

# Journey to the Center of the Judicial Hellholes: 2024

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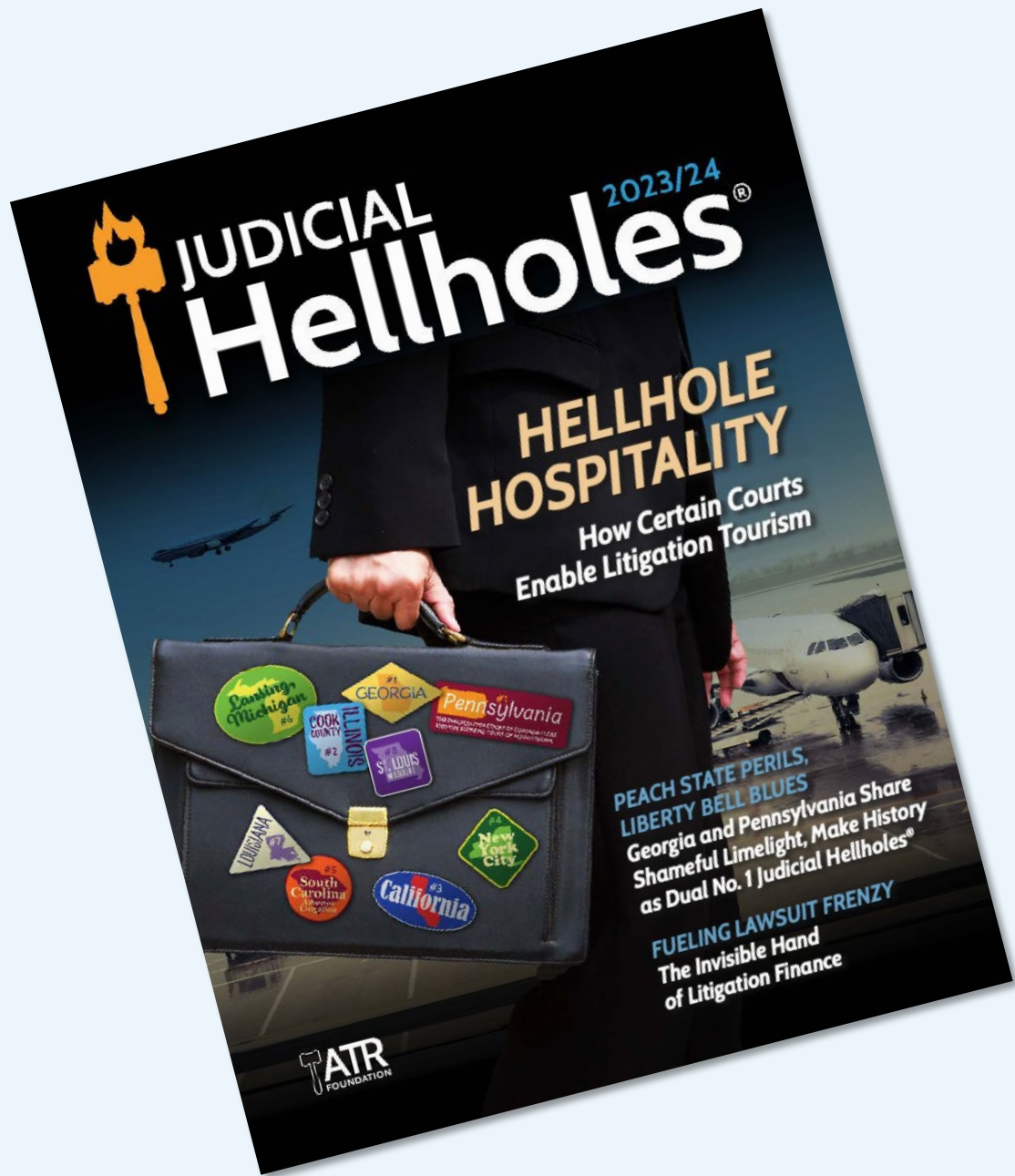
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1. GEORGIA
1. THE SUPREME COURT OF PA & THE PHILADELPHIA COURT OF COMMON PLEAS
2. COOK COUNTY, ILLINOIS
3. CALIFORNIA
4. NEW YORK CITY
5. SOUTH CAROLINA ASBESTOS LITIGATION
6. LANSING, MI
7. LOUISIANA
8. ST. LOUIS

## The Institutes study of carrier CEOs' thoughts on legal system abuse

How concerned is your company about legal system abuse within each of these states?

