What the Claims Data Actually Says: Top Malpractice Triggers by Practice Area

One of the most valuable tools in professional liability risk management is one most firms never see: the actual claims data. As brokers, we sit at the intersection of carrier data and firm experience. Here is what that data consistently shows.

Why Claims Data Matters for Law Firms

Understanding where malpractice claims actually originate (by practice area, by claim type and by root cause) allows law firm leaders to direct risk management resources to where they will have the most impact. It also helps firms have more informed conversations at renewal, because underwriters are working from the same data and making pricing decisions based on it.

Across the legal malpractice insurance market, certain patterns repeat consistently. They are worth knowing, not because every firm will experience every risk, but because anticipating the most common failure modes is far less expensive than responding to them.

Litigation: The Highest Frequency, Highest Severity Category

Litigation practice generates more malpractice claims than any other area of law, both in frequency and severity. The most common triggers are missed deadlines (statutes of limitations, filing deadlines and discovery deadlines), failure to pursue claims that were abandoned without client consent, and inadequate communication about case strategy and settlement decisions.

The deadline issue is particularly consistent. Calendar and docketing failures account for a disproportionate share of avoidable litigation claims. Firms that have invested in docketing systems with redundant reminders and supervisory oversight have meaningfully better loss experience than firms that rely on individual attorney calendar management.

Real Estate and Corporate: Concentration Risk

Real estate practice produces significant malpractice exposure, particularly around title review, failure to identify encumbrances or liens, and closing errors. Transactional volumes create pressure that leads to process shortcuts, and shortcuts lead to claims.

Corporate and M&A practice generates a different profile: claims often arise from inadequate due diligence, failure to identify regulatory or contractual issues, and disputes over advice given in connection with transactions that subsequently failed. These claims can involve significant damages because the deals themselves involve significant value.

Trusts and estates practice, while lower in frequency, produces claims with distinctive characteristics: family conflict after the death of a client, challenges to documents prepared years earlier and disputes over advice on estate planning strategies that are later found to have been inconsistent with the client's actual intentions.

What the Data Means for Your Renewal

Underwriters use claims data to assess the risk profile of individual firms. A firm with a litigation-heavy practice mix faces a different underwriting lens than a firm focused primarily on transactional work. Firms that can demonstrate practice-specific risk management measures like docketing systems in litigation, due diligence checklists in M&A, and document review protocols in trusts and estates are better positioned at renewal than firms that offer only general assurances.

A Word From Gallagher

Gallagher's law firm practice team brings carrier data and market perspective to every renewal conversation. We work with firms to understand how their practice mix affects their underwriting profile and what risk management steps have the most measurable impact on coverage terms and pricing. Contact us to start that conversation before your next renewal.

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