
Eroding Insurance Coverage: Avoiding Attorney Conflict of Interest and Bad Faith Claims

August 11, 2021
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Description:

This CLE webinar will alert counsel who works for, with, or against insurance carriers to the dangers of eroding insurance policies, also known as defense-within-limits policies. When every dollar spent on legal fees reduces funds available to settle a case or pay a judgment, all involved must take extra steps to avoid tapping out all available insurance coverage.

Under an eroding insurance policy, the same pool of funds that pays defense costs also pays settlement or judgment. The **tension between mounting a vigorous defense and preserving policy limits to put toward settlement (or satisfy a judgment) raises concerns** for all involved, from the client to counsel to the insurer.

This dynamic presents issues of liability arising out of potential or actual conflict. Counsel must take immediate steps to mitigate such exposure. The plaintiff counsel must balance litigating the claim and increasing defense expenses versus preserving insurance proceeds funds for the plaintiff.

Insurers are subject to scrutiny as well. **Some jurisdictions place restrictions on such policies or place outright bans on them**, creating choice-of-law and forum challenges. Even without such limits, the specter of bad faith claims remains.

Listen as the panel provides various perspectives on this set of legal difficulties and provides the tools necessary to address issues of walking the tightrope between zealous representation and preservation of funds. Not only will the panel discuss topics for counsel, but there will be an in-depth analysis of legality and bad faith.

Outline

1. Plaintiff counsel issues: zealousness and erosion
2. Defendant counsel issues
 1. Balancing client demands for defense with preservation of funds
 2. Insurer relationship
3. Insurer issues
 1. Public policy/legality issues
 2. Bad faith
4. Pretrial settlement and mediation

Continued

Benefits

The panel will review these and other notable matters:

- What are the characteristics of an eroding policy?
- What client concerns need to be addressed by plaintiff and defense counsel?
- How can insurer risks and exposures be levered (or mitigated)?

Speakers:

Arthur R. Armstrong

Shareholder, Flaster Greenberg PC

P. Wayne Pickering

Partner, Martin Disiere Jefferson & Wisdom

Date & Time

Wednesday, August 11, 2021

1:00pm-2:30pm EDT,

10:00am-11:30am PDT

RSVP:

[Click here to register.](#)