



If we could talk...

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Leave professional liability lawsuits to lawyers who specialize in professional liability claims.

By Nicholas L. Bozzo

I think you would agree that even the very best general practitioner doctor is not the best person to perform heart surgery. For related reasons, I would tell you that even your highly successful corporate or personal attorney is not the best person to represent your organization in a professional liability lawsuit. Here are 3 particular reasons why insurance companies typically deny insureds' requests to use their own attorneys:

1. Carriers invest extensively in due diligence in order to partner with law firms that have proven experience in the nuances of the claim at hand -- including the alleged error or omission, state or local regulations, and more.
2. Your insurance policy should be a resource for you. If you picked the right insurance company, they should have unparalleled expertise in the specific types of claims they are insuring, including an arsenal of law firms in various jurisdictions prepared to give you the most prudent legal expertise available about that issue.
3. Insurance premiums are based in part on the company's expected defense costs, which in turn are based on previously negotiated rates with pre-selected law firms. When an insured chooses their own attorney, the costs for defending the claim are usually higher. And it's important to remember that the entire cost for a claim (including defense costs) goes against an insured's permanent loss history -- a record that has a significant impact on the ability to obtain coverage in the future, and at what cost.

If we could talk, I would tell you that it is ultimately the insurance company's *obligation and desire* to provide you with the best defense possible. Therefore, it's always best to let your carrier manage any litigation in which you find your organization involved. Defense costs are built in to your insurance premium so use the carrier's legal services to your full advantage.



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