States	Not very concerned	Somewhat concerned	Moderately concerned	Very concerned	Extremely concerned
Georgia		4%		32%	64%
California	7%	7%	7%	24%	55%
New York		10%	21%	21%	48%
Texas	7%	7%	10%	31%	45%
Louisiana	7%	10%		41%	41%
Florida	11%	4%	14%	39%	32%
Michigan	7%		36%	29%	29%

the  
**ECONOMIC  
IMPACTS**  
of excessive tort costs

#1  
GEORGIA

**TORT  
TAX**

**\$1,213** Per Person,  
Per Year

Excessive tort costs result in an annual "tort tax" paid by each Georgian.



**123,900**  
**JOBS  
LOST**

when dynamic effects  
are considered



**\$8.29 BILLION**  
LOST IN **PERSONAL  
INCOME**



Excessive litigation costs don't just affect perceived deep-pocketed defendants.  
Lawsuit abuse affects **all** of us.

# Burning Issues in Georgia

- Continued Nuclear/Runaway Verdicts
- Phantom Damages Provide Windfalls to Plaintiffs and Attorneys
- Expansion of Premises Liability
- GA Supreme Court Issues More Liability-Expanding Decisions
- Predatory Lawsuit Loans Complicate and Inflate Settlements

**JH** *the*  
**ECONOMIC  
IMPACTS**  
*of excessive tort costs*

**#1 Pennsylvania TORT TAX**  
The Supreme Court of Pennsylvania & the Philadelphia Court of Common Pleas

**\$1,400** Per Person, Per Year

Excessive tort costs result in an annual "tort tax" paid by each Pennsylvanian.

**171,091**  
**JOBS LOST**  
when dynamic effects are considered

**\$11.4 BILLION**  
LOST IN **PERSONAL INCOME**

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Source: The Perryman Group, "Economic Benefits of Tort Reform: An assessment of excessive US tort costs and potential economic benefits of reform (October 2022)" **ATR**  
FOUNDATION

# Burning Issues in Pennsylvania

- Litigation Tourism
- Flood of Medical Litigation in Philly
- Uptick in Nuclear/Runaway Verdicts
- Liability-Expanding Decisions by PA Supreme Court

 **the**  
**ECONOMIC**  
**IMPACTS**  
*of excessive tort costs*

 **ILLINOIS**  
**#2**  
Cook County

**TORT TAX**  
**\$2,321**  
Per Person, Per Year

Excessive tort costs result in an annual "tort tax" paid by each Chicago resident.

 Statewide, Illinois residents pay a \$1,688 "tort tax" each year — among the highest in the nation.

**202,563**  
**JOBS**  
**LOST**  
annually in Illinois when dynamic effects are considered

**\$13.5 BILLION**  
**LOST IN PERSONAL INCOME**

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Source: The Perryman Group "Economic Benefits of Tort Reform: An assessment of excessive US tort costs and potential economic benefits of reform" (October 2022)

 **ATR**  
FOUNDATION

# Burning Issues in Cook County

- Biometric Information Privacy Act (BIPA) Lawsuit Abuse
- New Wave of No-Injury Lawsuits
- Food & Beverage Litigation Floods Docket
- Liability-Expanding Legislation Worsens Problems

the  
**ECONOMIC  
IMPACTS**  
of excessive tort costs

California  
#3 **TORT  
TAX**

**\$2,120** Per Person,  
Per Year

Excessive tort costs result in an annual "tort tax" paid by each Californian.



