



LexisNexis®  
RISK SOLUTIONS

Insurance

# Empowering Carriers with Data-Driven Insights to Address Attorney Representation

Why Claimants Choose Attorneys and How  
Better Data Can Help Carriers Respond



# Table of Contents

Executive Summary	<b>3</b>
Research Methodology and Demographics	<b>4</b>
Seven out of 10 Claimants Hire an Attorney	<b>5</b>
Attorneys Offer a Superior Claims Experience	<b>7</b>
Half of Claimants Think Hiring an Attorney Speeds Up the Claims Process	<b>12</b>
Two Actions to Take Today	<b>13</b>
About the Author	<b>15</b>

## Executive Summary

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Carriers offer a reasonably good customer experience during the claims process. However, plaintiff attorneys have raised the bar for customer service, partly because they have more data, trust and flexibility than carriers do.

And as our research shows, plaintiff attorneys are offering a superior customer experience during the claims process.

LexisNexis® Risk Solutions surveyed **1,000** U.S. consumers who had been injured in an accident to uncover:



Why claimants like working with attorneys. For example, the prior year's research study uncovered that among claimants who hired a plaintiff attorney, **93%** would likely do so again.



How plaintiff attorneys and carriers stack up when it comes to customer experience and satisfaction during the claims process.



Aspects of the customer experience where carriers could make improvements — and possibly mitigate attorney involvement.

### Key findings include:



#### **Improving the claims experience could mitigate attorney representation.**

Specifically, 15% of claimants state they didn't plan to hire an attorney but did so eventually. Among this group, over half (61%) say it was because of something the other driver's carrier did. Carriers that shore up their claims experience could mitigate attorney representation within this customer segment.



#### **Attorneys excel at customer service.**

Claimants report higher satisfaction rates with plaintiff attorneys than they do with carriers across multiple aspects of the claims process, including first contact, reporting the claim, multiple aspects of customer care and overall ease of the claims process.



#### **Claimants think it's worth it to engage an attorney, even if it extends the time to settle.**

In fact, half (54%) of claimants believe involving an attorney *reduces* the time to settle — and of the 37% who perceive that attorney involvement adds time to the claims process, nearly all (87%) of them think the extra time is worth it.

## Research Methodology and Demographics

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In July of 2024, we surveyed **1,000** consumers who:



Had an auto accident within the past two years resulting in a third-party BI claim that was not denied



Were spread across the U.S., with demographics mapping roughly to the U.S. census



