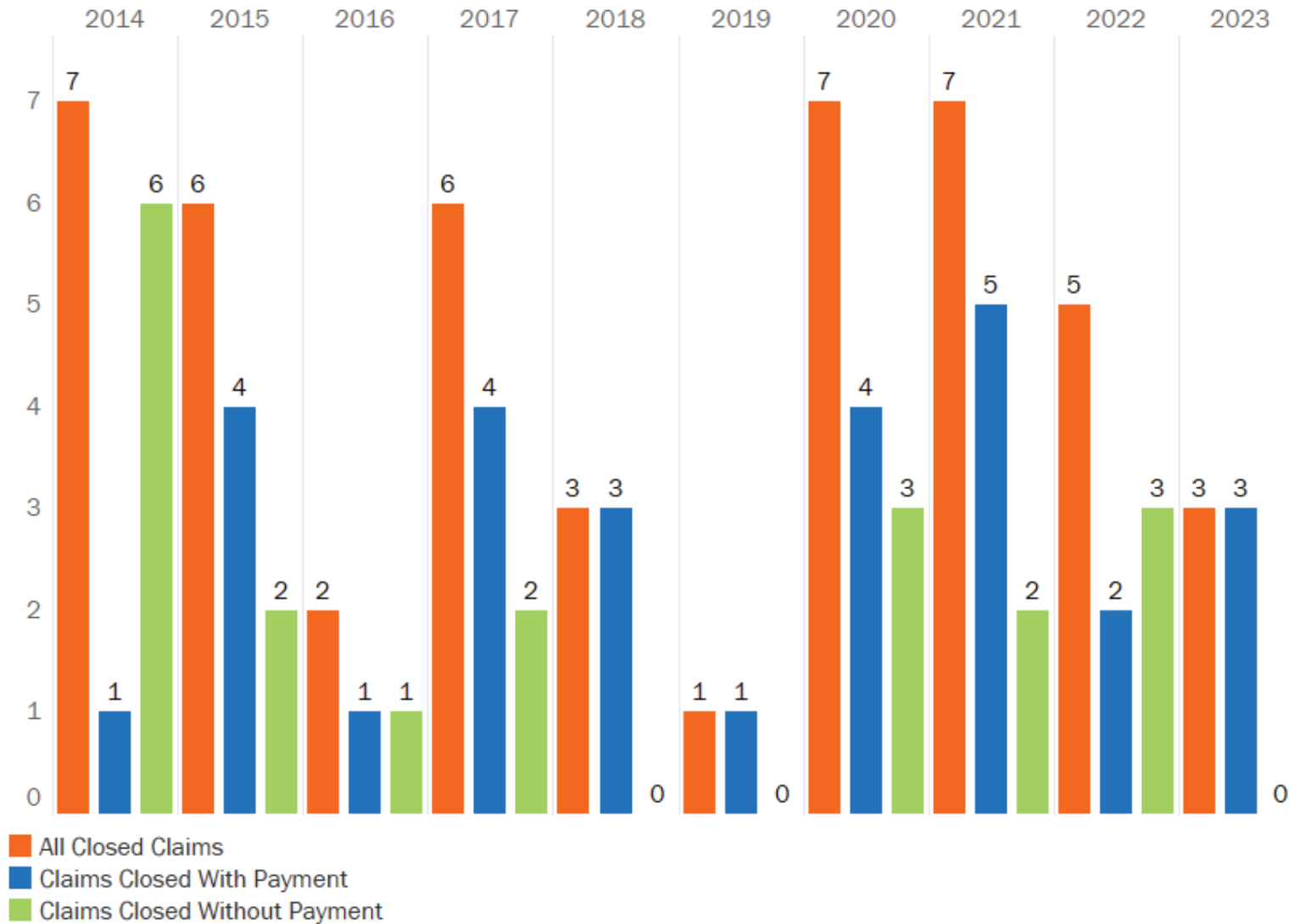
## AVERAGE INDEMNITY & EXPENSE





# FAILURE TO FILE DOCUMENTS WITH NO DEADLINE

## CLOSED CLAIMS



## INDEMNITY ANALYSIS BY CLAIM DISPOSITION

### PRIOR TEN YEARS

Claim Disposition	All Closed Claims	Number of Paid Claims	Percent of Paid Claims	Average Indemnity Per Paid Claim	Total Indemnity	Percent of Total Indemnity	Average Loss Expense, All Closed Claims
BEFORE TRIAL OR HEARING	571	252	55%	\$200,327	\$50,482,313	67%	\$38,576
BEFORE FILING SUIT OR DEMANDING HEARING	570	190	42%	\$113,182	\$21,504,525	29%	\$4,273
CLAIM OR SUIT ABANDONED	112	1	0%	\$6,500	\$6,500	0%	\$3,237
AFTER APPEAL	50	1	0%	\$25,000	\$25,000	0%	\$70,875
AFTER JUDGMENT, BEFORE APPEAL	31	6	1%	\$104,604	\$627,621	1%	\$33,499
DURING TRIAL OR HEARING	13	4	1%	\$460,875	\$1,843,499	2%	\$56,740
AFTER TRIAL OR HEARING, BEFORE JUDGMENT	9				\$0	0%	\$11,166
DURING APPEAL	9	1	0%	\$348,110	\$348,110	0%	\$41,815
DURING REVIEW PANEL	6				\$0	0%	\$12,654
<b>TOTAL</b>	<b>1,371</b>	<b>455</b>	<b>100%</b>	<b>\$164,478</b>	<b>\$74,837,568</b>	<b>100%</b>	<b>\$22,391</b>

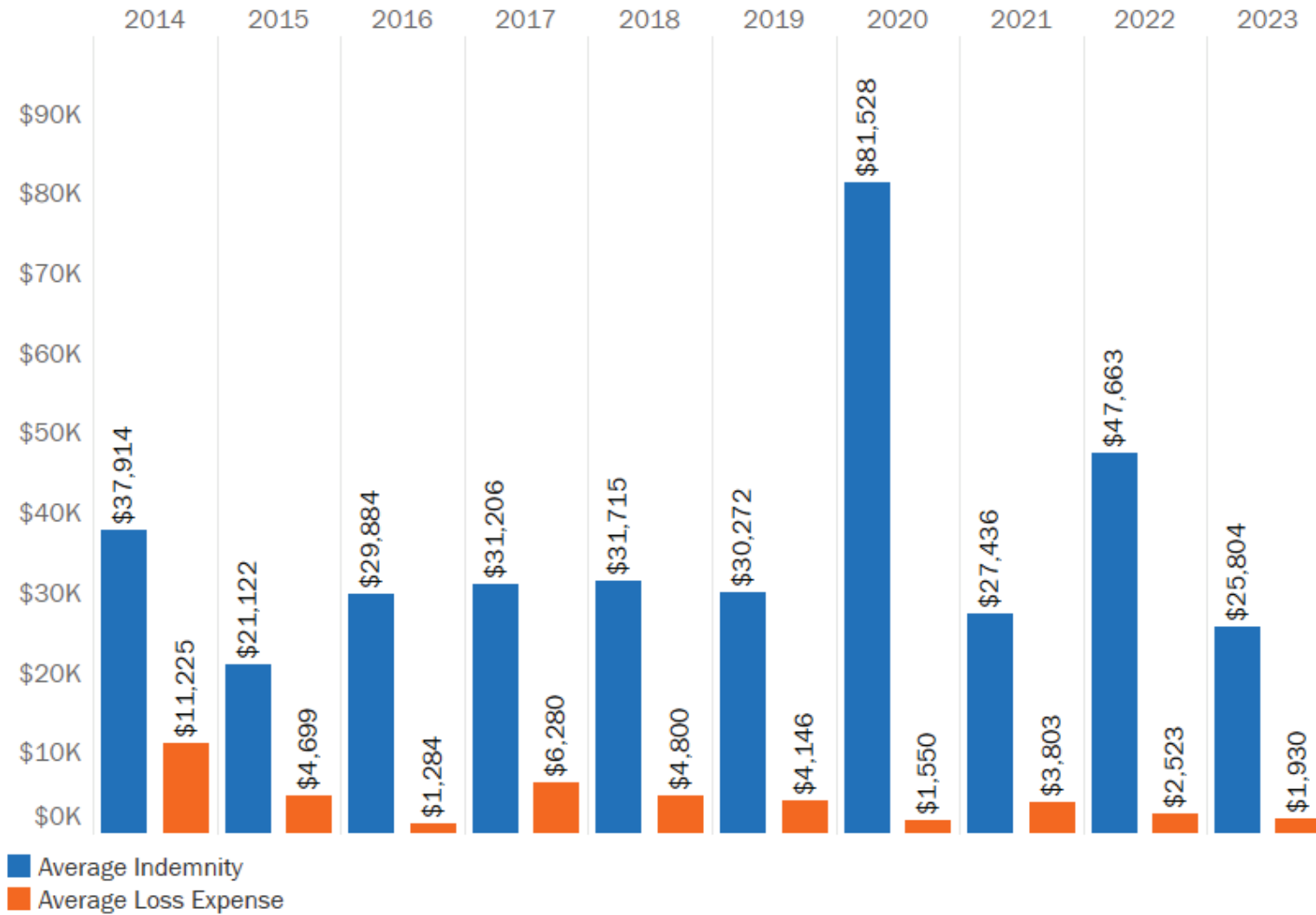
# INDMENSITY ANALYSIS BY CLAIM DISPOSITION

2023

Claim Disposition	All Closed Claims	Number of Paid Claims	Total Indemnity	Percent of Paid Clams	Average Indemnity Per Paid Claim	Percent of Total Indem-nity	Average Loss Expense, All Closed Claims
BEFORE TRIAL OR HEARING	47	16	\$3,305,000	62%	\$206,563	76%	\$22,308
BEFORE FILING SUIT OR DEMANDING HEARING	40	10	\$1,032,173	38%	\$103,217	24%	\$1,930
CLAIM OR SUIT ABANDONED	8	0	\$0	0%	\$0	0%	\$8,944
AFTER APPEAL	5	0	\$0	0%	\$0	0%	\$75,035
AFTER JUDGMENT, BEFORE APPEAL	1	0	\$0	0%	\$0	0%	\$0
DURING APPEAL	1	0	\$0	0%	\$0	0%	\$0
<b>TOTAL</b>	<b>102</b>	<b>26</b>	<b>\$4,337,173</b>	<b>100%</b>	<b>\$166,814</b>	<b>100%</b>	<b>\$15,415</b>

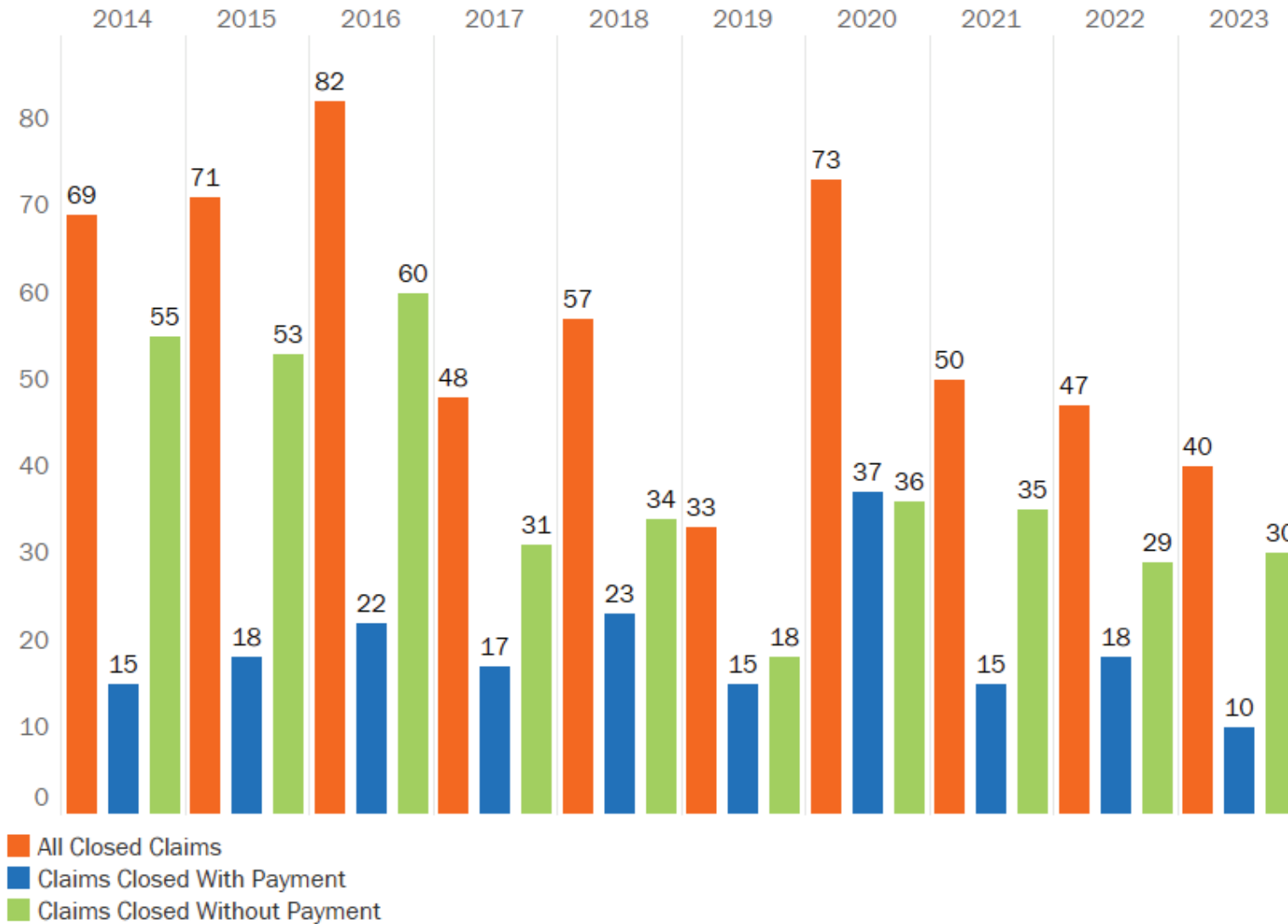
# BEFORE FILING SUIT OR DEMANDING HEARING

