

WHY THE STATUS QUO DOESN'T WORK FOR NEW JERSEY'S PROFESSIONALS

SMALL BUSINESS OWNERS ON THE HARDSHIPS THEY FACE DUE TO NEW JERSEY'S RESTRICTIVE INSURANCE MARKET.

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From newly admitted to nearly retired, attorneys in New Jersey are just some of the professionals who feel the pinch.

RONALD P. PELES, who handles real-estate closings in Stewartsville, is now paying nearly \$6,000 a year in malpractice insurance, which he is going to finance due to a nearly \$2,000 rate hike.

"I got slammed. In one year, it increased by about 30 percent, and that was without any claims. That was a little shocking. I wonder how many more attorneys this is going to happen to. I have to find some way to pay for it. Everybody thinks lawyers make all this money. We don't, for the most part."

A recent law grad on wrapping up a judicial clerkship and looking at an uncertain future because of high malpractice insurance rates:

"The quotes have been prohibitively expensive."

A practitioner is suffering after their insurance carrier left New Jersey's restrictive market:

"My current carrier is no longer writing policies in New Jersey. All of the rates from my broker are over twice the cost."

IRWIN MILLINGER is an attorney with Greene and Millinger, in South River, is getting close to retirement. Since he had been a loyal customer of an insurance company, he had been promised a free tail coverage when he retired. Then the insurance company stopped writing professional malpractice coverage in New Jersey and he had to start over.

"I had to get another company. I don't know how many are out there who are willing to both insure you and give you a tail when you retire. If you change the statute of limitations to two years, rather than six years, more companies may be willing to write in New Jersey."

A lawyer who had to sue a client to get payment that was owed and now faces increased rates thanks to the ensuing claim—

"I successfully sued and collected against a former client (who had defaulted)...so I got my money. But, my malpractice insurance premium went up about \$1,000 the next year."