Were the decision-makers on auto insurance in their household

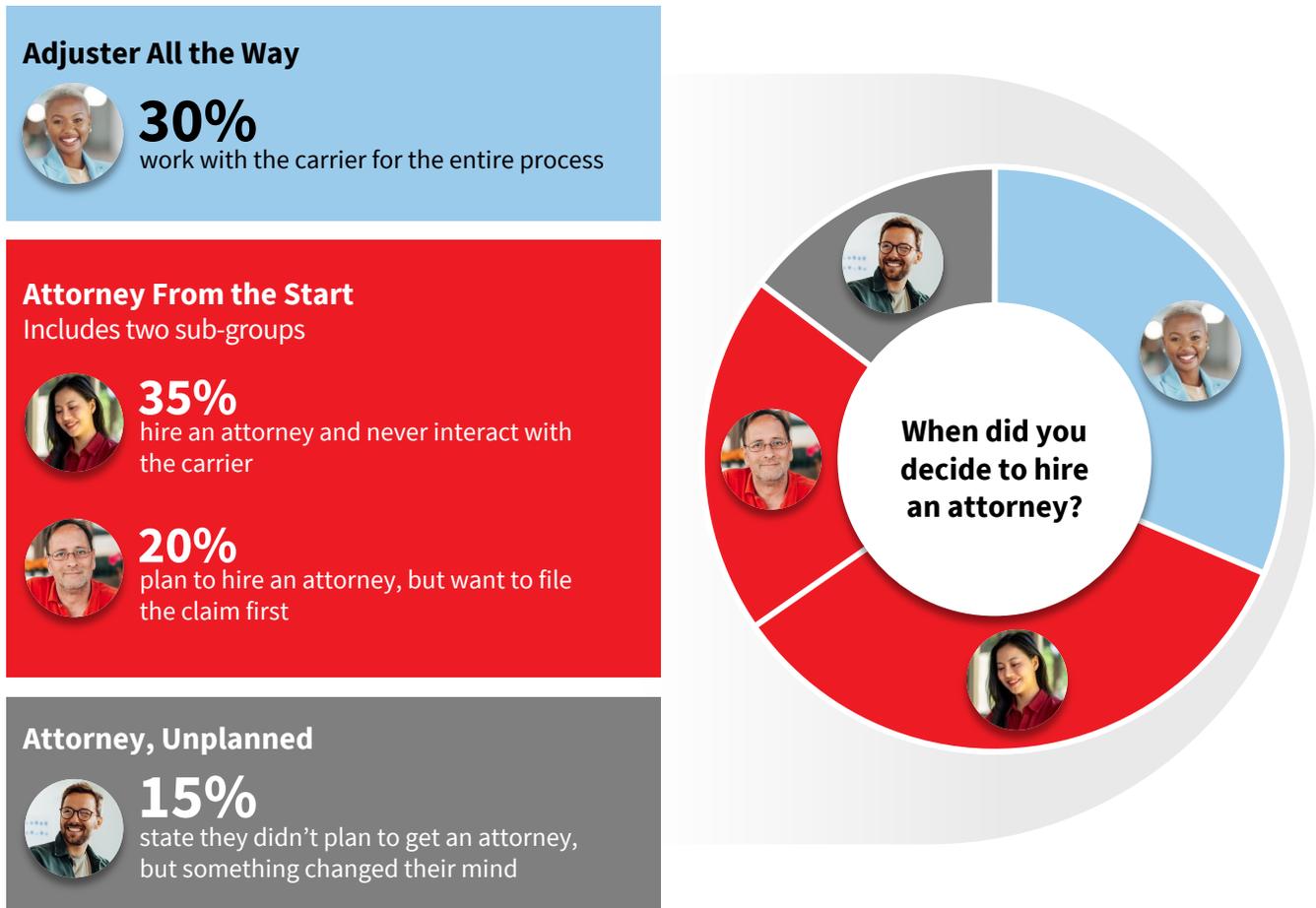


Comprised a mix of those who had sustained minor injuries (89%) and major injuries (11%)



# Seven out of 10 Claimants Hire an Attorney

Our research revealed **three** customer segments:



## Opportunities to Mitigate Attorney Representation

These findings suggest two opportunities for carriers to mitigate attorney representation.

First, within the *Attorney from the Start* segment, some state they planned to hire an attorney but wanted to file the claim first. Could carriers use the initial interaction to provide these claimants with an experience that changes their mind about retaining counsel?

The first tool at carriers' disposal is to make proactive settlement offers. However, we discovered that among claimants who hired an attorney, money isn't their primary motivator. Instead, they are mainly seeking to manage unfamiliarity and uncertainty with the claims process.

## Top Three Reasons to Hire an Attorney

**35%**

To have professional support and ensure the claims process went correctly

**20%**

To be protected and ensure I was treated fairly

**16%**

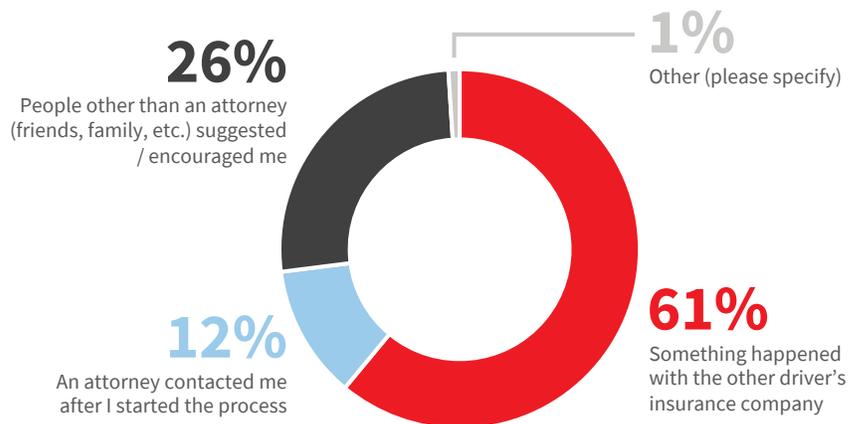
To ensure the best financial outcome

That means it's less likely that more money would persuade claimants not to hire an attorney. Instead, these findings suggest that carriers should take steps to reassure claimants of fair treatment and a smooth, transparent claims process.

