



VSB

Special Committee on Lawyer Insurance

May 9, 2024

Richmond

VIRGINIA STATE BAR
SPECIAL COMMITTEE ON LAWYER INSURANCE
FULL COMMITTEE MEETING

MAY 9, 1PM, 12:30 LUNCH
VSB OFFICES, RICHMOND, VA

AGENDA

- A. Introductions - David D. Hudgins, Chair, LMIC
- B. Approval of 2/15/2024 Minutes - David D. Hudgins, Chair, LMIC
(Attachment: 2024-2-15 VA LIC Minutes Draft)
- C. Virginia State Bar Members' Insurance Center Quarterly Update *(Attachment: VSBMIC Report May 2024)*
- D. ALPS report – Chris Newbold, Executive Vice President, ALPS
 - a. ALPS Report
 - b. Virginia update *(Attachment: 2024 Q1 VA Comparison Data)*
 - c. Policyholder Feedback *(Attachment: 2024 Q1 ALPS Virginia Trust Pilot Reviews)*
- E. Risk Management Activities
 - a. Q1 Risk Management Activity Report *(Attachment: VA Risk Management Report Q1 2024)*
 - b. Q1 RM Budget Review *(Attachment: 2024 VA RM Budget)*
 - c. Risk Management Hotline Marketing
- F. Future LIC Meeting Dates for FY24-25:
 - September - 9/17, 1pm VSB, Richmond (in conjunction with ALPS Fall Tour)
 - November – 11/12, 1pm, VSB, Richmond
 - February – 2/13, 1pm, Virtual
 - May – 5/15, 1pm, VSB, Richmond
- G. Recognition of Committee Service
- H. Recommendation for 2024-2025 Committee Chair / Roster
- I. Adjourn

**MINUTES OF THE VIRGINIA STATE BAR
SPECIAL COMMITTEE ON LAWYER INSURANCE**

Date: Thursday, February 15, 2024
Virtual: Microsoft Teams Meeting ID 253 124 015 713
Call in audio: Phone Conference ID# 280 317 707#

The VSB Special Committee on Lawyer Insurance held its' quarterly meeting virtually on Thursday, February 15, 2024. Thirteen (13) members were in attendance. At 1:04 p.m., a quorum was established, and committee chair David D. Hudgins called the meeting to order.

Committee members attending virtually:

| | |
|------------------------------|-----------------------------|
| W. H. ("Hunter") Byrnes, Sr. | hbyrnes@infinityrp.com |
| James A. Cales III | jcales@furnissdavis.com |
| Joan B. Davis | jdavis@schroderbrooks.com |
| Marialuisa S. Gallozzi | mgallozzi@cov.com |
| Jacquelyn F. Gerlach | jgerlach@gordondodson.com |
| Jeffrey H. Geiger | jgeiger@sandsanderson.com |
| Andrew S. Gerrish | agerrish@faplawfirm |
| David D. Hudgins | dhudginslawfirm.com |
| Matthew W. Lee | matthew.lee@wilsonelser.com |
| David L. Marks | dmarks@davidmarkslaw.com |
| William B. Porter | wporter@bklawva.com |
| Althea H. Randolph | althearandolph05@gmail.com |
| Alanna C. Williams | awilliams@cookcraig.com |

Absent:

Louis R. Richman

Also attending virtually:

| | |
|-----------------------------------|---------------------------------|
| Cameron M. Rountree, VSB | crountree@vsb.org |
| Emily F. Hedrick, VSB | ehedrick@vsb.org |
| John J. Brandt, Nolan & Mroz, PLC | via phone conference |
| Michael Flaherty, ALPS | mflaherty@alpsinsurance.com |
| Shawne D. Moore, VSB | smoore@vsb.org |
| Chris Newbold, ALPS | cnewbold@alpsinsurance.com |
| Alison Riley, ALPS | ariley@alpsinsurance.com |
| Jennifer Stevens, VSBMIC | jennifer.stevens@onedigital.com |
| Debbie Stocks, VSBMIC | debbie.stocks@onedigital.com |

Reports

I. Welcome and Introductions

Chair David D. Hudgins welcomed everyone to the meeting. Attendance was taken by the Assistant to the Executive Director Shawne Moore. Attached to these minutes is a copy of the Microsoft Teams meeting attendance list.