## AVERAGE INDEMNITY & EXPENSE



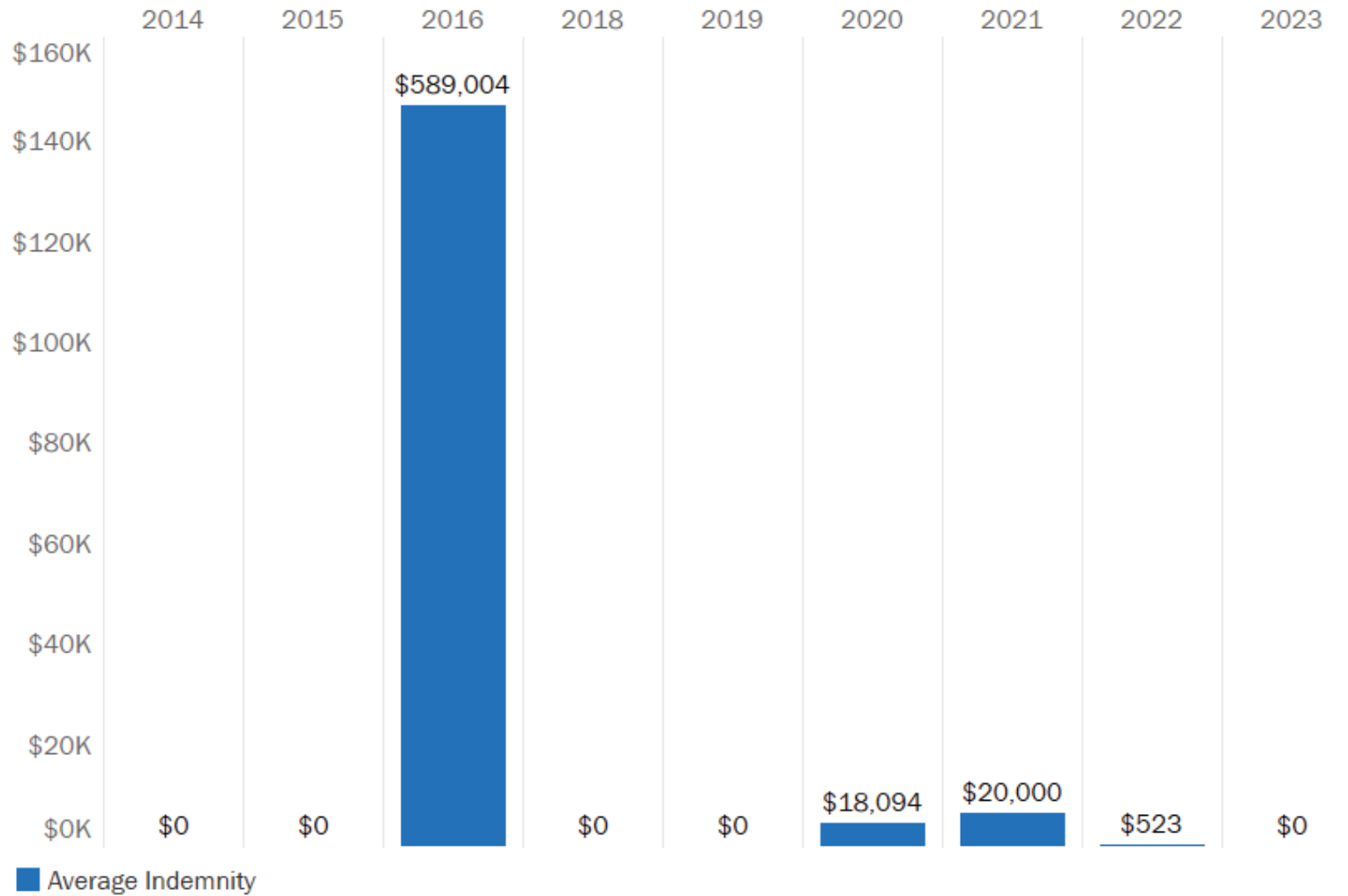
# BEFORE FILING SUIT OR DEMANDING HEARING