Second, claimants in the *Attorney, Unplanned* segment (15% of the survey population) state they didn't intend to get an attorney, but something changed their mind. We discovered several reasons, the primary one being that something occurred with the third-party carrier (61%). It stands to reason that improvements to the claims process could sway this segment from hiring an attorney.

What prompted you to involve an attorney after you began interacting/engaging with the other driver's insurance company?

If more than one, select the one that had the most influence on your decision.



In the next section, we'll dig into specific points in the claims experience where carriers can make improvements.



Improvements to the claims process could mitigate attorney representation among the *Attorney, Unplanned* segment (15% of claimants). These claimants state they didn't intend to get an attorney, but **61%** did so after something happened with the third-party carrier. What's more, of that 15%, almost **four in 10** retain counsel after encouragement from friends or family or after an attorney reaches out.

# Attorneys Offer a Superior Claims Experience

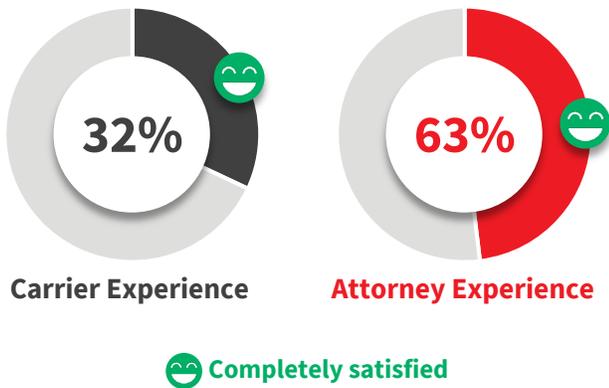
We wanted to get deeper insights into customer satisfaction at multiple points of the claims experience — especially to learn how carriers and attorneys stack up.

## First Contact

First contact provides claimants with signals for how the rest of the process might unfold, so customer satisfaction is essential.

At first contact, claimants are less satisfied with the carrier experience than the attorney experience.

### Overall Satisfaction with the First Contact Experience



# 2x

At first contact, attorneys earn nearly **2x** the complete satisfaction rate that carriers do.

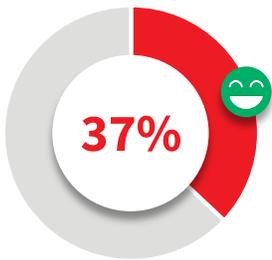
## Reporting the Claim

We also asked claimants to rate their experience reporting the claim, using a five-point scale ranging from “one of the worst experiences I’ve had” to “one of the best experiences I’ve had.” Roughly four in 10 attorneys (37%) are given top satisfaction rates, compared with just 13% of carriers.