II. Virginia State Bar Members' Insurance Center Quarterly Update (VSBMIC)

VSBMIC Manager Debbie Stocks presented a summary of the operations of the Virginia State Bar Members' Insurance Center. A copy of the VSBMIC report dated January 29, 2024, was included in the materials provided. The following topics were discussed:

- New Critical Illness Group Policy approved by the VSB Insurance Committee.
- Change in TPA to Member Benefits complete as of January 1, 2024.
- Proposed change to Long Term Disability carrier from SunLife to Prudential in review.
- One Digital/VSBMIC will sponsor the opening reception at the VSB Annual Meeting in May 2024.

III. ALPS Corporation Report

A. ALPS Report – Year-End Results

Chief Operating Officer and Executive Vice President Chris Newbold presented the ALPS report to the committee.

B. Virginia Update

Copies of the Guide to Reading the VA Comparison Data Sheet, and the Q4 2023 Comparison Data (revised 2/5/2024) were included in the meeting materials.

The Policy Review Subcommittee Report was presented to the committee. A redline copy of the ALPS Preferred Lawyers Professional Liability Insurance Policy (01-21 v. 07-24) was also included in the meeting materials.

C. Policyholder Feedback

A copy of the Q4 2023 ALPS Virginia Trust Pilot Reviews was included in the meeting materials.

IV. ALPS Corporation Risk Management Activities

Educational Services Coordinator Alison Riley presented the risk management activity report to the committee on the following topics:

A. Risk Management Hotline

John J. Brandt, Esq., of Nolan & Mroz, PLC, reported on the activities of the Risk Management Hotline. A copy of his report dated January 3, 2024 on the 4th quarter 2023 statistics, and yearly statistics for the Risk Management hotline, was included in the report. A copy of the December 12, 2023, memo from Mr. Brandt requesting a rate raise was also in the materials.

- B. Q4 2023 Risk Management Report
Copies of the Virginia Risk Management Summary for 2023 and Virginia Year over Year Budget Summary for 2021, 2022 and Budgeted 2023 were included in the meeting materials.
- C. 2023 Year End Risk Management Report
A copy of the 2023 Risk Management Report Summary was included in the meeting materials.
- D. Revised Risk Management Recommendations and Budget for 2024
Copies of the Revised Risk Management Recommendations for FY 2024 Budget memo, dated February 8, 2024, was included in the meeting materials and the Revised Proposed 2024 Virginia LIC Risk Management Budget

V. Lawyer Insurance Committee Roster Review

Executive Director Cameron Rountree reported on the current member terms and vacancies on the committee, and the next term committee rosters. A copy of the Committee Roster for Committee on Lawyer Insurance dated 2/6/2024 and the LIC Roster Snapshot for 2024-2025 were included in the meeting materials.

Action Items

I. Approval of the Minutes

Chair David D. Hudgins presented the minutes of the November 14, 2023 meeting. A copy of the minutes for the November 14, 2023 meeting was included in the February 15, 2023 meeting materials. Chair David D. Hudgins solicited a vote from the committee to approve the minutes of the November 14, 2023 meeting. Committee members unanimously voted “yes” verbally to approve the minutes of the November 14, 2023 meeting.

II. Approval of a Rate Raise for the Risk Management Hotline

Chair David D. Hudgins solicited a vote from the committee to approve the request for a rate increase for the Risk Management Hotline. A motion was made by David L. Marks and seconded by Althea H. Randolph to approve the request for a rate raise for the Risk Management Hotline. Committee members voted verbally to approve the rate raise for the Risk Management hotline and the motion passed.

III. Approval of the Revised Risk Management Recommendations for FY 2024 Budget

Chair David D. Hudgins solicited a vote from the committee to approve the revised risk management recommendations for the FY 2024 budget. A motion was made by Matthew W. Lee and seconded by Althea H. Randolph to vote to approve the request for approval of the revised risk management recommendations for the FY 2024 budget. Committee members voted verbally to approve the revised risk management recommendations for the FY 2024 budget and the motion passed.

Next Meeting

The chair announced the next quarterly meeting will be in-person on Thursday, May 16, 2024, at the VSB office in Richmond.

There being no other business for the committee, at 2:56 p.m., the meeting was adjourned.