## CLOSED CLAIMS



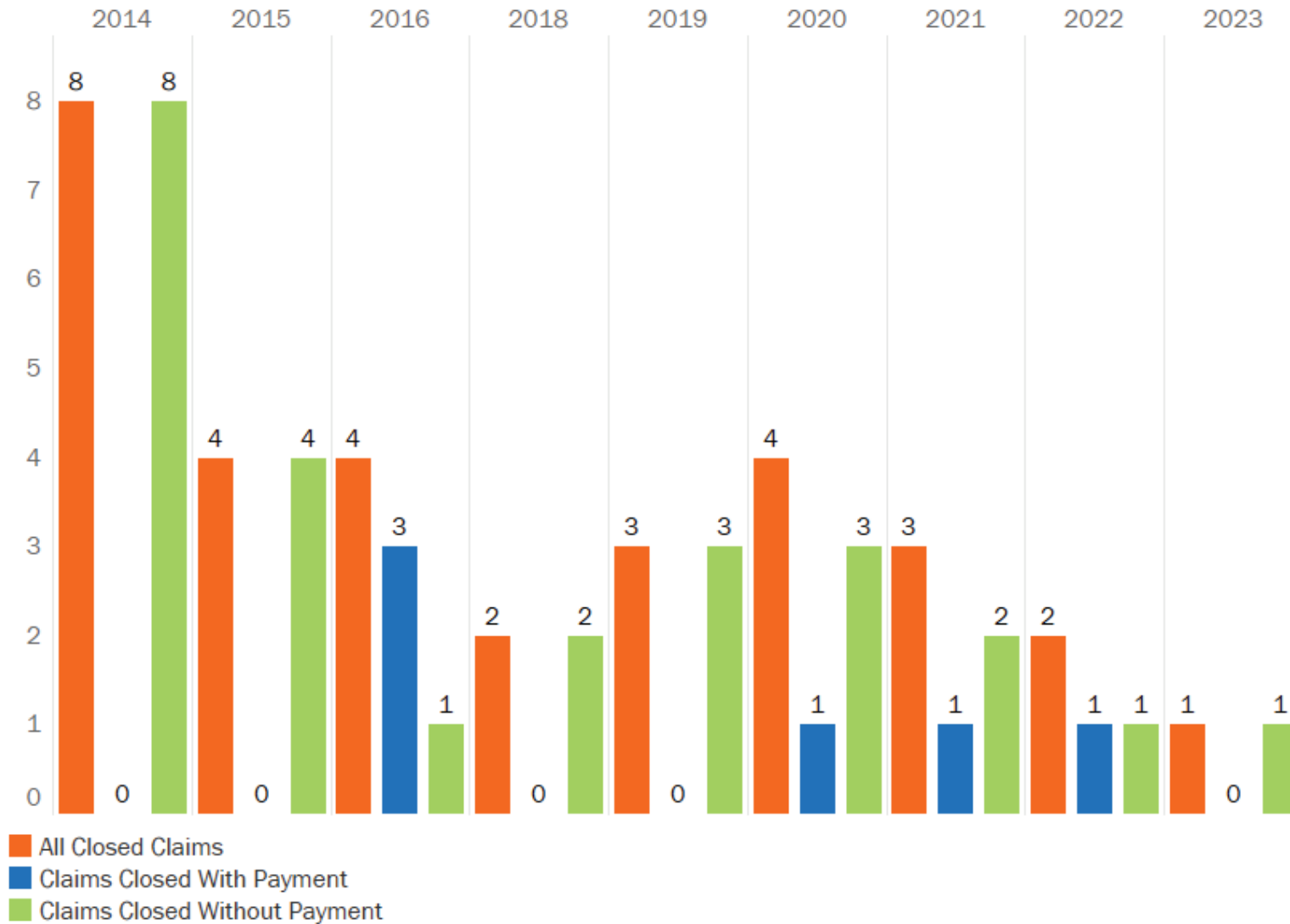
# AFTER JUDGMENT, BEFORE APPEAL

## AVERAGE INDEMNITY & EXPENSE



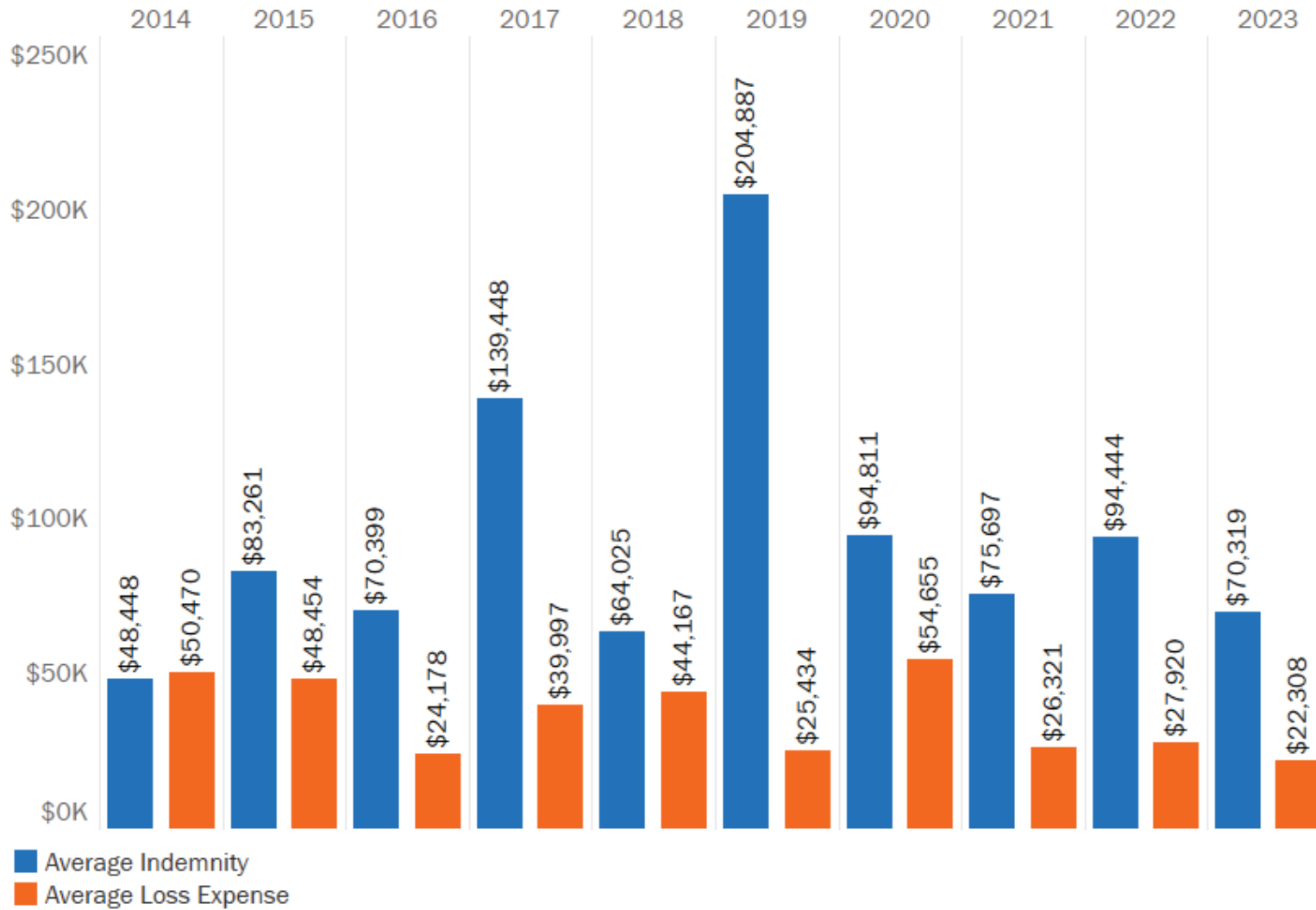
# AFTER JUDGMENT, BEFORE APPEAL

## CLOSED CLAIMS



# BEFORE TRIAL OR HEARING

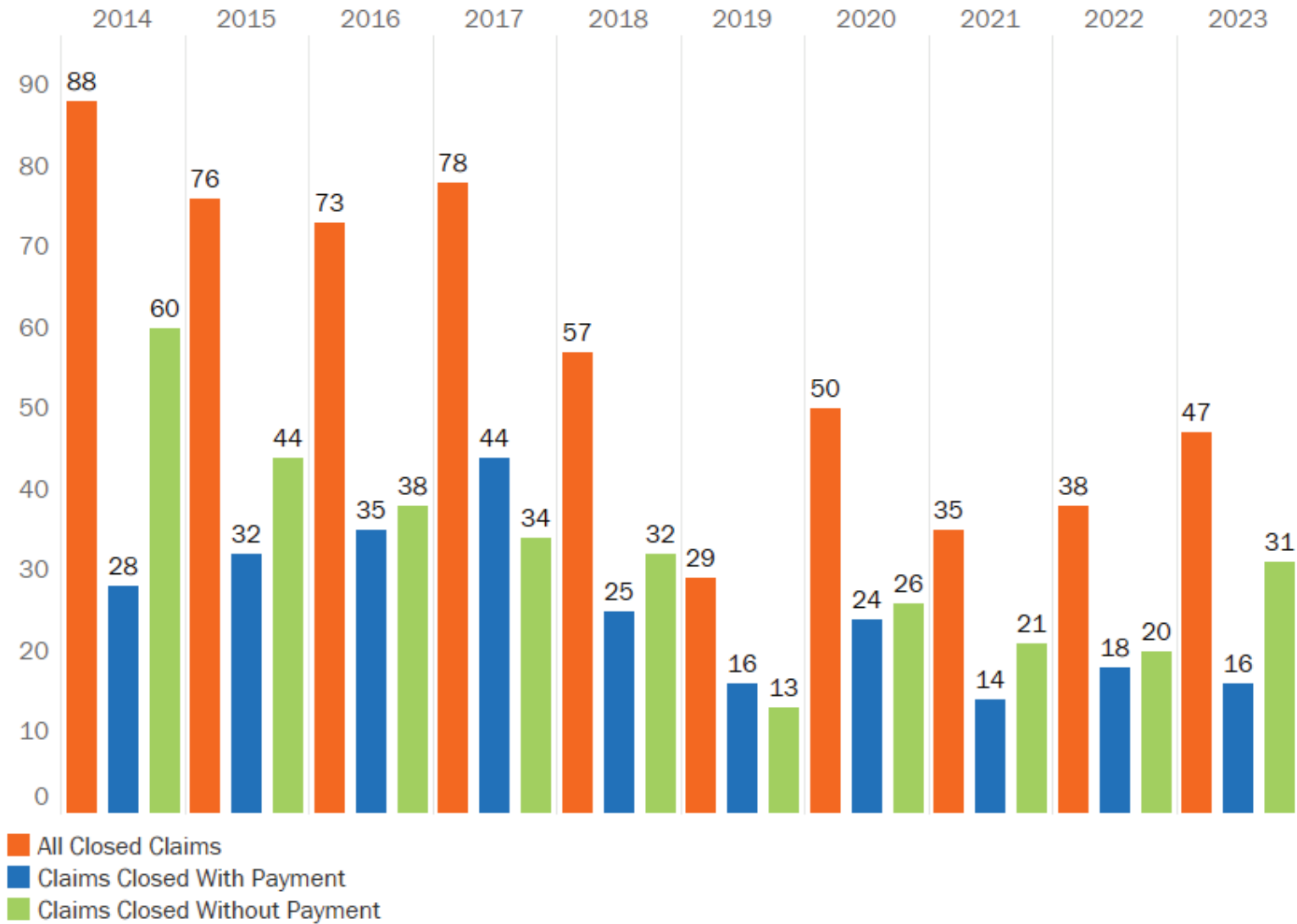
## AVERAGE INDEMNITY & EXPENSE





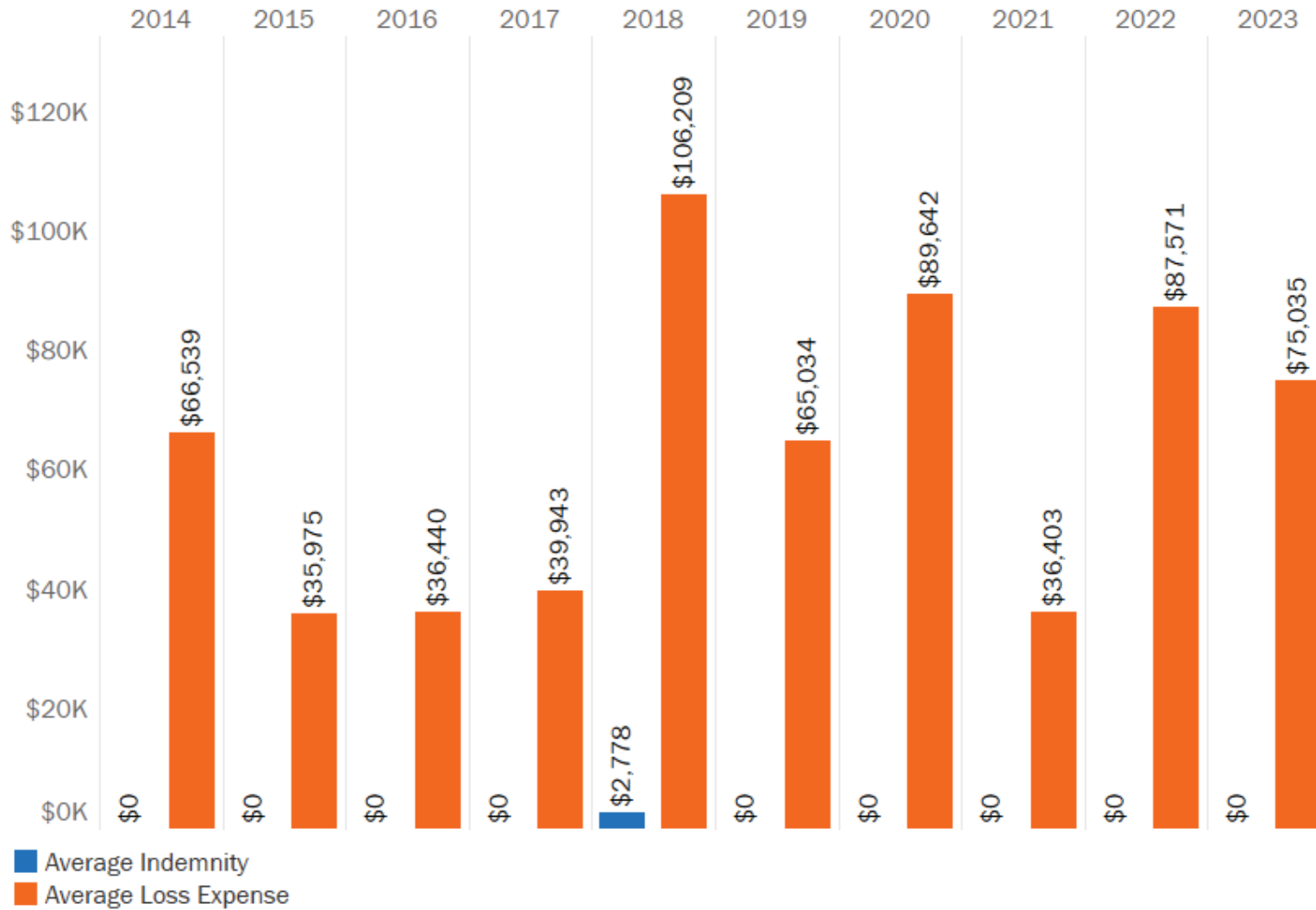
# BEFORE TRIAL OR HEARING

## CLOSED CLAIMS



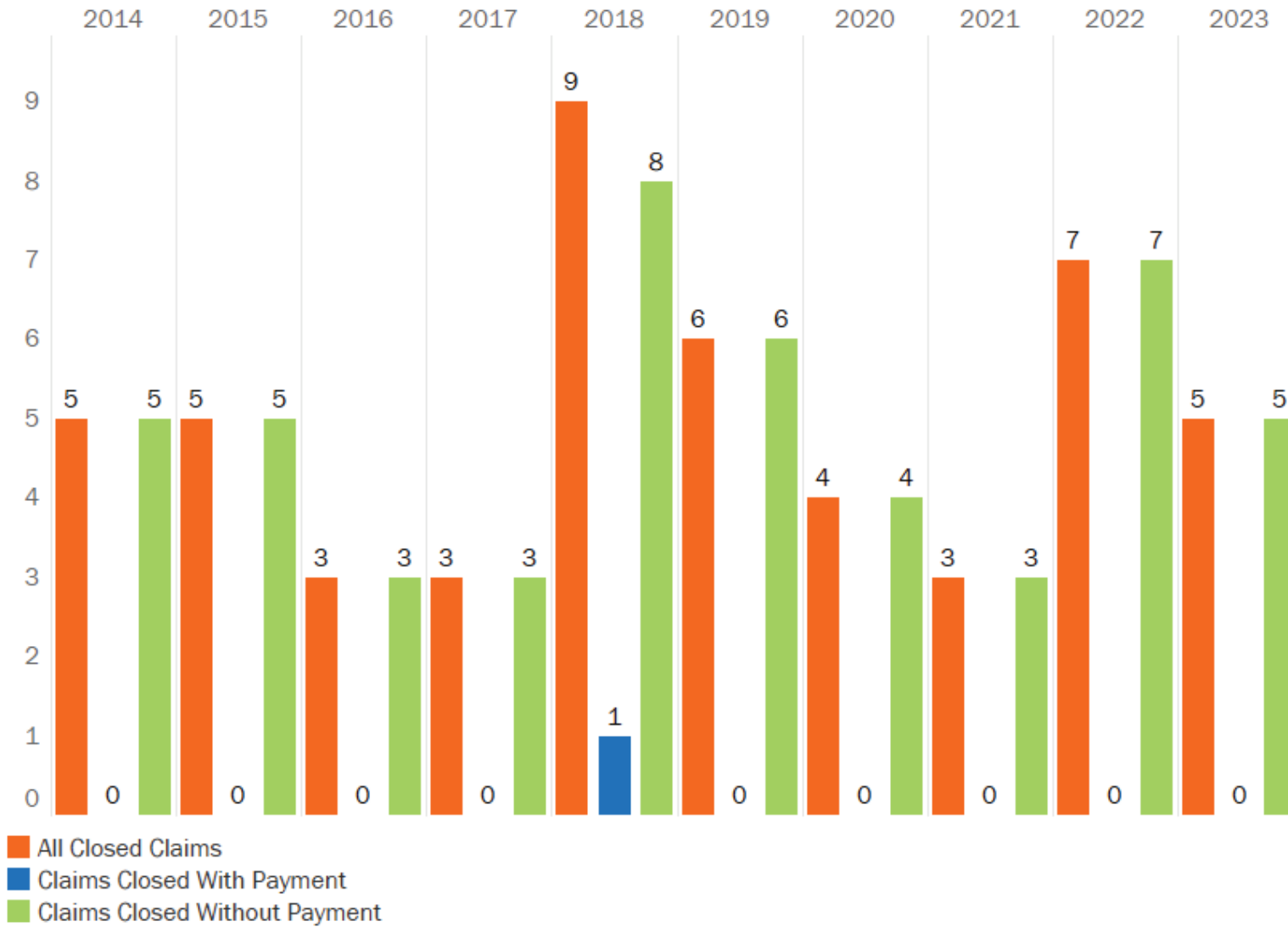
# AFTER APPEAL

## AVERAGE INDEMNITY & EXPENSE



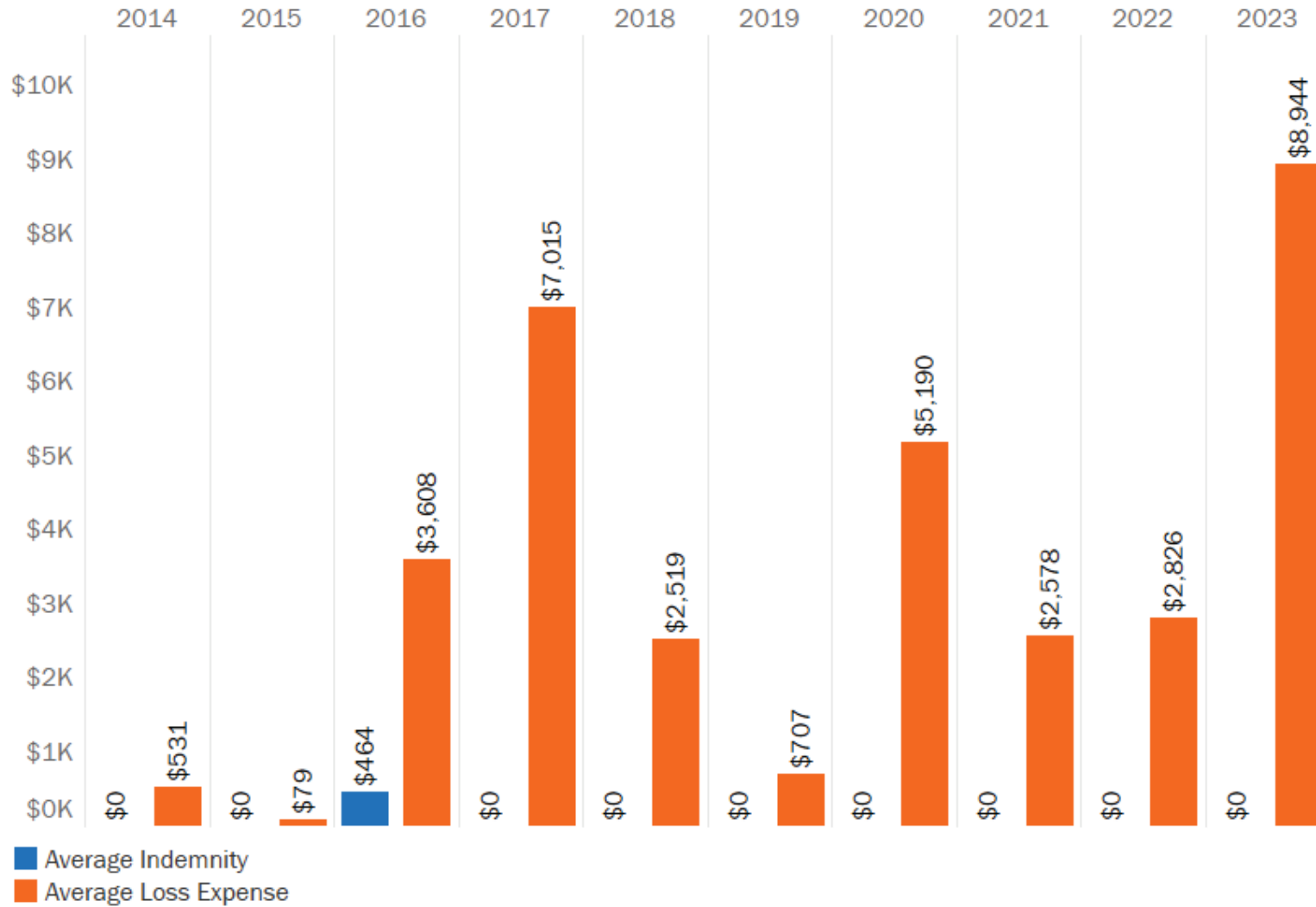
# AFTER APPEAL

## CLOSED CLAIMS



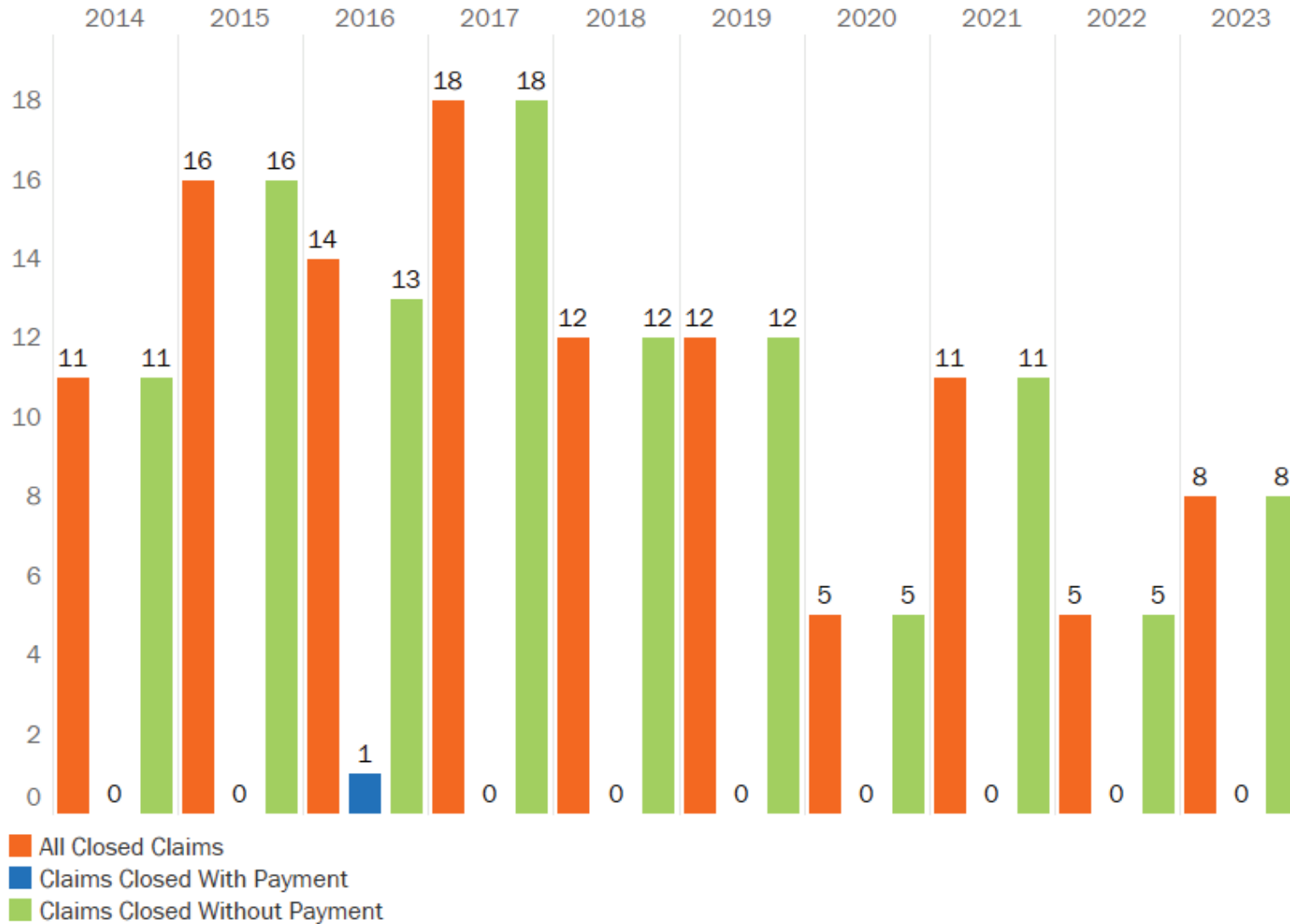
# CLAIM OR SUIT ABANDONED

## AVERAGE INDEMNITY & EXPENSE



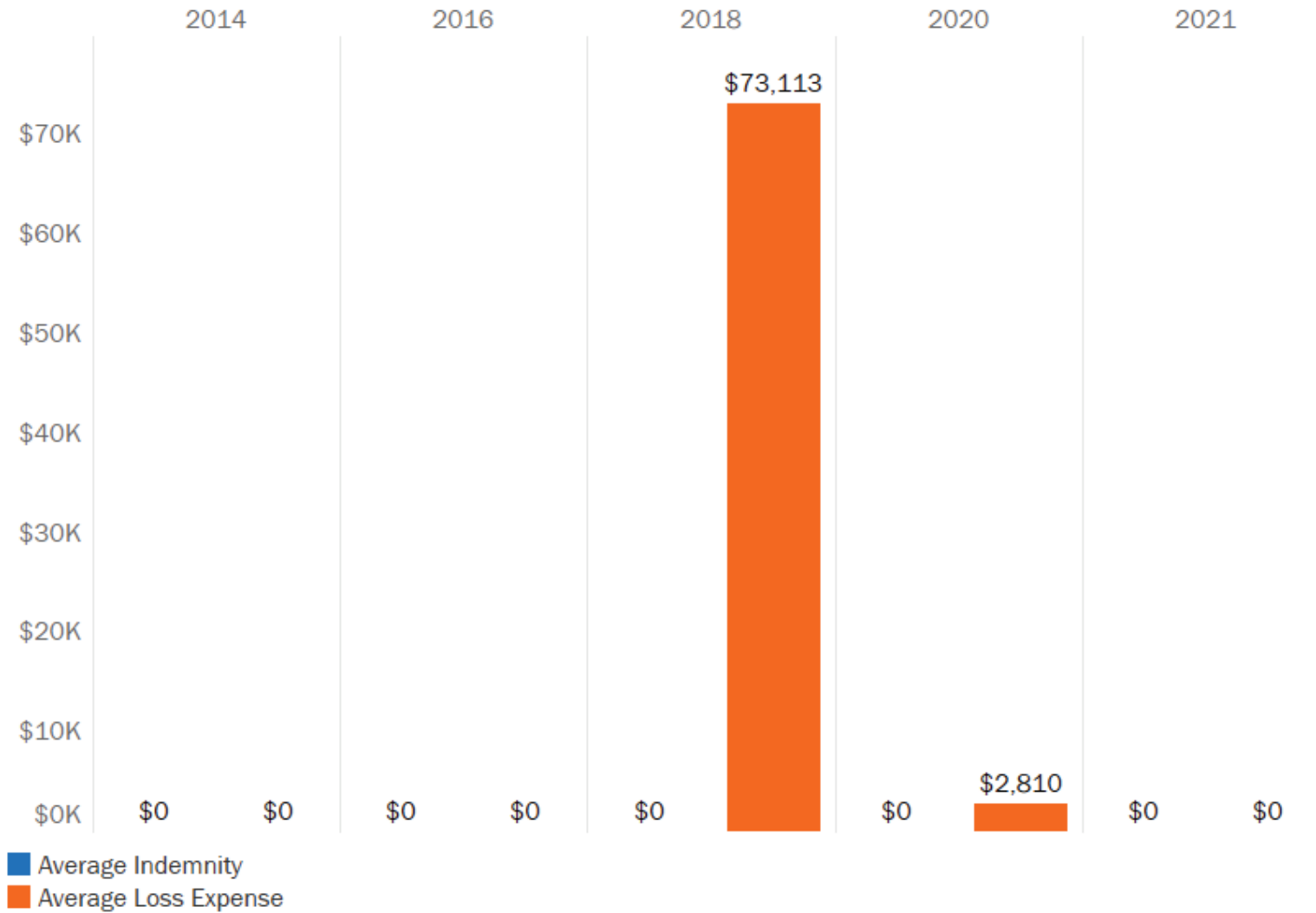
# CLAIM OR SUIT ABANDONED

## CLOSED CLAIMS



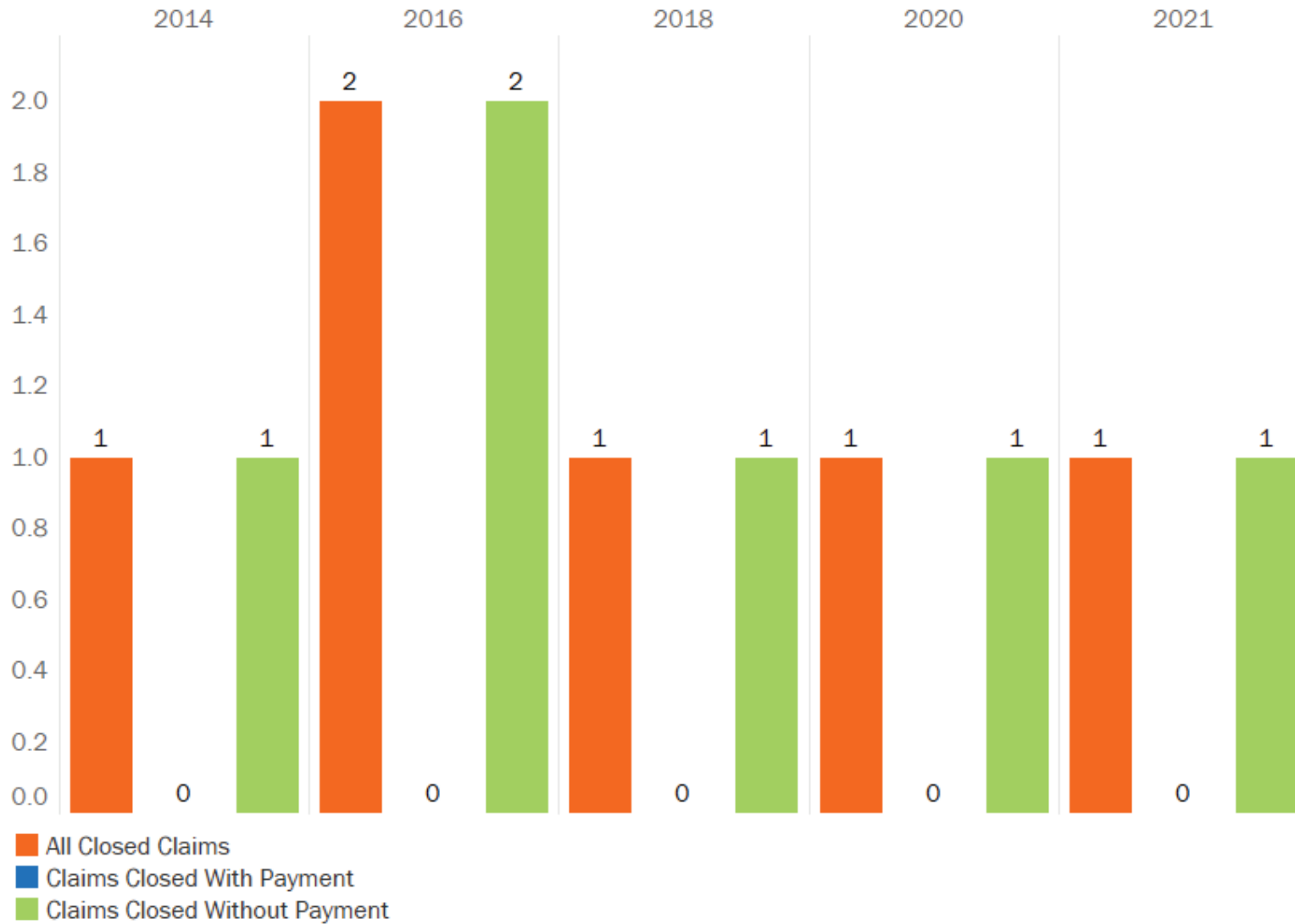