### Carrier Experience

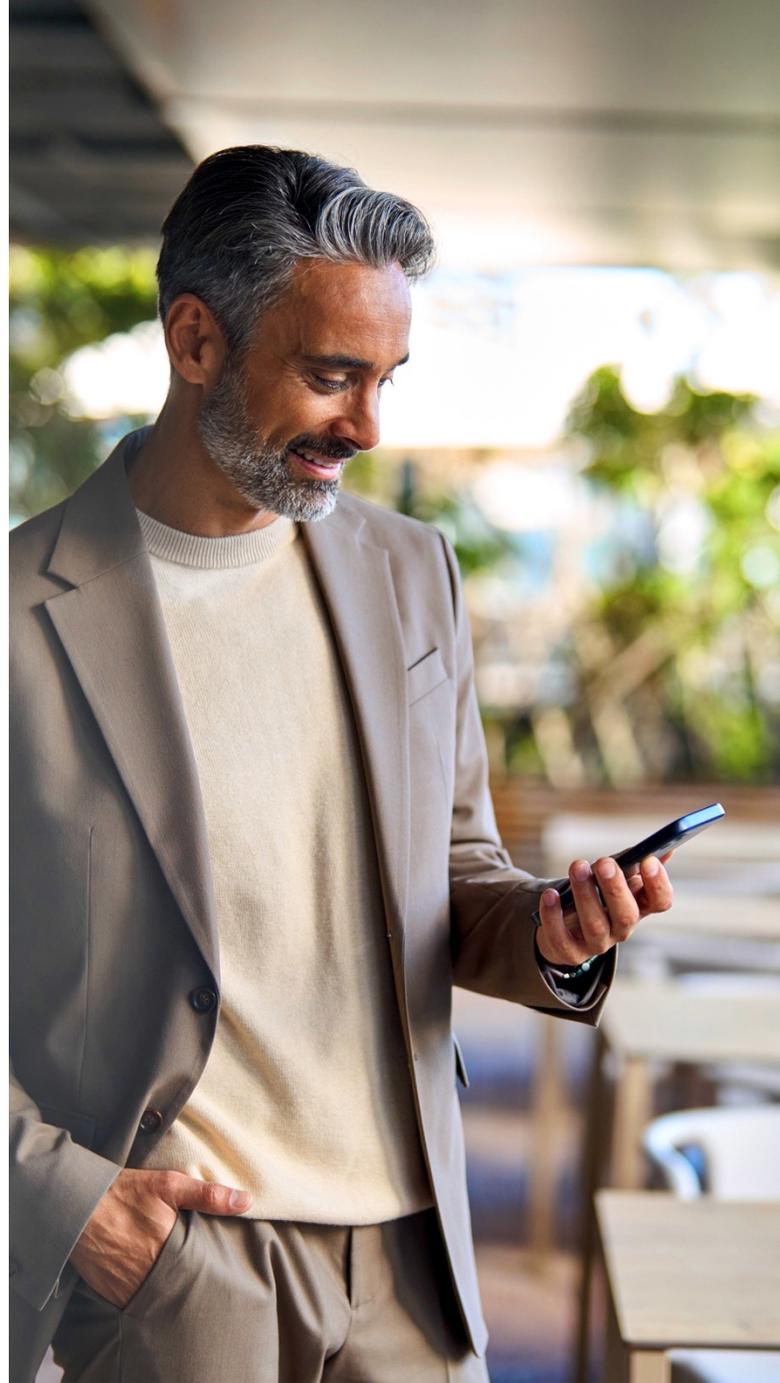
Say the carrier provided one of the best customer experiences they’ve had



### Attorney Experience

Say the attorney provided one of the best customer experiences they’ve had

In addition, the *Attorney, Unplanned* segment gives attorneys notably higher satisfaction rates than they give carriers.



# 3x

When it comes to reporting the claim, attorneys earn **3x** the top satisfaction rates that carriers do.