3<sup>rd</sup> Highest  
in the Nation

**787,490**

**JOBS  
LOST**

when dynamic effects  
are considered



**\$52.6 BILLION**

LOST IN **PERSONAL  
INCOME**



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# Burning Issues in California

- Endless Proposition 65 Litigation Targets a Variety of Industries
- No-Injury Lawsuits Bog Down Business
- Unique Lemon Law is a Gold Mine for Plaintiff's Attorneys
- Arbitration Under Attack
- Environmental Litigation Heats Up

 **the**  
**ECONOMIC**  
**IMPACTS**  
*of excessive tort costs*

 **TORT TAX**  
**\$2,013**  
Per Person, Per Year

Excessive tort costs result in an annual "tort tax" paid by each New York state resident.

**376,738**  
**JOBS**  
**LOST**  
when dynamic effects are considered

**\$25.5 BILLION**  
**LOST IN PERSONAL INCOME**


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Source: The Perryman Group, "Economic Benefits of Tort Reform: An assessment of excessive US tort costs and potential economic benefits of reform" (October 2012) 

# Burning Issues in New York City

- Nuclear/Runaway Verdicts Bog Down Businesses
- Expansive Liability Laws Lead to Lawsuit Abuse
- No-Injury Consumer & ADA Litigation & Excessive Premises Liability
- Legislature Continues to Pursue Trial Bar Agenda



 **the**  
**ECONOMIC**  
**IMPACTS**  
*of excessive tort costs*

**SOUTH CAROLINA**  
Asbestos Litigation  
**#5**

**TORT TAX**  
**\$738**  
Per Person, Per Year

Excessive tort costs result in an annual "tort tax" paid by each South Carolina resident.

**35,882**  
**JOBS**  
**LOST**  
*when dynamic effects are considered*

**\$2.4 BILLION**  
**LOST IN PERSONAL INCOME**

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**ATR**  
FOUNDATION

# Burning Issues in South Carolina

- Extraordinary Pro-Plaintiff Rulings
- Low Causation Standard
- Routine Imposition of Sanctions
- Frequent Appointment of Receiver Expands the Litigation
- Appellate Court Bolsters Outlier Rulings



the  
**ECONOMIC  
IMPACTS**  
of excessive tort costs

**#6**  
**LANSING,**  
**Michigan** **TORT  
TAX**

**\$917** Per Person,  
Per Year

Excessive tort costs result in an annual "tort tax" paid by each Michigander.



**87,839**

**JOBS  
LOST**

when dynamic effects are considered



**\$5.94 BILLION**

LOST IN **PERSONAL  
INCOME**



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# Burning Issues in Lansing, MI

- High Court Expands Premise and Workplace Liability
- An Expansive Approach to Medical Liability
- A Barrage of Liability-Expanding Legislation

 **the**  
**ECONOMIC**  
**IMPACTS**  
*of excessive tort costs*

 **TORT TAX**  
**\$1,118**  
Per Person, Per Year

Excessive tort costs result in an annual "tort tax" paid by each Louisiana resident.

**48,696**  
**JOBS**  
**LOST**  
when dynamic effects are considered

**\$3.28 BILLION**  
**LOST IN PERSONAL INCOME**

Excessive litigation costs don't just affect perceived deep-pocketed defendants.  
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# Burning Issues in Louisiana

- Coastal Litigation Drags On
- Insurance Claim Fraud and Manipulation
- Much-Needed Transparency Legislation Vetoed by Governor



the  
**ECONOMIC  
IMPACTS**  
of excessive tort costs

**ST. LOUIS  
#8** **TORT TAX**  
**\$1,608**  
Per Person, Per Year

Excessive tort costs result in an annual "tort tax" paid by each St. Louis resident.

Statewide, Missouri residents pay a \$994 "tort tax" each year — among the highest in the nation.