# DURING REVIEW PANEL

## AVERAGE INDEMNITY & EXPENSE



# DURING REVIEW PANEL

## CLOSED CLAIMS



## INDEMNITY ANALYSIS BY YEARS OF PRACTICE

### PRIOR TEN YEARS

Year of Practice	All Closed Claims	Number of Paid Claims	Percent of Paid Claims	Average Indemnity Per Paid Claim	Total Indemnity	Percent of Total Indemnity	Average Loss Expense, All Closed Claims
UNDER 4 YEARS	9	4	1%	\$137,654	\$550,614	1%	\$8,600
4 TO 10 YEARS	79	27	6%	\$184,018	\$4,968,475	7%	\$23,632
OVER 10 YEARS	1,283	424	93%	\$163,487	\$69,318,479	93%	\$22,411
<b>TOTAL</b>	<b>1,371</b>	<b>455</b>	<b>100%</b>	<b>\$164,478</b>	<b>\$74,837,568</b>	<b>100%</b>	<b>\$22,391</b>



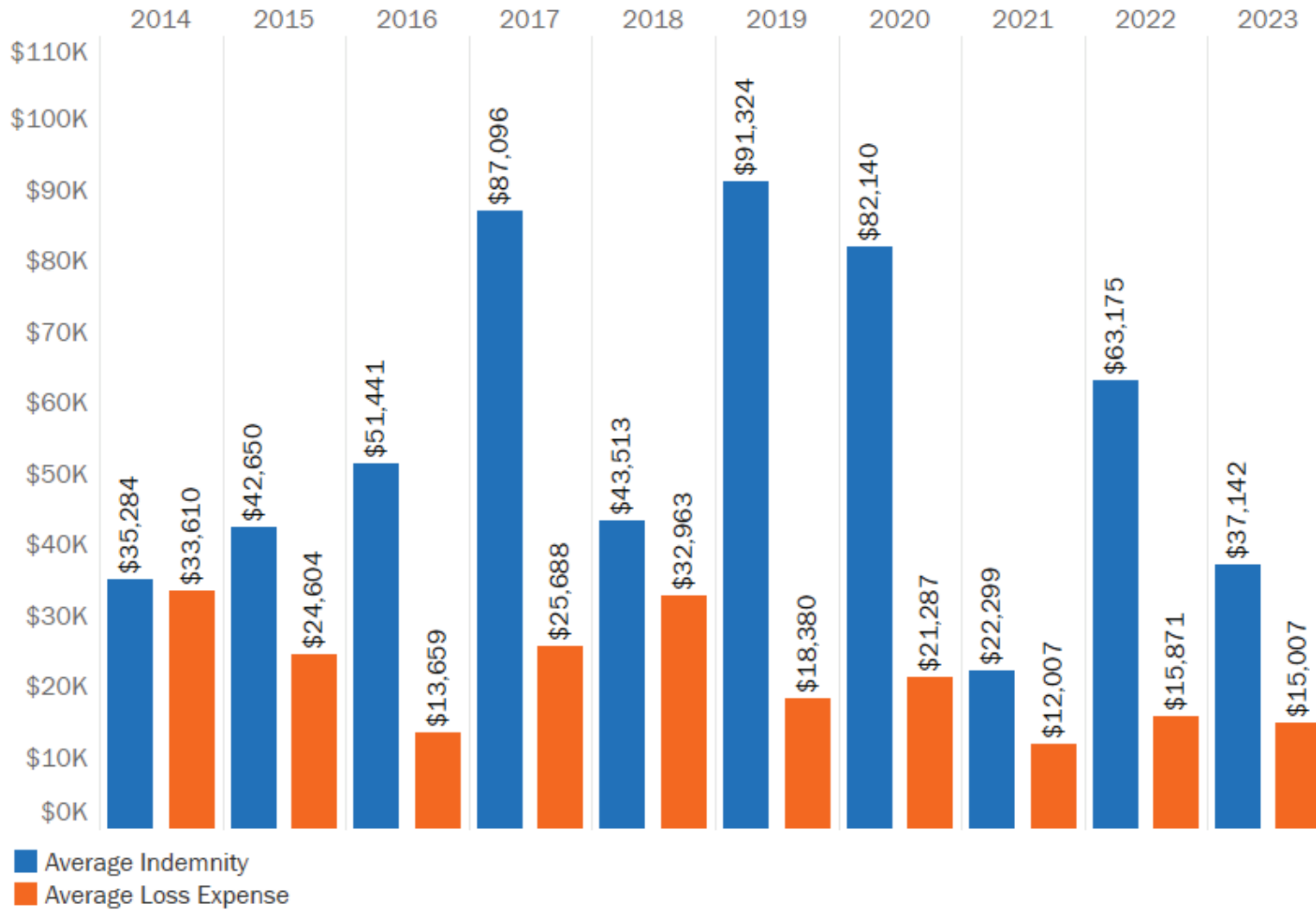
# INDEMNITY ANALYSIS BY YEARS OF PRACTICE

2023

Year of Practice	All Closed Claims	Number of Paid Claims	Percent of Paid Clams	Average Indemnity Per Paid Claim	Total Indemnity	Percent of Total Indemnity	Average Loss Expense, All Closed Claims
4 TO 10 YEARS	6	2	8%	\$385,750	\$771,500	18%	\$21,950
OVER 10 YEARS	96	24	92%	\$148,570	\$3,565,673	82%	\$15,007
TOTAL	0	0	0%	\$0	\$0	0%	