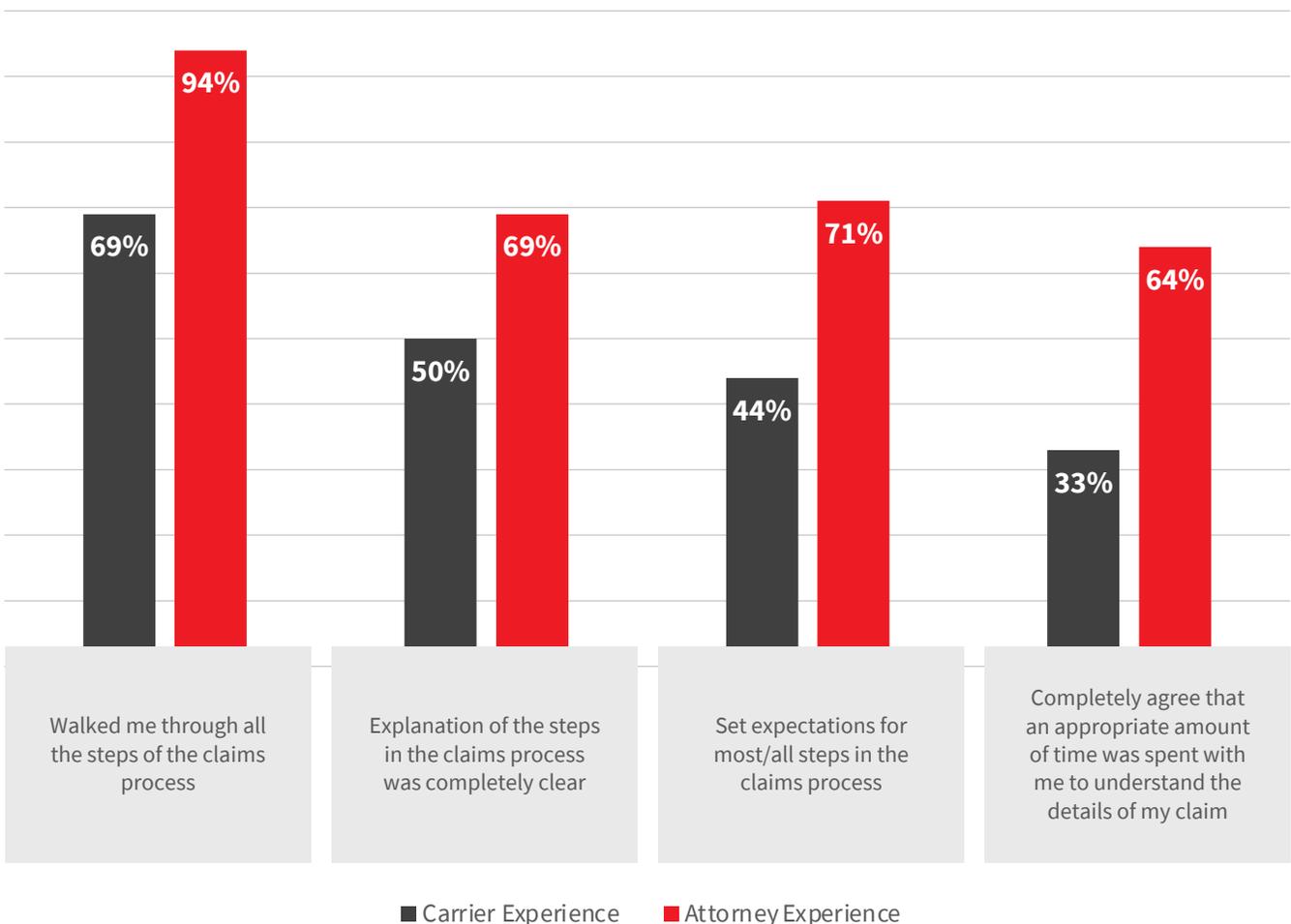
## Early Aspects of Claims Service

Looking more broadly, we wanted to understand satisfaction with early aspects of service.

Again, the research shows that even in areas where carriers are doing well, attorneys are doing better. For example, 69% of claimants say the carrier walked them through all the steps of the claims process — but 94% say the same of their attorney.

Respondents also report other areas in need of carrier improvement. Just 50% of claimants indicate the carrier clearly explained the steps in the claims process. Only 44% of claimants indicate the carrier set expectations for most/all the steps in the claims process and only 33% agree completely that the carrier spent an appropriate amount of time with them to understand the details of their claim.

