

Committee on Professional Liability Insurance (COPLI)
2008 Year End Assessment

Background

The Committee on Professional Liability Insurance is comprised of 15 attorney members with expertise and experience in professional liability insurance and insurance law, in dealing with brokers and insurance carriers and in understanding insurance policies and the business aspects of insurance particularly group and/or association plans. The committee acts as a counselor and advisor to the Board of Governors. The charge of the committee is as follows:

1. Studies and makes recommendations on loss prevention/competency development, claims handling, underwriting, policy language, policy provisions and pricing to meet the needs of the members of the State Bar. Reviews sales literature and marketing on an ongoing basis.
2. Monitor carrier stability and marketplace activity to insure adequate pricing and complete coverage options for the members.
3. Work with the administrator/broker, carrier, General Counsel's office and designated State Bar staff to draft contracts as required and revise existing contracts.
4. Plan and administer competency based risk management educational programs providing free MCLE credit to the members.
5. Provide legal advice to the Board of Governors concerning professional liability insurance law and those aspects of its recommendations.
6. Generate funding for the State Bar's Lawyers Assistance Program.
7. Perform such other functions relevant to the committee's subject area as the Board of Governors may from time to time assign.
8. Make recommendations and assist on request, the Board of Governors for ways and means of increasing non-dues revenue.
9. Explore possible models to provide expanded range of PLI products; mandatory insurance; and a virtual agency model.

2008 Year-End Assessment

The following is a summary of COPLI'S activities in 2008 that furthered its charge:

Professional Liability Insurance Program (PLI)

- The committee held four meetings, including an overnight planning session in August 2008
- The committee performed an actuarial review of the PLI program to evaluate the program's loss ratio and profitability.

Market Review

- The committee continued to monitor the market to insure the availability of coverage to all members and adequacy of policy features.

Disclosure of Professional Liability Insurance

- Members of the committee participated in the vetting of the proposed new rule 3-410 of the California Rules of Professional Conduct that was adopted by the Board of Governors in May 2008 for submission to the Supreme Court.

Mediators and Arbitrators Professional Liability Insurance

- An RFP for a sponsored program was issued. The committee will review proposals and make recommendations during the 1st quarter of 2009.

Education

- The Education subcommittee conducted two additional malpractice prevention seminars for MCLE credit.

Revenue

- The sponsored insurance program generated \$943,000 in 2008. These funds were used to support the Lawyers Assistance Program.
- The 2008 operational costs were \$18,048.