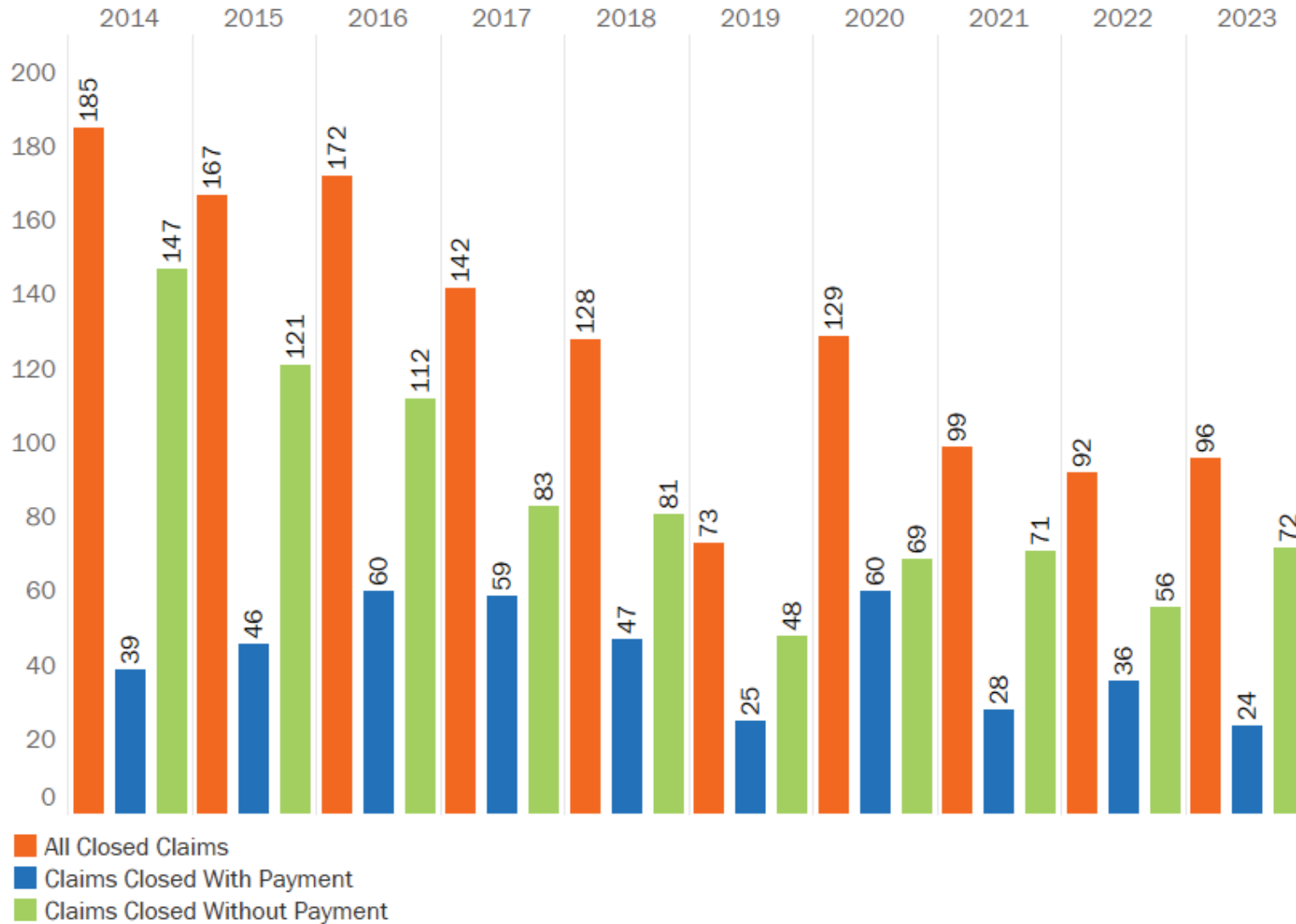
# OVER 10 YEARS OF PRACTICE

## AVERAGE INDEMNITY & EXPENSE



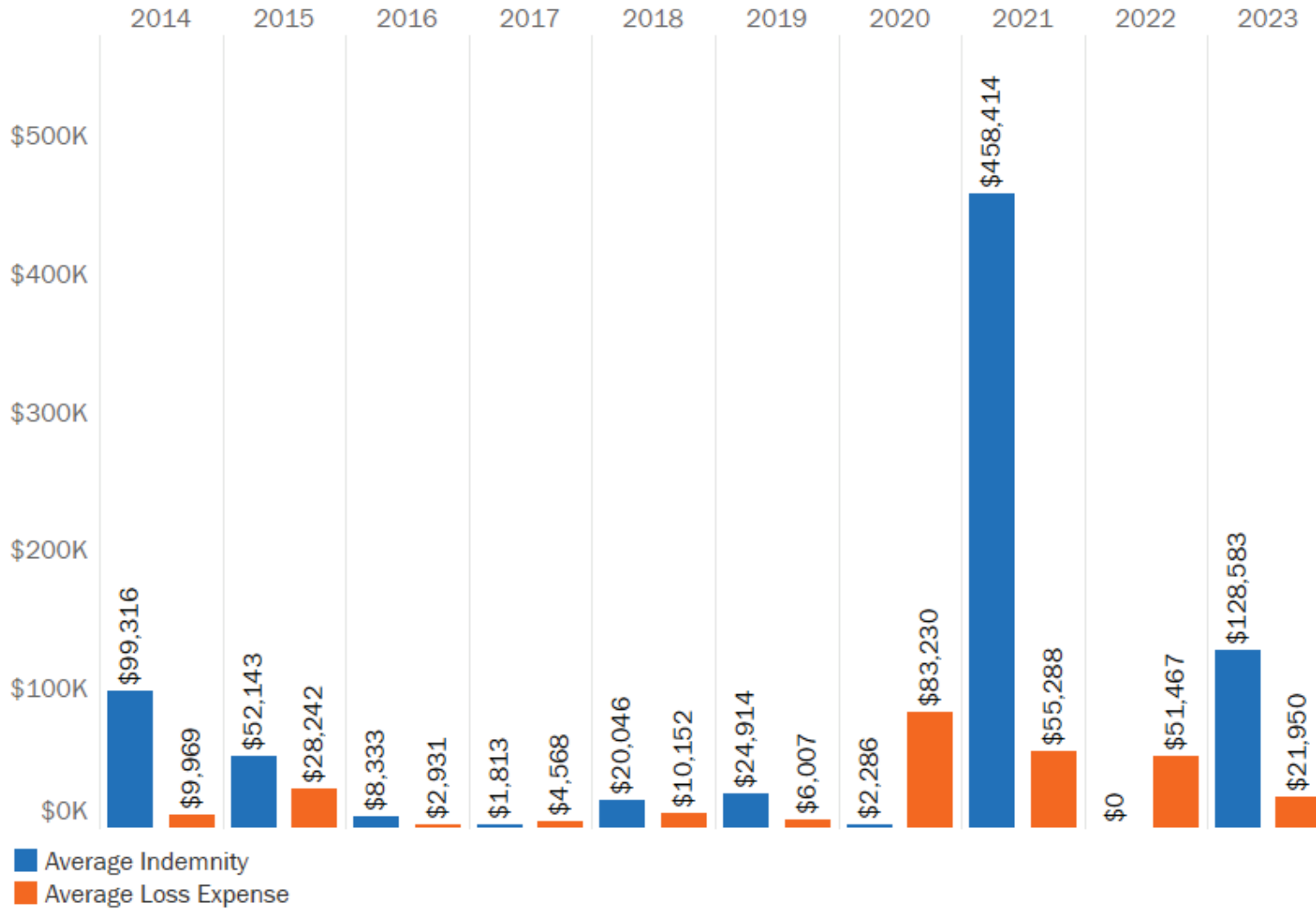
# OVER 10 YEARS OF PRACTICE

## CLOSED CLAIMS



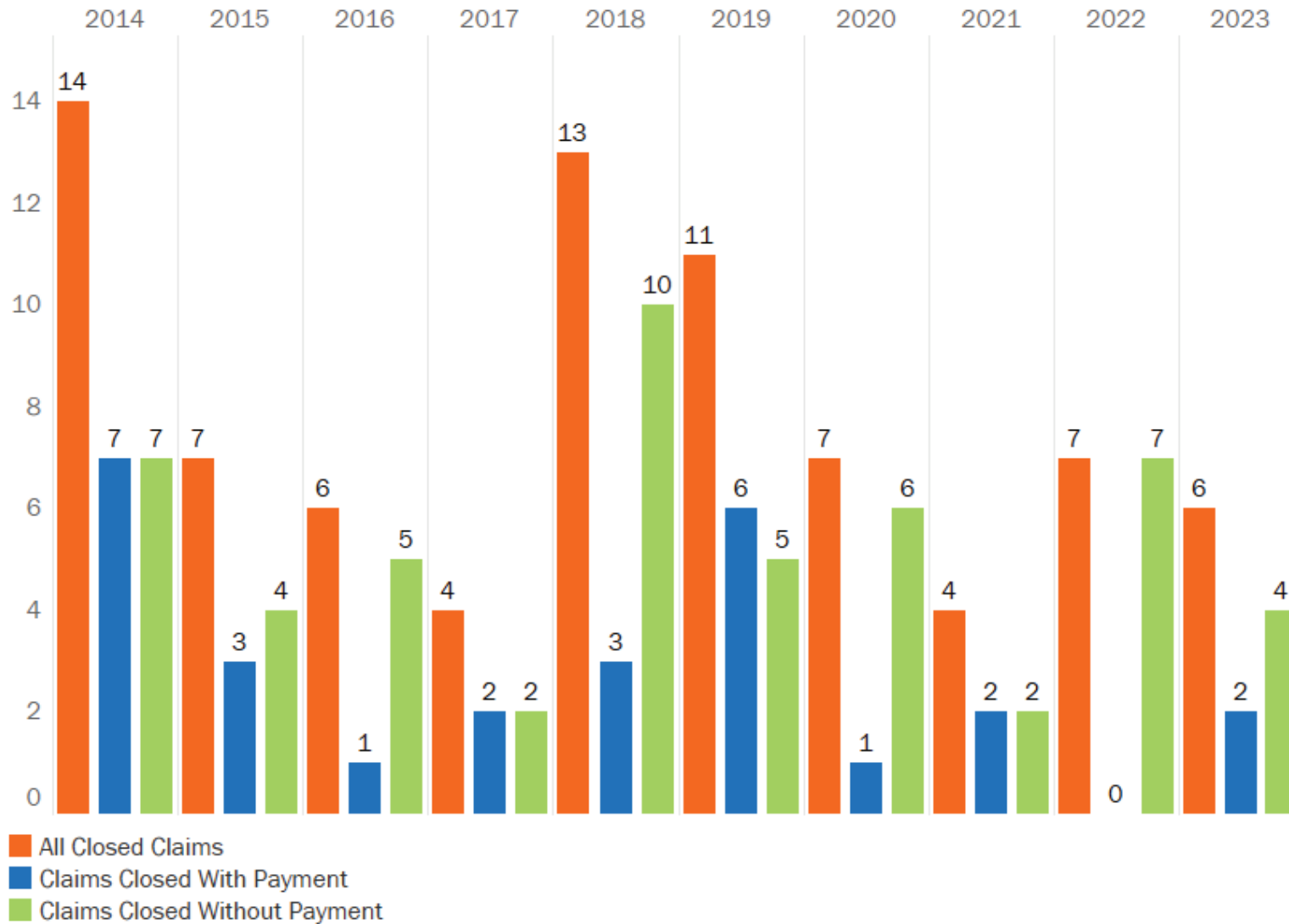
# 4 TO 10 YEARS OF PRACTICE

## AVERAGE INDEMNITY & EXPENSE



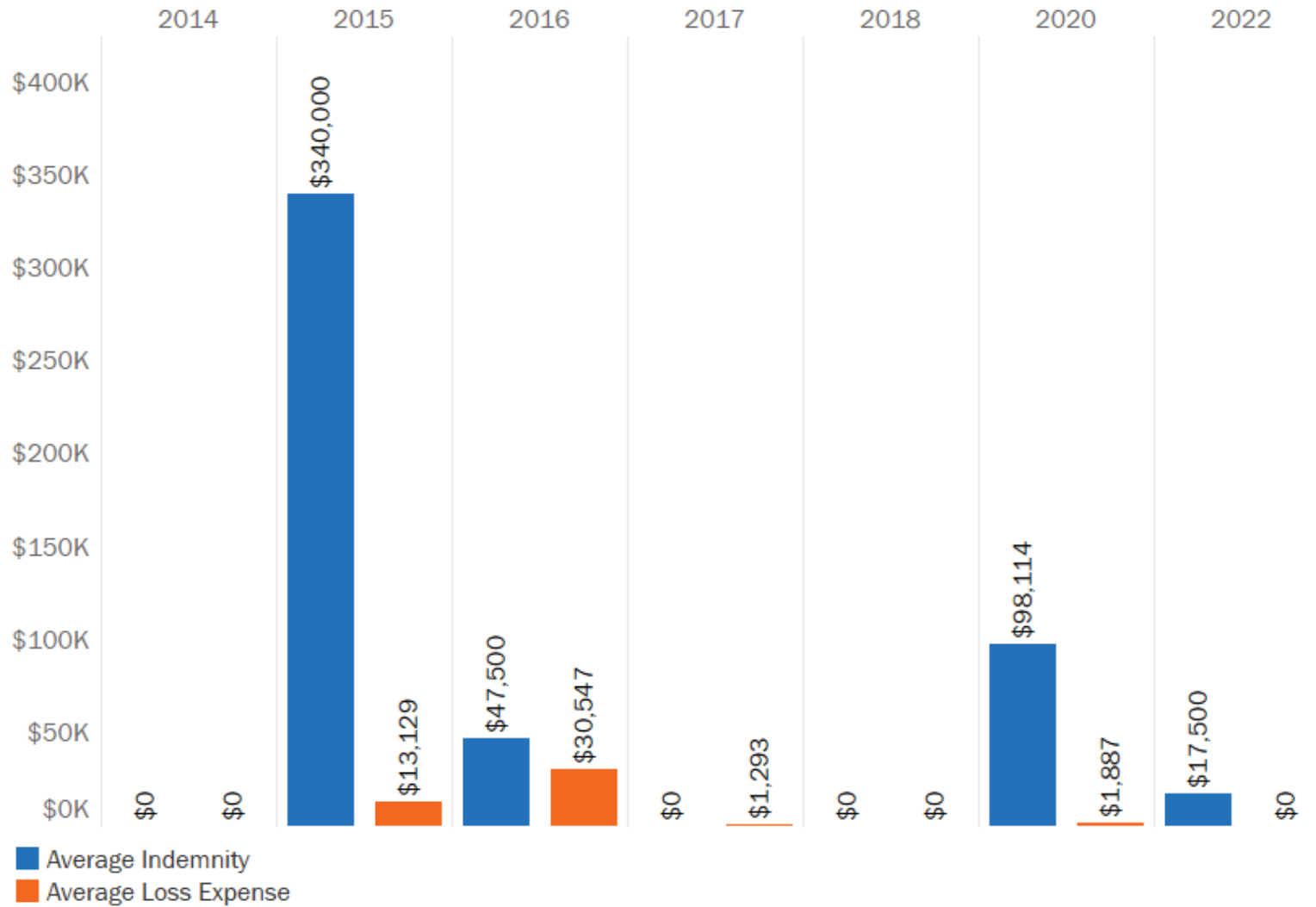
# 4 TO 10 YEARS OF PRACTICE

## CLOSED CLAIMS



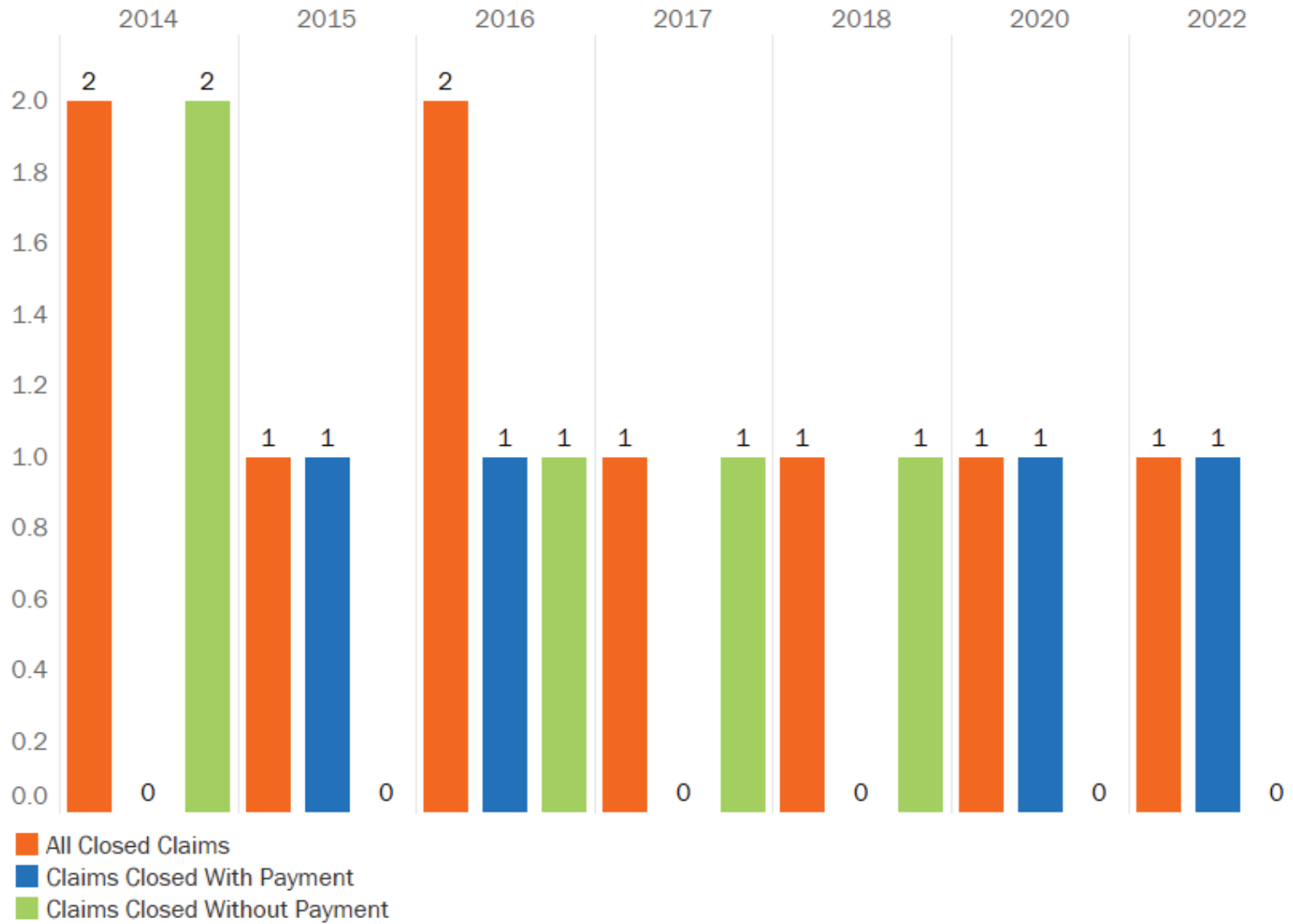
# LESS THAN 4 YEARS OF PRACTICE

## AVERAGE INDEMNITY & EXPENSE



# LESS THAN 4 YEARS OF PRACTICE

## CLOSED CLAIMS



## INDEMNITY ANALYSIS BY RELATIONSHIP TO CLAIMANT PRIOR TEN YEARS

Insureds Relationship to Claimant	All Closed Claims	Number of Paid Claims	Percent of Paid Clams	Average Indemnity Per Paid Claim	Total Indemnity	Percent of Total Indemnity	Average Loss Expense, All Closed Claims
FREE LEGAL SERVICE	5				\$0	0%	\$2,664
MEMBER PRE-PAID LEGAL PLAN	5	3	1%	\$69,500	\$208,500	0%	\$24,471