### Satisfaction with Early Aspects of Claims Service



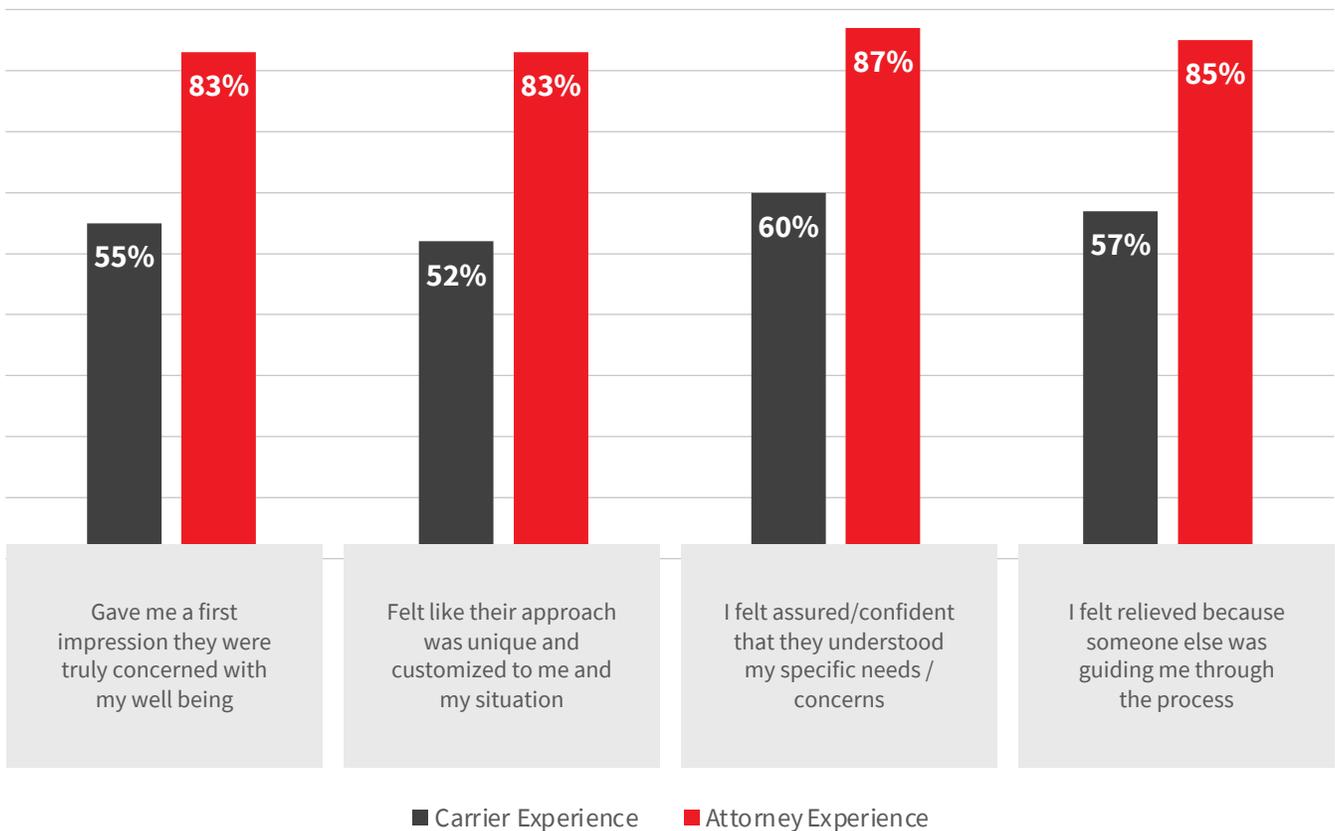
## Customer Care

In the previous section, we saw that attorneys are more likely than carriers to satisfy customers with early aspects of service.

Next, we wanted to understand how attorneys and carriers stack up when it comes to overall customer care. Claimants were asked to select between two options: one describing an interaction with a personal touch and the other describing an interaction with a one-size-fits-all or indifferent attitude.

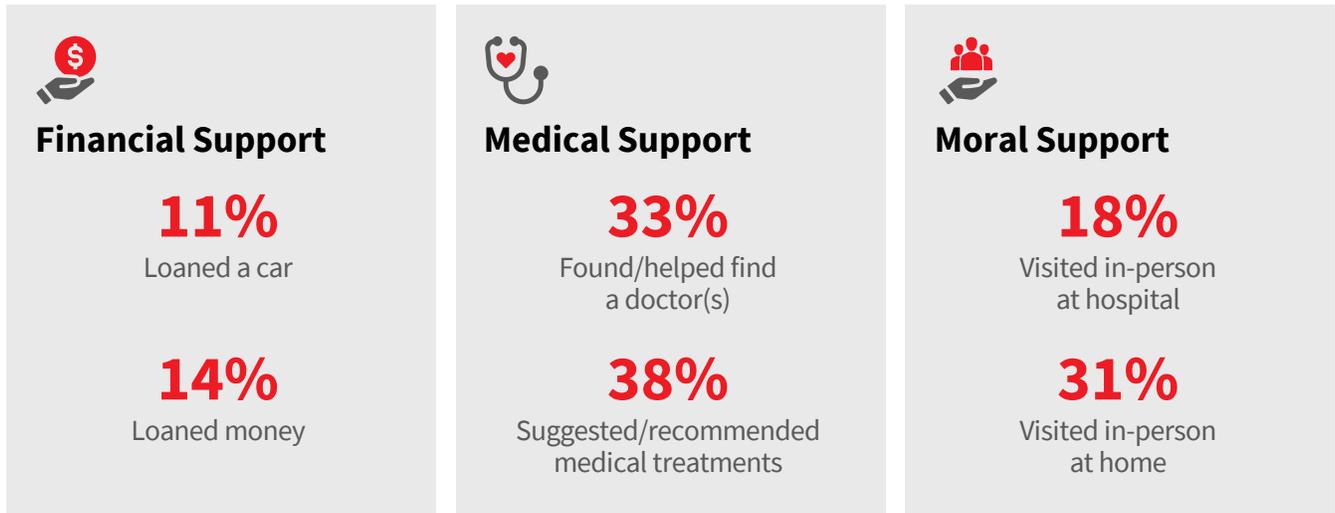
Attorneys are consistently more likely than carriers to be viewed as providing more of a “human touch” to their interaction, putting claimants at ease and relieving stress.

