The Impact of Economic Factors on Professional Liability Insurance and Emerging Trends

Presented by:
Lee Genecki
VP/Professional Liability/Travelers
Economic Factors Considered

- Gross Domestic Product (GDP) - Health of the Economy
- Interest Rates
- Real Estate Values (Impacts all lines)
- Construction Spending
- Unemployment
- Stock Market Performance
What Occurred During the Recent Financial Crisis

- Rise in Claim Frequency
- Exposure Base Goes Down/Firms Seek to Lower Fixed Costs
- Severity Spikes Upward
- Policy Terms Tighten/Multi-year Policies Become Scarce
- Carrier Over-React?
What Occurred During the Recovery

- Minimal Impact on Miscellaneous (MPL) & Accountants Professional (APL)
- Design Professionals (DPL) – First to Emerge
What Occurred During the Recovery

- Real Estate Professionals (RPL) – Housing Recovery (2013) has Significant Positive Impact

- Lawyers Professionals (LPL) – Results Unclear but Improving
What Did We Learn

- What are the Indicators - Proactive vs. Reactionary
- Long Term View vs. Short Term
- Do not Assume Anything – Definition of “Normal” changed
Emerging Trends

- Distribution Changes – Mergers and Acquisitions, Portal/Technology, E-Commerce
- Increased Complexity of Insurance Products
- The Role of Big Data/Analytics
Emerging Trends

- The Sharing Economy & Services
- Changing Demographics
WHAT WOULD YOU DO?
LGBT and Same Sex Marriage Issues in Today’s Workplace

Presented by:
Stuart T. Turner
Assistant Vice President / Claims Director
Hays Companies
• Definition of LGBT and related groups

   - LGBT stands for Lesbian Gay Bisexual Transgender. It is a term used to describe a variety of people.
WHAT WOULD YOU DO?
LGBT Issues in Today’s Workplace

- The effect of the Supreme Court decision on same sex marriage and how this will have an impact on employers

  - LGBT issues are relevant, and here to stay.
• The EEOC and the LGBT

  – Title VII protects employees against sex discrimination in the workplace. Historically, courts refused to extend sex discrimination coverage to the LGBT community.
WHAT WOULD YOU DO?
LGBT Issues in Today’s Workplace

- Impact on workplace discrimination claims
  Training employers on what not to do.
- Other types of claims that may arise based on LGBT issues.
- Navigating claims amidst inconsistent and uncertain legal guidelines.

What’s the Office like?
Being LGBT in the Workplace
WHAT WOULD YOU DO?
LGBT Issues in Today’s Workplace

• Risk Management for LGBT Issues
  • Understanding Employment Practices Liability Insurance.
  • Coverages.

• Protections Afforded to LGBT Employees
WHAT WOULD YOU DO?
LGBT Issues in Today’s Workplace

• Other Legal Challenges Related to LGBT Issues

• Practical Guidance for Employers
  • HR Issues
  • Bathroom Issues
  • Dressing and Grooming Policies
• What would you do?
The View from the Trenches
Seth Leventhal, LEVENTHAL PLLC

20+ year Minnesota Civil Litigator
MSBA Board Certified Civil Trial Law Specialist
Niche Expertise: MN Professional Malpractice

Telephone: (612) 234-7439
Email: seth@leventhalpllc.com
• Based on 20+ years of Minnesota civil litigation experience;
• 6+ years of focus on plaintiffs’ side professional malpractice
• My contribution to this panel discussion is anecdotal, experiential, subjective, not data-driven or empirical.
Apocalypse?

- The world is not coming to an end.
- No critical or dramatic recent legal developments in the area of professional malpractice law.
• The world is not coming to an end.
• No critical or dramatic recent legal developments in the area of professional malpractice law.
• “The Three C’s”
• The world is not coming to an end.
• No critical or dramatic recent legal developments the area of professional malpractice law.
• “The Three C’s”
• Having said that…
There is no question that the legal profession is experiencing enormous disruption;
• There is no question that the legal profession is experiencing enormous disruption;

• The incomes and practices of lawyers and law firms are collapsing;
There is no question that the legal profession is experiencing enormous disruption;

The incomes and practices of lawyers and law firms are collapsing;

“Starving people eat poison.”
The Coming Storm

A more plaintiff-friendly Minnesota Supreme Court

(cf. Guzick v. Kimball, Court File No. A14-0429 (Minnesota Supreme Court))
The Coming Storm

- A more plaintiff-friendly state supreme court;
- New leadership at the Board of Professional Responsibility;
The Coming Storm

- A more plaintiff-friendly state supreme court;
- New leadership at the Board of Professional Responsibility
- Potentially more plaintiff-friendly federal bench in coming years;
A more plaintiff-friendly state supreme court;
New leadership at the Board of Professional Responsibility
Potentially more plaintiff-friendly federal bench in coming years; and
Critical legal doctrine related to professional malpractice always evolving…
The Coming Storm

Advice about prediction from a seasoned stock broker
The Coming Storm

“If you are going to predict, predict often…”
The Continuous Representation Doctrine

Gapinski v. Gray, Plant, Mooty, Mooty & Bennett, P.A. et al.

(Court File No. 27-CV-13-9842)(Hennepin County, Minnesota)
Minnesota Rules of Civil Procedure: Rule 5.04(a)

Gams v. Houghton
(Court File No. A14-1747) (Minnesota Supreme Court, 2016)

Cole v. Wutzke
(Court File No. A15-0060) (Minnesota Supreme Court, 2016)
The Coming Storm

Privacy/Data Breach/Tech-Related Claims

&

Luddite Lawyers, Millenial Slackers, Eroded Professional Ties
The Coming Storm

The effect of the internet on legal malpractice claims