CLIENT OTHER THAN ABOVE	1,002	360	79%	\$176,848	\$63,665,255	85%	\$23,297
NON-CLIENT	359	92	20%	\$119,172	\$10,963,813	15%	\$20,106
<b>TOTAL</b>	<b>1,371</b>	<b>455</b>	<b>100%</b>	<b>\$164,478</b>	<b>\$74,837,568</b>	<b>100%</b>	<b>\$22,391</b>



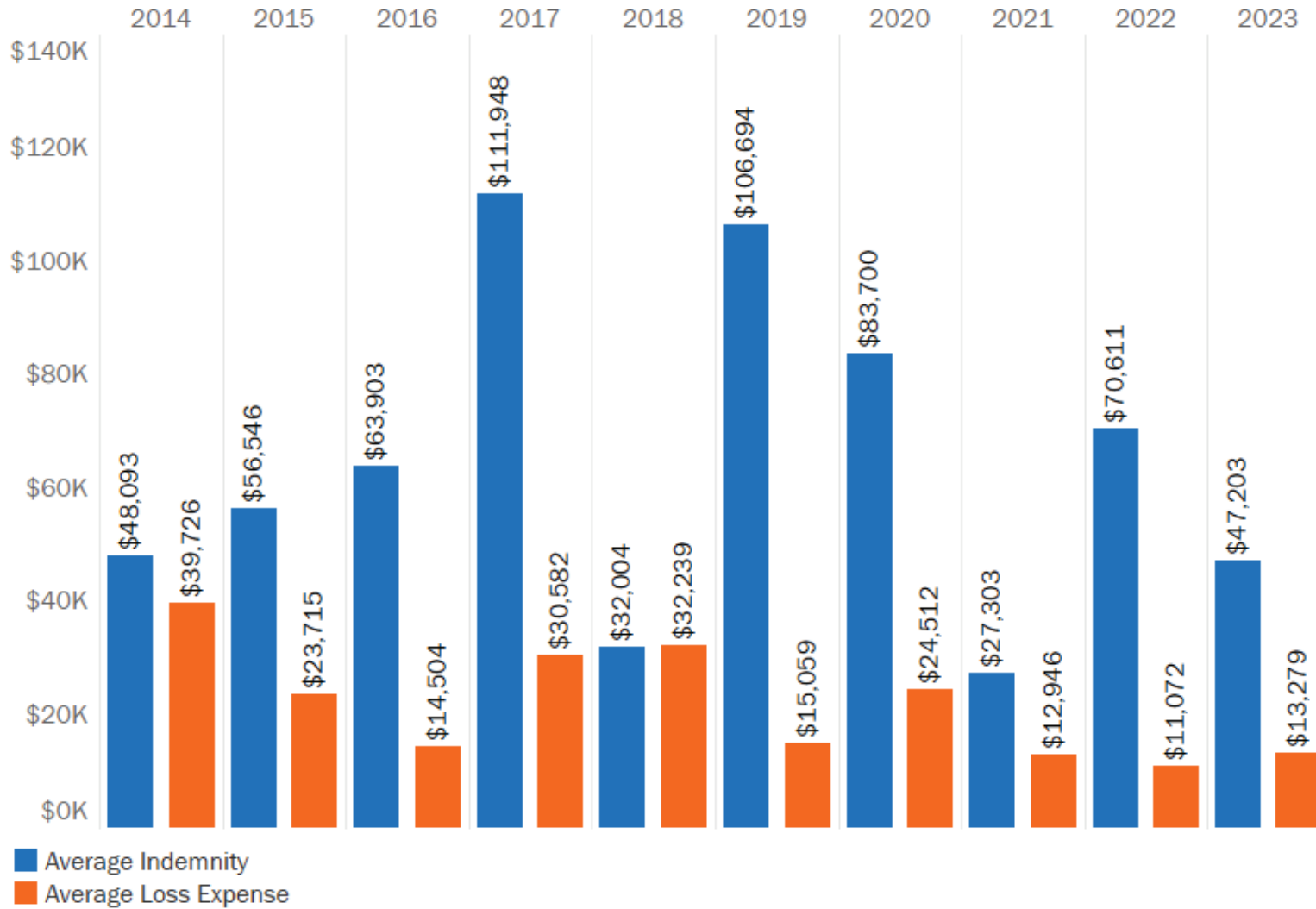
# INDEMNITY ANALYSIS BY RELATIONSHIP TO CLAIMANT

2023

Insureds Relationship to Claimant	All Closed Claims	Number of Paid Claims	Percent of Paid Clams	Average Indemnity Per Paid Claim	Total Indemnity	Percent of Total Indemnity	Average Loss Expense, All Closed Claims
CLIENT OTHER THAN ABOVE	76	21	81%	\$170,830	\$3,587,423	83%	\$20,689
NON-CLIENT	26	5	19%	\$149,950	\$749,750	17%	\$21,661
<b>TOTAL</b>	<b>102</b>	<b>26</b>	<b>100%</b>	<b>\$166,814</b>	<b>\$4,337,173</b>	<b>100%</b>	<b>\$15,415</b>

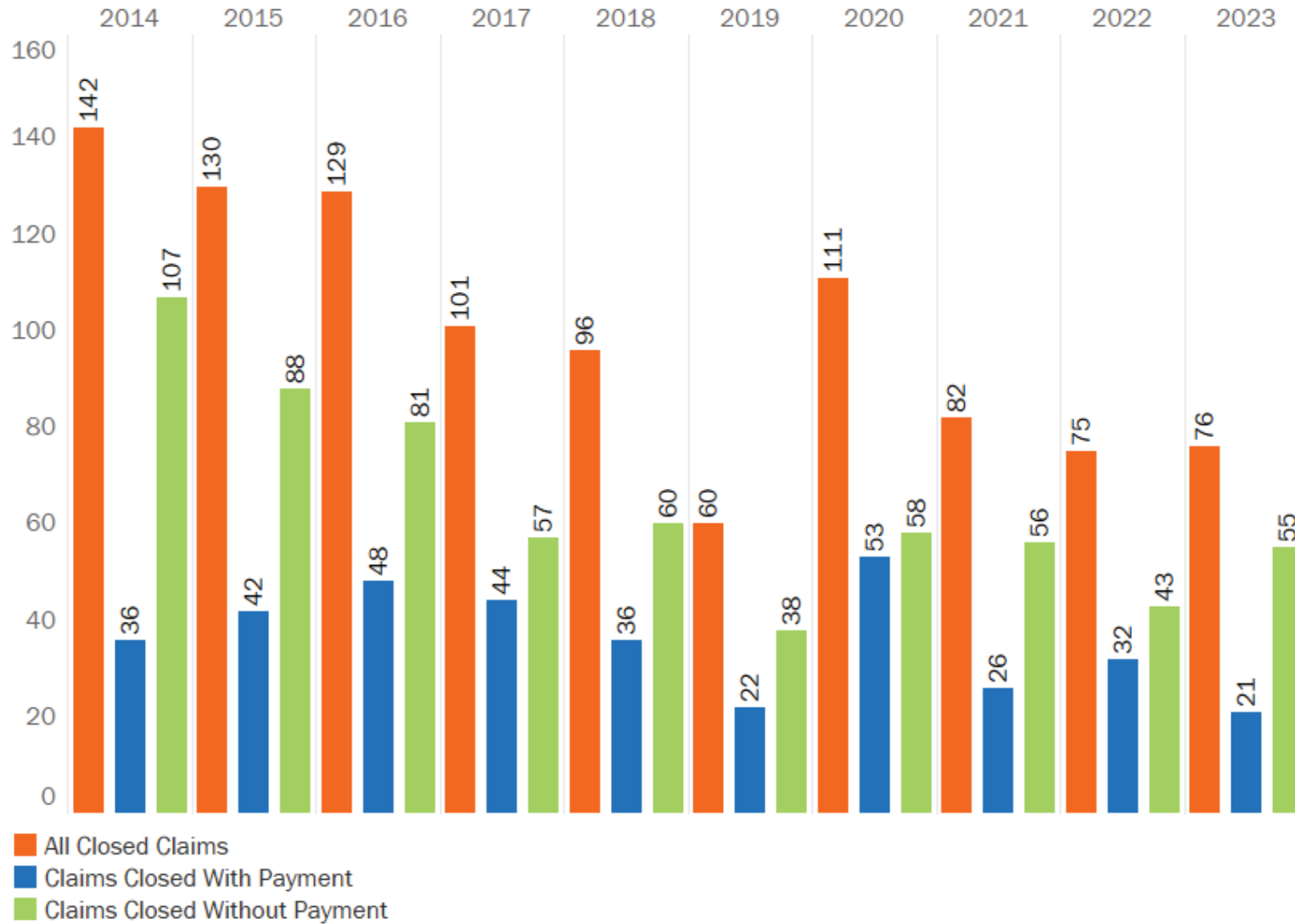
# CLIENT OTHER THAN FREE OR PRE-PAID LEGAL PLAN