To: David Hudgins, Chris Newbold, Cameron Rountree, and Shawne Moore

From: Debbie Stocks

Date: April 16, 2024

Subject: VSB Lawyer Insurance Committee Meeting---May 9, 2024

Please allow me to provide an update on VSBMIC operations:

- Change in TPA to Member Benefits completed as of January 1, 2024
- Critical Illness policy is now active and available to all VSB members.
- Proposed change to Long Term Disability carrier from SunLife to Prudential – review completed with change effective 7/1/2024.
 - Improves member experience with one application and underwriting step. Apply online or with a paper application. (SunLife only offered paper application)
 - Prudential will provide marketing support to increase participation – necessary to continue the plan and avoid adverse selection.
 - Most members will see a slight rate decrease.
 - Some members will have the option to change plans to improve the elimination period, benefit period, or both, with small premium change.
 - Prudential policy mirrors Sun Life policy benefits.
 - Eliminate low value policy options – 365 elimination period, 2-year benefit.
 - 3-year rate guarantee.
- One Digital/VSBMIC will once again sponsor the opening reception at the annual meeting in May.

Respectfully submitted by:

Debbie Stocks

Senior Client Executive, One Digital Health & Benefits

Manager – VSB Members' Insurance Center



Updated Mar 22, 2024

I had a difficult renewal and Jessica...

I had a difficult renewal and Jessica Glebke worked with me closely. This is the 3rd or 4th time and I know she and the company will be there for me



Mar 13, 2024

Streamlined service

Streamlined service, easy renewal process.



Mar 4, 2024

ALPS makes it easy

ALPS makes it easy to renew. The few times I have had questions about situations in cases they have been very helpful.



Mar 4, 2024

Wonderful advisor

Aaron was an excellent and patient advisor without whom I would not have purchased the policy for my firm. Thanks Aaron!



Mar 2, 2024

Jessica Glebke very professional and...

Jessica Glebke very professional and answered questions about coverage, timing for decisions about law practice, etc. I've been pleased with ALPS agents since first purchase in 2011.

**ALPS Virginia Comparison Data is Proprietary
Information and not Publicly Available**



Feb 5, 2024

Excellent Service!

Jessica Glebke, who is my firm's ALPS rep, is very knowledgeable and can always answer my questions. She is also extremely responsive to calls and emails.



Feb 16, 2024

Responsive

Responsive, Good CLE,



Jan 31, 2024

Account manager was very helpful and...

Account manager was very helpful and ALPS Portal is easy to use.



Jan 29, 2024

Online renewals are easy to manage and...

Online renewals are easy to manage and account rep (LKubla) was quick to follow up. Very easy and pleasant to deal with



Jan 29, 2024

Simple and Direct Process

ALPS made the application and onboarding process simple, especially for a solo practice just starting out.



Jan 24, 2024

They are great and fast.

They are great and fast.



Jan 15, 2024

Great service, fair rates.

I have used Alps for years and have always found their service to be helpful, straight forward, and prompt.



Jan 8, 2024

Easy renewal process

While we have a small firm, ALSPS makes it so easy to renew. Everything is user-friendly and our contact is always quick to respond. No complaints.



Mar 28, 2024

ALPS is always first rate in providing...

ALPS is always first rate in providing lawyer malpractice insurance. The people are very helpful and the products are first-rate.



Feb 22, 2024

Our representative is extremely...

Our representative is extremely knowledgeable, responds promptly to our inquiries, and always provides us with excellent customer service.



Mar 27, 2024

Always professional

Always professional, helpful, and friendly.



Virginia Risk Management Report

2024 Q1

- **On-Demand Programing:** Currently, 28 programs exist in the Virginia on-demand library. They range in length from 60-min to three hours. Charges for on-demand seminars are as follows: one-hour programs are \$40 for insureds, \$70 for non-insureds; two-hour programs are \$50 for insureds, \$80 for non-insureds; and three-hour programs are \$70 for insureds, and \$100 for non-insureds. Info on ALPS CLE programming can be found at <https://www.alpsinsurance.com/cle>.

Quarterly Result: In Q1, we had 25 VA registrants for on-demand programs, 14 were ALPS policyholders, 11 were not.