**57,905**  
**JOBS**  
**LOST**  
annually in Missouri when dynamic effects are considered



**\$3.89 BILLION**  
**LOST IN PERSONAL INCOME**



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# Burning Issues in St. Louis

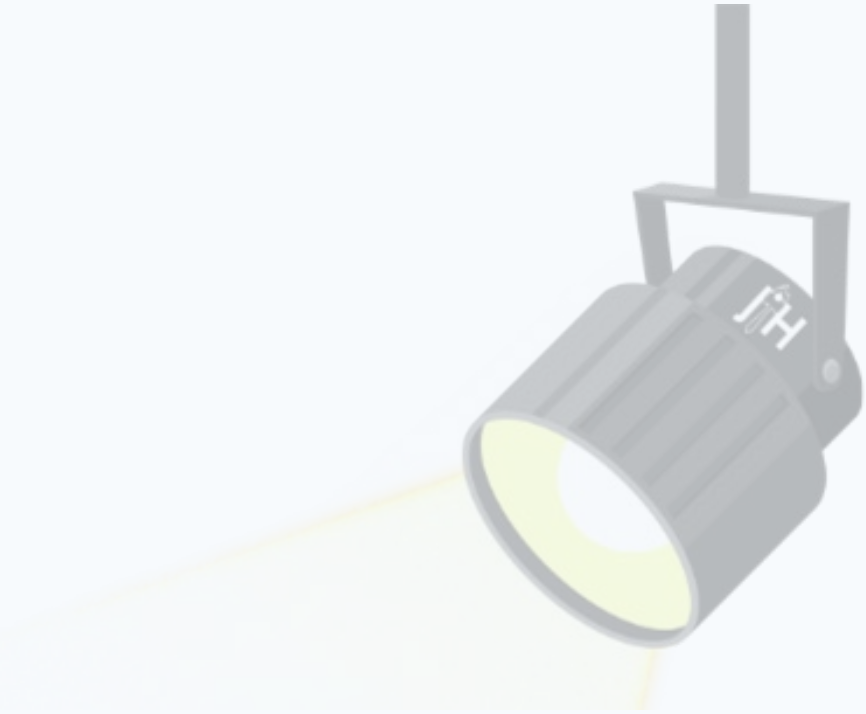
- Junk Science Finds Way Into Courtroom
- Nuclear/Runaway Verdicts
- International Reputation as Plaintiff-Friendly Jurisdiction
- Legislation Continues to Stall

# Is There Any Good News?



# POINTS OF LIGHT

- **State Supreme Courts** rejected medical monitoring
- **New Jersey Court of Appeals** rejected junk science
- **Texas Supreme Court** rejected anchoring
- FL landmark reforms removed it from Judicial Hellholes<sup>®</sup>
- IN required plaintiffs to disclose consumer lawsuit loans to other parties and their insurers
- IA limited noneconomic damages in medical liability and trucking cases
- WV limited the amount of non-economic damages in “deliberate intent” cases against employers