## AVERAGE INDEMNITY & EXPENSE



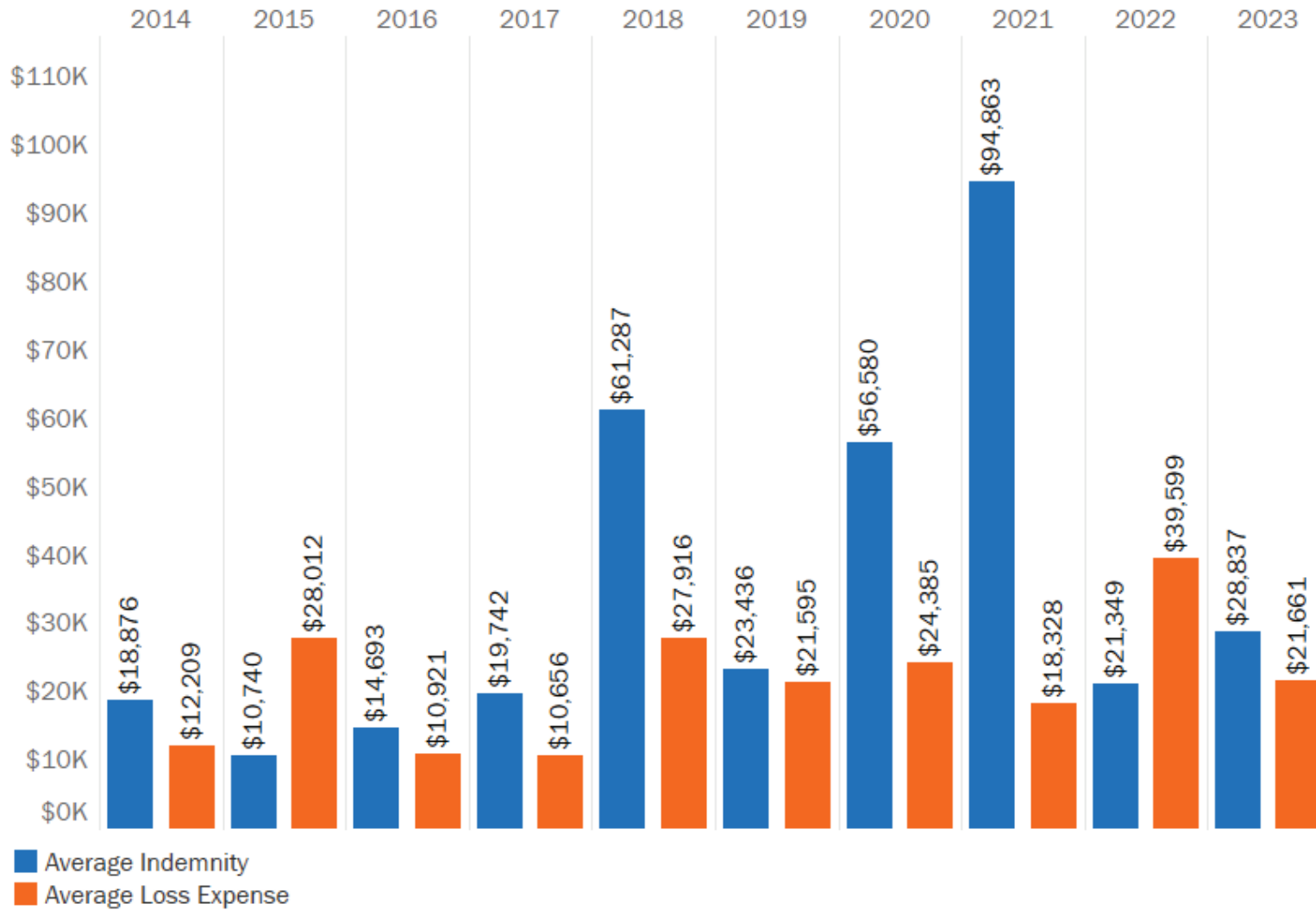
# CLIENT OTHER THAN FREE OR PRE-PAID LEGAL PLAN