### Satisfaction with Customer Care



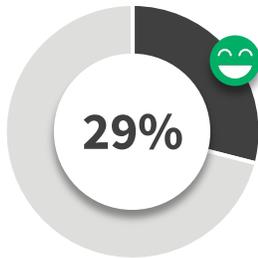
In addition, attorneys often provide extra services — such as financial, medical and moral support — that may not be practical or feasible for carriers to offer. How much did these extra services matter to claimants? Nearly everyone greatly appreciates or likes the extra services that attorneys provide.

## Breadth of Services Attorneys Provide



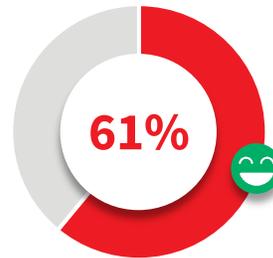
## Overall Claims Process

Finally, we asked claimants about the claims process as a whole — and specifically, how easy or difficult each party made it. Six in 10 claimants say their attorney’s office made the claims process very easy, compared with 29% of claimants who say the same about the carrier.



### Carrier Experience

Say the carrier made the claims process very easy



### Attorney Experience

Say the attorney made the claims process very easy

Claimants in the *Attorney, Unplanned* group report much higher levels of satisfaction with the attorney, compared with the carrier. And overall, the *Attorney, Unplanned* group is less likely than other segments to say the carrier made the claims process easy.



# 2x

For the overall claims process, attorneys earn **2x** the top scores that carriers do.

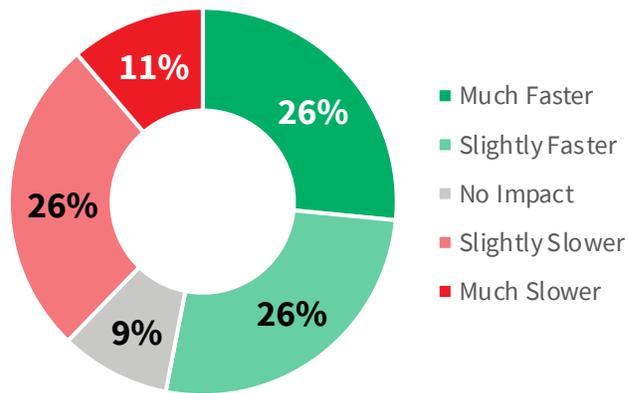
## Half of Claimants Think Hiring an Attorney Speeds Up the Claims Process

Carriers often say that claimants don't realize how much time and cost attorneys add to the claims process.

Our research reveals there is some truth to that belief. In fact, **54%** of claimants think working with an attorney *reduces* the time to settle.

Just 37% of claimants report that involving an attorney adds time to the claims process. But that's not all: 87% of this group think it's worth the extra time.

What impact do you think involving a lawyer had on the time for your claim to be handled?



In this year's study, we didn't ask claimants if they thought they could get more money from involving an attorney. However, in our 2023 survey we found that 51% believe working with an attorney got them more money, while 38% say they got the same amount.

Long story short, claimants perceive very little downside to working with an attorney — and a lot of upside.



# 54%

Over half (54%) of claimants think working with an attorney reduces the time to settle.