**So, What Can We Do?**

**Work Together**

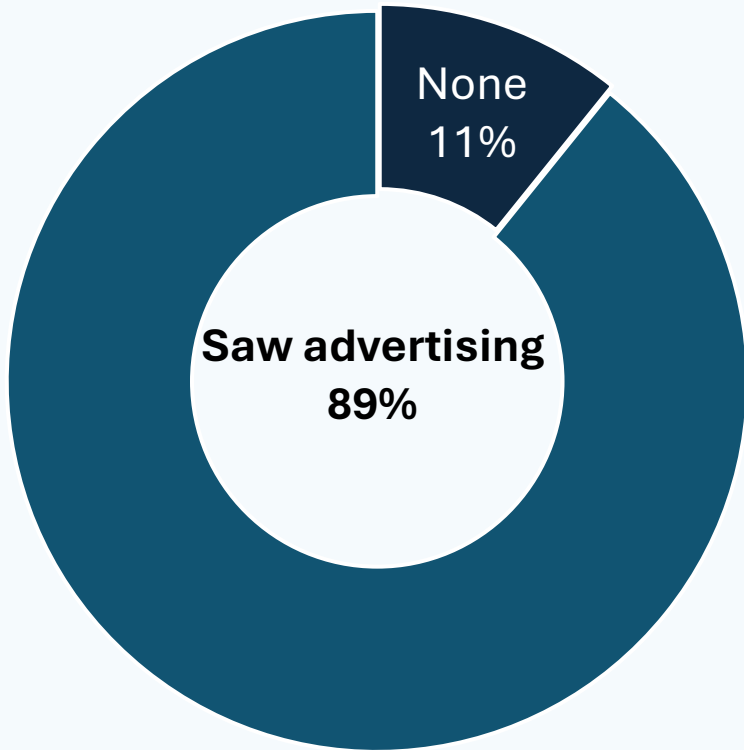


## How important to your company are each of the following tactics to mitigate underlying causes of legal system abuse?

Tactics	Not at all important	Slightly important	Moderately important	Very important	Extremely important
Mandatory disclosure of third-party litigation funding (TPLF)			9%	13%	78%
Strength caps on damages		6%	9%	31%	53%
Training of employees (claims adjustors, litigators, counsel) on litigation and trial best practices		6%	13%	34%	47%
Limit plaintiff attorney and contingency fees		9%	13%	34%	44%
Curb exploitative attorney advertising (“billboard effect”)			28%	28%	44%
Consumer education		3%	19%	38%	41%
Collaboration on defense litigation verdicts and settlements database		6%	22%	38%	34%
Limit overutilization of medical services	3%	9%	22%	41%	25%

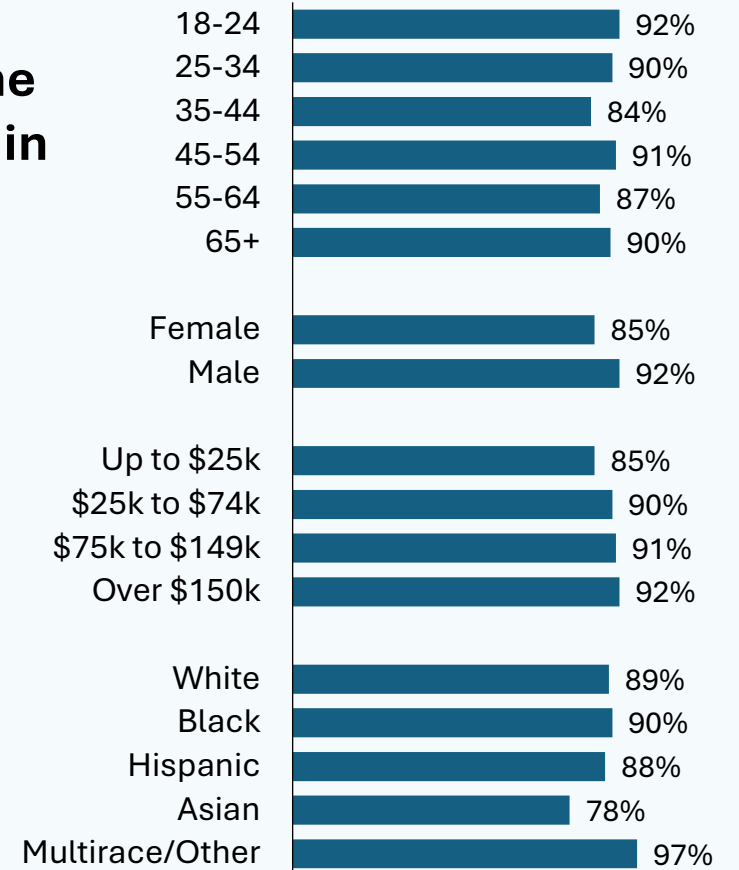
# Awareness of Attorney Advertising Prevalent Across All Demographics

Percentage reporting seeing attorney ads in the past year



**9 in 10 US adults recall some type of attorney advertising in the past year**

Ads Exposure Among All Respondents





**StopLegalSystemAbuse.org**

# CLM Litigation Management Task Force

- Identify strategies and actionable ideas that address challenges faced by claim organizations and outside defense firms
- Bring outside defense counsel, claim organizations, and industry partners into greater operational alignment
- Create opportunities for all parties to work together toward increased effectiveness.

## **Steering Committee**

Provides overall oversight and direction of the Task Force.

- CCOs
- Claims and Litigation Management Executives
- Defense Counsel

## **Sub-Committees**

Focused on specific topics and deliverables.

- Counsel Value Optimization
- Cost Management Strategies
- Professional Skills Development
- Talent Recruitment
- Industry Influence

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