

18 million Americans have prepaid legal insurance

Legal advice takes root as benefit

By LULADEY B. TADESSE
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Employers trying to attract and retain workers during the 1990s began offering a variety of benefits ranging from concierge services to pet insurance. One such benefit — legal assistance — continues to gain popularity even as the economy slumps.

About 21 percent of employers offer some sort of legal assistance to employees, according to the Society of Human Resource Management. Last year, 19 percent of employers offered the benefit.

Like a health plan, legal benefits typically offer workers a group of lawyers who will offer advice on matters such as wills, uncontested divorces, real-estate matters and minor traffic tickets.

"It's something that our employees have asked for," said Stan Lata, spokesman for Bank One, which made legal insurance available company-wide in January.

An estimated 18 million Americans are covered by prepaid legal insurance through an employer, according to the National Resource Center for Consumers of Legal Services based in Gloucester, Va.

Some workplace experts said many employers are offering voluntary benefits such as legal insurance because it is relatively inexpensive. These benefits are paid for by the employee through a monthly payroll deduction of up to \$20.

Monthly costs for employers range from less than \$1 to \$15 per worker.

Some employers said the benefits assist workers who may otherwise be distracted and less productive because of their legal problems.



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Representative: Lawyer Larry Sullivan works with a client in his Newark, Del., office. Sullivan says employer-offered legal-service plans help workers with routine matters. The benefit plans are becoming more commonplace with businesses.

Critics worry the benefit is becoming too much like a health maintenance organization and simplifies complex legal issues.

"Most working people don't have

access to lawyers," said Greg Denier, spokesman for the United Food and Commercial Workers Union in Washington, D.C. He said having access to a pool of prescreened

lawyers who offer discounted rates helps workers find adequate representation.

"Those legal service plans are for routine, predictable matters like

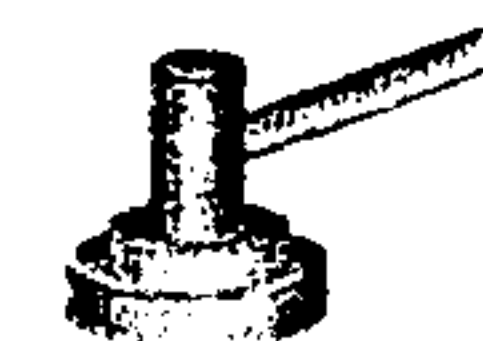
legal wills, traffic tickets — they are not particularly effective for larger litigation such as civil lawsuits," said Larry Sullivan, a Newark, Del., lawyer.

What skeptics say

Critics of group legal plans voice several concerns about a possible conflict of interest when counselors in employee-assistance programs recommend that workers seek legal advice.

Others, especially lawyers, are uncomfortable with a group plan they compare to health maintenance organizations.

"I want a fire wall between me and the legal issues," said Jack Smith, a senior fellow at Salus



International in Salem, Mass., who offers mental-health counseling to employees.

Some lawyers said they are not comfortable with these legal plans, despite the growing popularity.

"I think you do lose control of who you can accept as clients," said Christine Demsey, a Wilmington lawyer. "I like to give my client individual attention, and if you have mass production of cases, then you can't give the individual attention of cases."

But Sullivan, who gets 20 percent of his clients from legal-plan referrals, likes to have access to a wide range of customers.

"I only accept those cases that I want to accept," Sullivan said.