Webinar Programming: In Q1 we hosted two live webinars available to Virginia Attorneys:

- CLE: Succession Planning: Mastering the Art of Retiring, 2/14
- Non CLE: Ethical Cybersecurity: Law Firms Are Now Held to a Higher Standard, 3/6

Quarterly Result: In Q1, we had 329 VA registrants for live webinars, with 200 ALPS insureds and 129 non-ALPS insured.

- **Webinars Scheduled:**

Q2 2024 features three webinars:

- The Ethics of Law Firm Cybersecurity in a Remote-Work Era, 4/17
- A Healthy Practice: Finding and Maintaining Personal and Professional Wellness, 5/1
- Flying Solo Checklist: 30 Things You Need to Do to Avoid Malpractice, 6/5

- **Fall CLE Tour:**

Planning is underway for the 2024 tour. This year's schedule will be as follows:

Live In-Person Tour: September 18-29

Wednesday, 9/11: Alexandria AM/PM

Thursday, 9/12: Fairfax AM/PM

Monday, 9/16: Virginia Beach AM/PM

Tuesday, 9/17: Richmond AM/PM

Virtual Tour: Tuesday, Wednesday, Thursday, October 1, 2, 3: Live, virtual online webcast.

**Virginia
Risk Management Report Summary
2024**

| Specific Allocations | Budget | 3/31/2024 | 6/30/2024 | 9/30/2024 | 12/31/2024 | Total | Budget Variance (over) / under | Budget Variance % |
|--|----------------|------------------|------------------|------------------|------------------|-------------------|--------------------------------------|-------------------------|
| Revenue | | | | | | | | |
| ALPS 3% Contribution | 307,919 | 76,979.75 | 76,979.75 | 76,979.75 | 76,979.75 | 307,919.00 | 0.00 | 0% |
| Face to Face CLE Revenue | - | - | - | - | - | - | 0.00 | 0% |
| Total Revenue less 3% ALPS Contribution | - | - | - | - | - | - | 0.00 | |
| Total Revenue | 307,919 | 76,979.75 | 76,979.75 | 76,979.75 | 76,979.75 | 307,919.00 | 0.00 | 0% |
| Expenses | | | | | | | | |
| Fall CLE Tour | 115,000.00 | 9,593.70 | - | - | - | 9,593.70 | 105,406.30 | 92% |
| Lawyers Helping Lawyers | 30,000.00 | 30,000.00 | - | - | - | 30,000.00 | 0.00 | 0% |
| RM Claims Prevention Hotline | 18,000.00 | 5,360.94 | - | - | - | 5,360.94 | 12,639.06 | 70% |
| Unassigned Funds | 12,500.00 | - | - | - | - | - | - | |
| Solo Practitioners Initiative | 15,000.00 | - | - | - | - | - | - | |
| RM Seminars VA Local, County, Specialty Bars, VSB Section, Other Organized Bars | 15,000.00 | - | - | - | - | - | 15,000.00 | 100% |
| Support of VSB Events - VA Tech show / Forum | 8,000.00 | - | - | - | - | - | 8,000.00 | 100% |
| Local Bar Grant Pool | 15,000.00 | - | - | - | - | - | 15,000.00 | 100% |
| RM Coordinator Costs | 40,000.00 | 8,750.00 | - | - | - | 8,750.00 | 31,250.00 | 78% |
| Administrative/Miscellaneous | 3,000.00 | 687.00 | - | - | - | 687.00 | 2,313.00 | 77% |
| RM Marketing Budget | 30,000.00 | 9,407.77 | - | - | - | 9,407.77 | 20,592.23 | 69% |
| ALPS Liaison Travel | 6,500.00 | - | - | - | - | - | 6,500.00 | 100% |
| Total Expenses | 308,000 | 63,799.41 | \$0.00 | \$0.00 | \$0.00 | 63,799.41 | 216,700.59 | |
| | | | | | | 63,799.41 | 244,200.59 | |
| Net Income (Loss) | (81) | 13,180.34 | 76,979.75 | 76,979.75 | 76,979.75 | 244,119.59 | | |
| | | | | | | | 244,119.59 | |

| | |
|-----------------------------------|----------------|
| 2024 Budget Allocation | |
| Virginia Risk Management | |
| Direct Premiums Earned at 9/30/23 | 10,263,950 |
| 2024 Budget @ 3% | 307,919 |