

Public Attitudes on Litigation Trends and the Role of Attorneys in Auto Insurance Claims

This study examines public attitudes on issues around litigation and the impact on insurance. Through an online survey with more than 1,500 respondents, the IRC found that:

- Consumers are seeing more attorney advertising and believe it increases the number of liability claims and lawsuits.
- Awareness of litigation financing has increased, but many Americans remain unsure about what to think of the practice.
- Consumers generally expect insurers to settle auto insurance claims fairly and quickly, but one in four say they would hire an attorney before even contacting an insurer.
- The views of many consumers about the benefits of hiring attorneys to help with insurance claims conflict with evidence from claims-based research.
- Most Americans believe there are too many personal injury lawsuits today.
- Significant generational differences exist on these topics, with younger respondents being far more likely than older respondents favorably view attorney involvement and litigation.
- The public's level of understanding suggests some educational opportunities for those seeking to address costs in the insurance system.

This survey builds on many years of IRC research examining the role of attorneys in insurance claims and the resulting consequences. The IRC's longstanding series of closed auto injury claim studies has shown an ever-increasing rate of attorney involvement, even among no-fault claims. These studies consistently show that claimants who hired attorneys waited significantly longer to receive their claim settlements. Moreover, the average auto injury claim payment, adjusted for the medical expenses owed and any applicable legal fees, was lower among claimants who hired attorneys compared with claimants who did not. Given the costs that attorney involvement adds to the system and the lack of evidence of clear benefit for the claimant, it is important to understand public attitudes about attorney involvement.

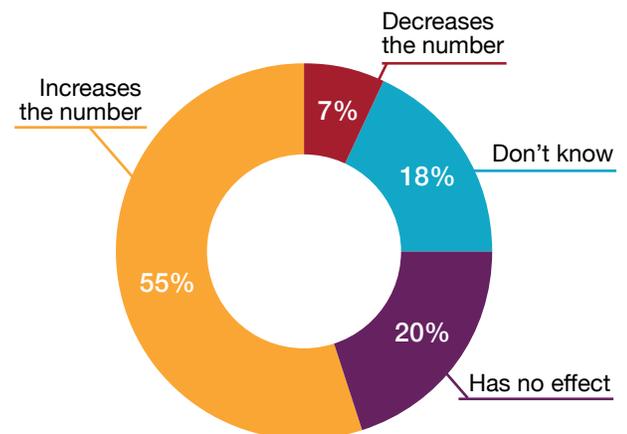
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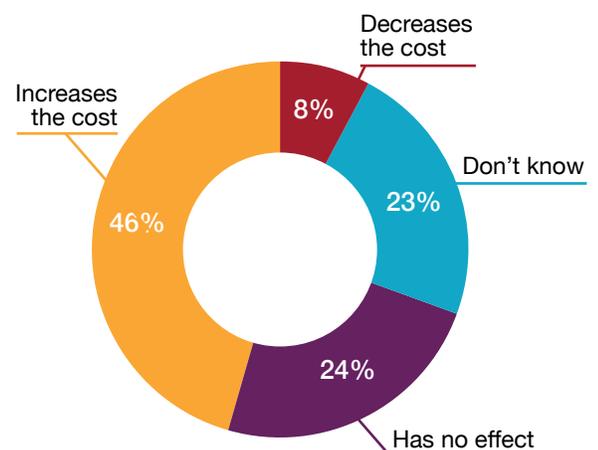
Most Respondents See Impact of Attorney Ads

Among those stating an opinion, 67 percent said advertising by attorneys increases the number of liability claims and lawsuits, and 59 percent said it increases the cost of insurance.

Impact of Attorney Advertising on the Number of Claims and Lawsuits



Impact of Attorney Advertising on the Cost of Auto Insurance



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