## CLOSED CLAIMS

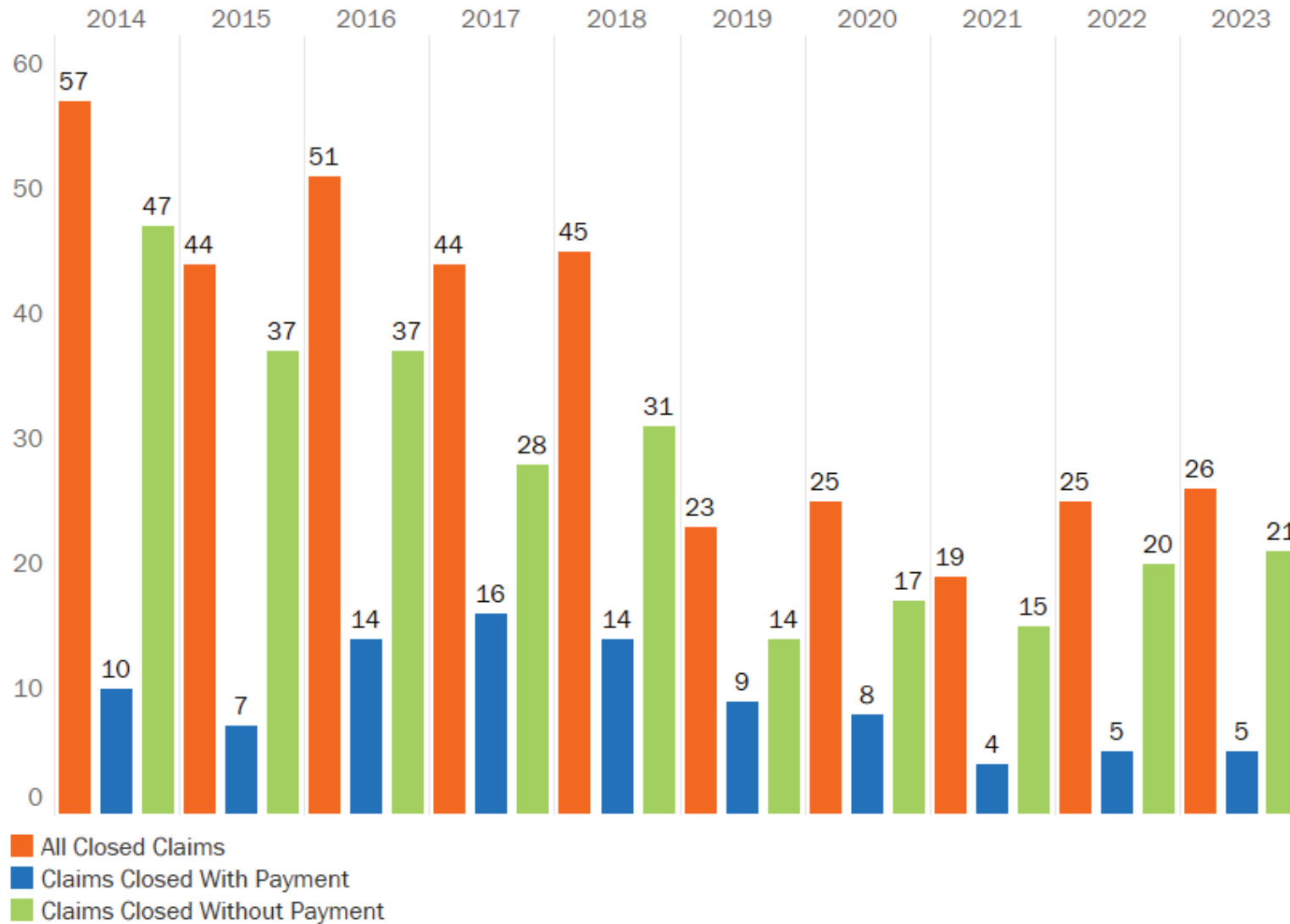


# NON-CLIENT

## AVERAGE INDEMNITY & EXPENSE

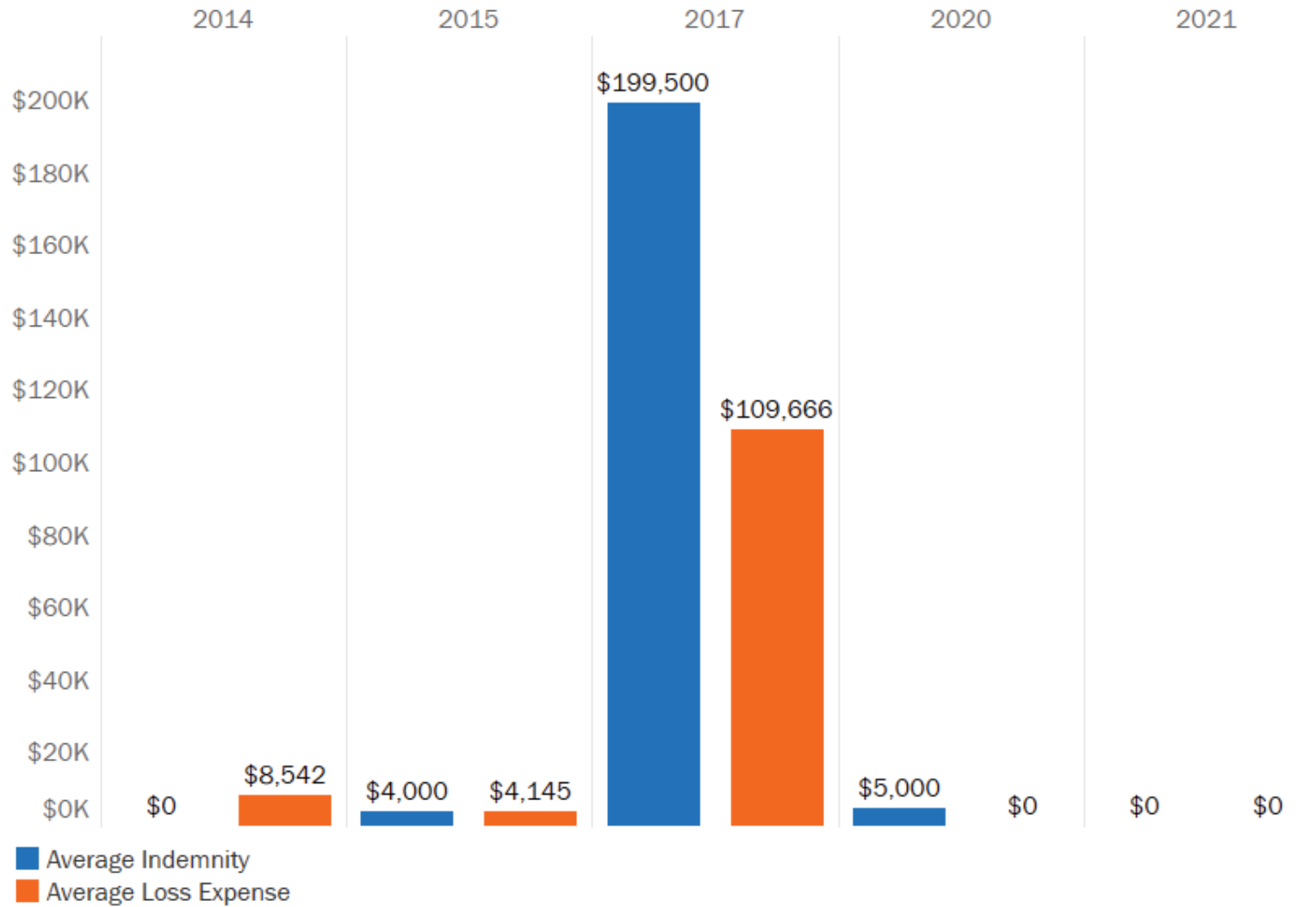


# NON-CLIENT CLOSED CLAIMS



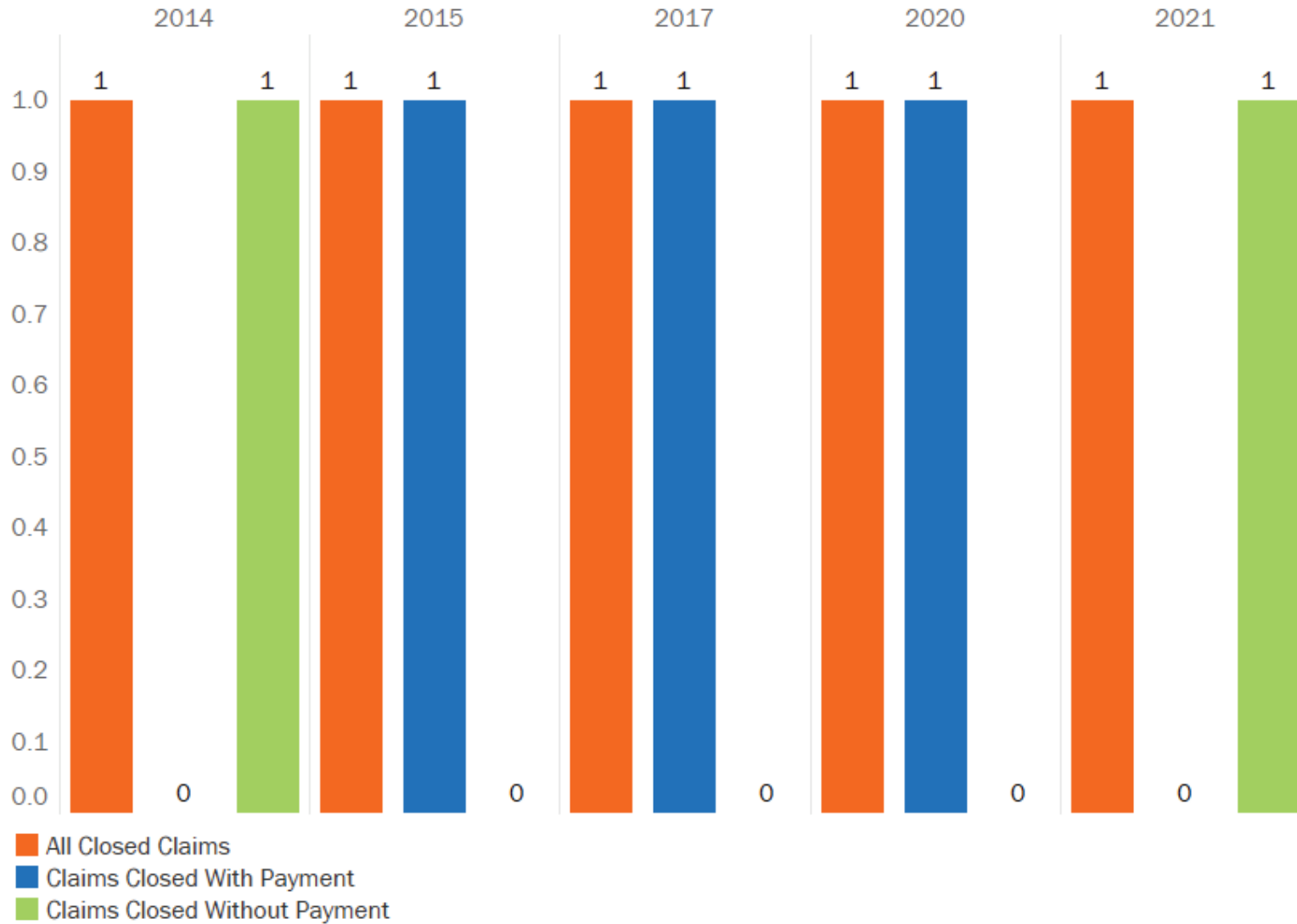
# MEMBER PRE-PAID LEGAL PLAN

## AVERAGE INDEMNITY & EXPENSE



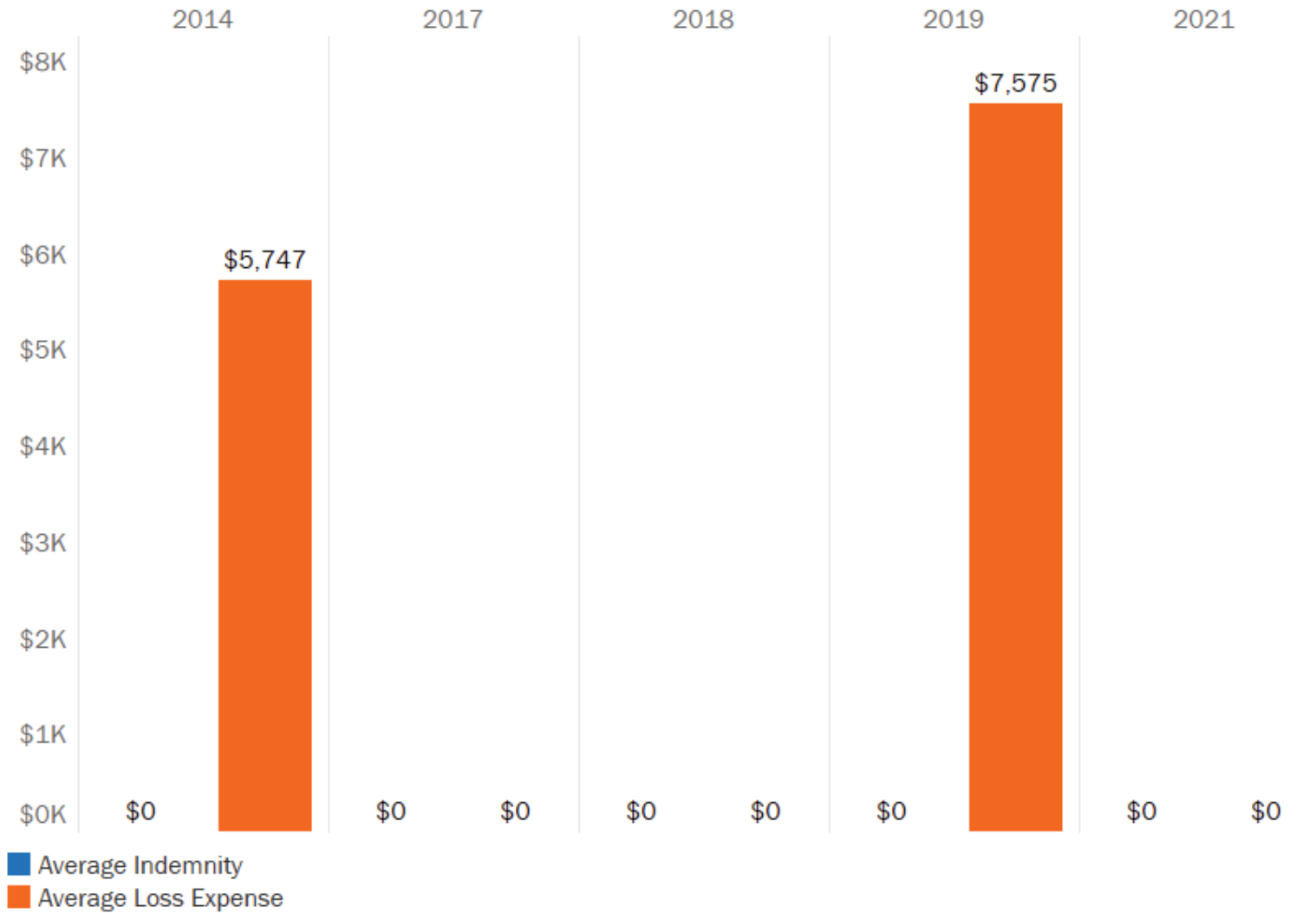
# MEMBER PRE-PAID LEGAL PLAN

## CLOSED CLAIMS



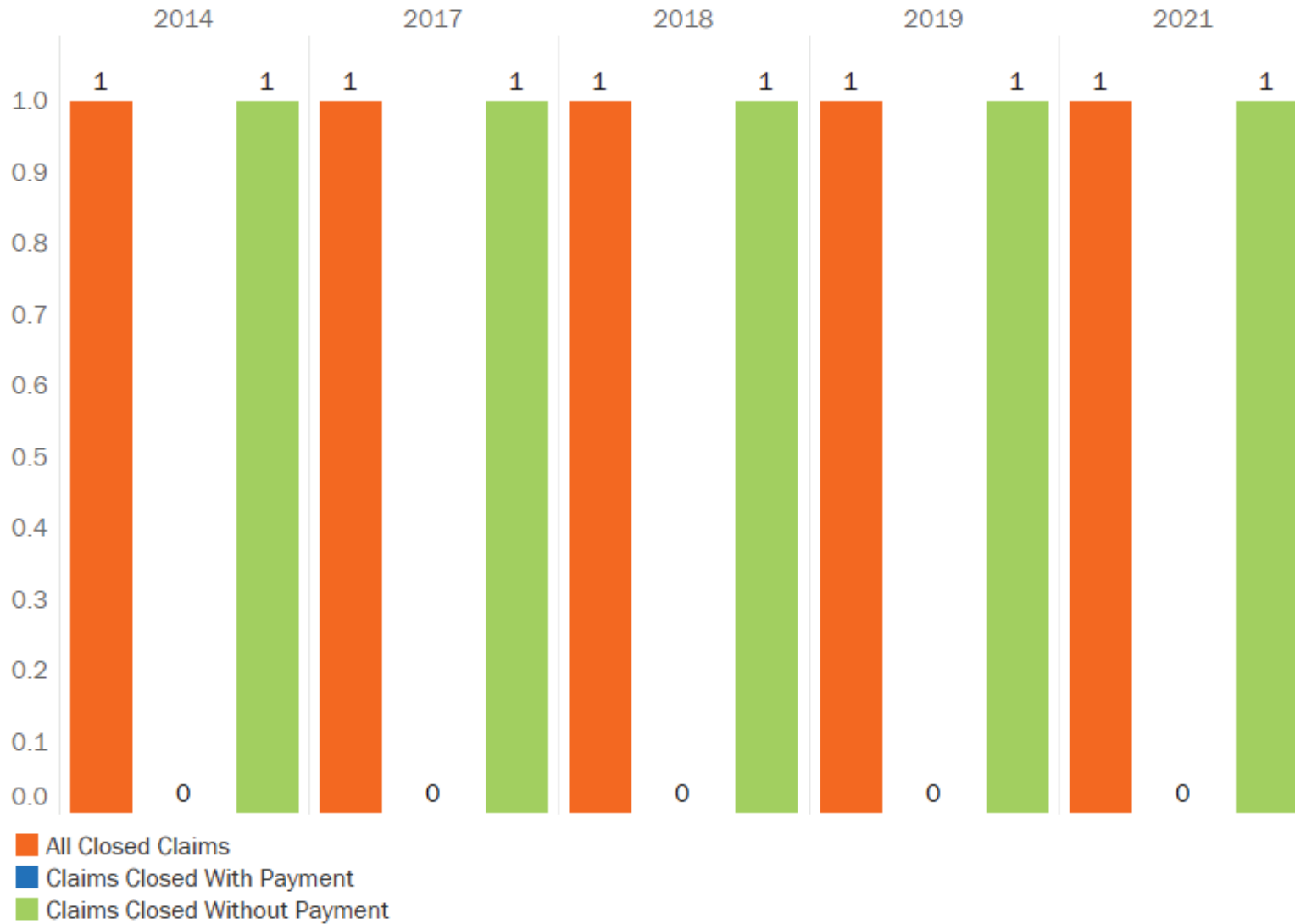
# FREE

## AVERAGE INDEMNITY & EXPENSE





# FREE CLOSED CLAIMS



## 6 PREMIUM AND LOSS DATA BY INSURER

### INSURER MARKET SHARE AND LOSS RATIO

#### BY COMPANY

NAIC Company Code	Insurer Name	Market Share	Written Premium	Earned Premium	Incurred Losses	Loss Ratio
29513	Bar Plan Mutual Insurance Company The	54%	\$7,601,905	\$7,615,294	\$1,618,161	27%
20443	Continental Casualty Company	16%	\$2,253,044	\$2,313,695	\$1,048,857	18%
32450	Alps Property & Casualty Company	10%	\$1,390,686	\$1,339,631	\$1,866,601	32%
31194	Travelers Casualty And Surety Company Of America	8%	\$1,048,880	\$869,079	\$0	0%
22292	Hanover Insurance Company The	6%	\$854,057	\$888,124	\$597,678	10%
22730	Allied World Insurance Company	2%	\$338,800	\$340,014	\$514,118	9%
24147	Old Republic Insurance Company	2%	\$295,085	\$348,033	\$360,569	6%
36234	Preferred Professional Insurance Company	1%	\$111,682	\$100,526	\$30,158	1%
22241	Medmarc Casualty Insurance Company	0%	\$42,300	\$57,263	\$152,870	3%
30104	Hartford Underwriters Insurance Company	0%	\$16,700	\$14,162	\$0	0%
11000	Sentinel Insurance Company Ltd	0%	\$7,230	\$7,468	\$0	0%
29424	Hartford Casualty Insurance Co	0%	\$4,984	\$4,980	\$0	0%
29459	Twin City Fire Insurance Company	0%	\$4,468	\$5,477	\$0	0%
16624	Allied World Specialty Insurance Company	0%	\$2,926	\$1,836	\$7,716	0%
11967	General Star National Ins Co	0%	\$960	\$199	\$0	0%
37273	Axis Insurance Company	0%	\$537	\$156,831	\$-295,690	(5%)
42307	Navigators Insurance Company	0%	\$0	\$0	\$-6	(0%)

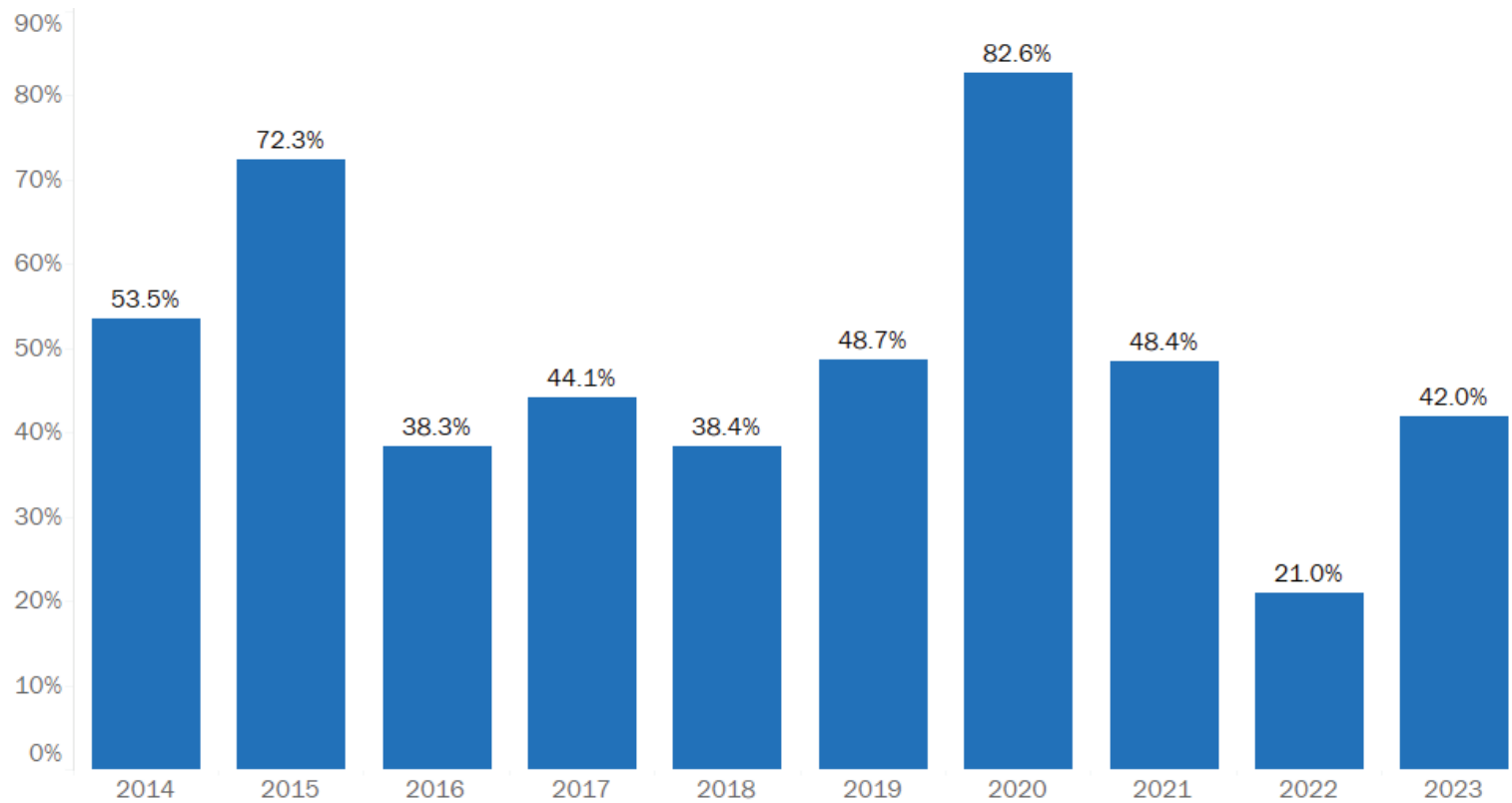
# LEGAL MALPRACTICE MISSOURI EXPERIENCE

## PRIOR TEN YEARS

Year	Written Premium	Earned Premium	Incurred Losses	Loss Ratio
2014	\$16,725,395	\$16,787,627	\$8,975,108	53%
2015	\$16,452,459	\$16,412,220	\$11,873,680	72%
2016	\$16,350,726	\$16,425,472	\$6,289,090	38%
2017	\$16,385,754	\$16,414,566	\$7,242,168	44%
2018	\$15,333,042	\$15,946,562	\$6,127,946	38%
2019	\$15,172,518	\$15,270,375	\$7,433,567	49%
2020	\$14,594,268	\$13,036,299	\$10,773,061	83%
2021	\$14,418,324	\$12,740,635	\$6,165,127	48%
2022	\$14,970,793	\$13,551,638	\$2,844,421	21%
2023	\$13,974,244	\$14,062,612	\$5,901,032	42%

# LOSS RATIO

## MISSOURI







UPDATED: 08/24



**DCI**

Missouri Department of Commerce & Insurance