## Two Actions to Take Today

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Our research shows that at multiple points in the claims process, carriers are offering a good customer experience. However, attorneys have the luxury of playing the same game by different rules — and that shows in the customer experience and greater satisfaction rates they receive.

Notably, the perceived benefits of attorney representation go beyond purely financial goals. Attorneys provide additional value to claimants in the form of professional support, advocacy, financial support and extra services. Finally, claimants don't see much downside to working with attorneys. Even among those who correctly perceive attorneys add time to the claims process, they still think it's worth it.

In other words, attorneys aren't going away, and attorney-represented claims will likely increase. Here are two things you can do to act today.

### #1 Shore Up Your Customer Experience

#### Focus on first contact.

First contact gives claimants an indication of how the rest of the claims process might proceed — and attorneys earn nearly twice the complete satisfaction rate of carriers. Since the majority of the *Attorney, Unplanned* segment hire an attorney due to something the third-party carrier does, improving satisfaction at first contact could help mitigate attorney involvement.

#### Address early aspects of service.

Walking claimants through the steps of the claims process and providing a clear explanation of those steps are table stakes — and attorneys earn higher satisfaction rates than carriers. Our research also uncovers areas for improvement in helping set claimant expectations for the steps in the claims process and spending an appropriate amount of time with claimants so insurers understand the details of the claim.

#### Demonstrate customer care.

Carriers earn good ratings across multiple aspects of customer care — but attorneys excel at providing claimants with reassurance their needs are understood, relief at having someone guide them through the process and an overall impression of concern and personalized service.



Representing **15%** of all claimants, the *Attorney, Unplanned* segment state they didn't plan to hire an attorney, but **61%** did so because of something that happened with the third-party carrier. Improvements in the claims process, and especially in the earlier stages of the claims process, could create a more positive impression and help mitigate attorney involvement within this segment.

## #2 Get More Information so You Can Respond Appropriately

The insurance industry is predicated on making informed decisions with the most robust data available. But only a very small percentage (5%) of attorney-represented claims go to court, meaning there's limited public data available. That public data is the tip of the iceberg — with everything else (95%) below the surface remaining non-public and inaccessible.

While you have information about the attorney-represented claims within your organization, you don't have context for how the same attorneys are acting with other carriers. The key is to get more information so you can better respond to attorney-represented claims — to reduce claim costs, speed up settlements and resolve claims more smoothly and amicably.



It's likely that you have strategies to manage plaintiff attorneys but you may lack holistic information about how plaintiff attorneys are likely to act on a given claim. How long do they wait to send out the first demand? What's the typical initial demand amount and how much of that amount consists of medical bills? How many rounds of negotiation can you expect before the attorney files suit? Are they willing to go to trial? How many rounds before they settle?

Our contributory database, LexisNexis® Claims Retrospect, can help you develop a broader understanding of historical actions about attorney-represented claims. With aggregated industry data, you can more easily create effective strategies at scale. Contact your LexisNexis Risk Solutions account manager to learn more.

## About the Author

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**Tanner Sheehan is VP and general manager, U.S. claims at LexisNexis Risk Solutions.**

Tanner leads strategy, innovation and go-to-market activities for claims solutions across personal lines. His past responsibilities at LexisNexis Risk Solutions have included the creation of data solutions for auto insurance quoting and underwriting.

In addition to his nine-year tenure at LexisNexis Risk Solutions, Tanner has more than 15 years in the insurance industry with companies such as Marsh & McLennan, AIG and Infinity. He has product management and product development experience in personal auto in both the independent agent and direct-to-consumer channels and has also led pricing and actuarial teams. He earned a bachelor's degree in risk management and insurance and a master's in business administration from the University of Georgia. He also holds a Chartered Property Casualty Underwriter (CPCU) designation.



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LexisNexis® Risk Solutions harnesses the power of data, sophisticated analytics platforms and technology solutions to provide insights that help businesses across multiple industries and governmental entities reduce risk and improve decisions to benefit people around the globe.

Headquartered in metro Atlanta, Georgia, we have offices throughout the world and are part of RELX (LSE: REL/NYSE: RELX), a global provider of information-based analytics and decision tools for professional and business customers. For more information, please visit

[www.risk.lexisnexis.com](http://www.risk.lexisnexis.com) and [www.relx.com](http://www.relx.com).