

Lawyer Referral Service Rules and Procedures

I. Purpose. The Lawyer Referral Service (LRS) of the King County Bar Association exists to provide legal referrals for members of the public to qualified attorneys. The LRS works with other legal service organizations to provide a comprehensive system of information and service.

II. Management. The LRS is managed by the LRS Committee appointed by the President of the Board, and the Lawyer Referral Manager¹. Operational responsibility is delegated to LRS interviewer staff, who screen potential clients and, if appropriate, refer to panel members. The contact with LRS and any information provided by the caller is confidential. Such communication will not be divulged to anyone outside LRS without the express written consent of the client, except to an attorney member of the LRS or a special legal program of the King County Bar Association in furtherance of client representation.

III. Panel Membership. In order to be a member of the LRS, an attorney must:

- A. Be a member of WSBA in good standing.
- B. Have professional office availability for client meetings, conferences, receipt of service and other formal contacts. If the panel member uses a home office exclusively, it must have a separate entrance for clients, unless otherwise approved. Otherwise the panel member must arrange for the use of a regular office for these activities.
- C. Agree to abide by the rules and procedures of the LRS.
- D. Have not been removed from the panel within the previous six months pursuant to Section VI. of these rules.
- E. Maintain an errors and omissions liability insurance policy in the amount of at least \$200,000 each occurrence and \$500,000 aggregate, and furnish the LRS with a copy of the declarations page of the policy.
- F. Remit the annual registration fee and registration form in a timely fashion. The registration fee is \$200 for KCBA members and \$425 for nonmembers.
- G. New registrants for the LRS panel shall be interviewed by the LRS Manager or LRS Committee member prior to activation on the panel. This interview shall occur at the panel member's office.

IV. Panel Operation.

- A. Referrals are made on a rotating basis within subject matter panels, with consideration of the nature of the client's case and geographical location.
- B. If the panel member will be unavailable for more than a week, LRS should be notified and the panel member will be placed on inactive status for the period of unavailability.
- C. LRS intake staff will screen the client to determine the nature of the client's problem and the appropriateness of the referral. Intake staff are not attorneys and cannot make decisions about the merits of a case. In cases which are not

¹ "Effective 2-1-09, the Lawyer Referral Director position at KCBA is now titled Lawyer Referral Manager."

plaintiff's personal injury, the LRS will collect a \$35 consultation fee from the client by credit card for the first half hour consultation. (See Rule V.A.)

- D. Referrals are made without regard to race, color, creed, national origin, sex, age, religion, sexual preference, or actual or perceived disability of either the client or the attorney.
- E. Random client satisfaction questionnaires will be mailed periodically to evaluate the service. Such questionnaires may include questions about LRS service, attorney service, and fees.
- F. Quarterly statements will be sent to panel members listing both clients LRS shows as "open" and fees paid to date.
- G. Certain subject matter panels have basic experience requirements for membership. Members must complete an experience form to show they meet the requirements for those panels.

V. Panel Member Responsibilities.

- A. The panel member shall personally grant a half-hour consultation without charge.
- B. The panel member shall personally arrange for any further services.
- C. If the client retains the panel member, the member shall establish a written fee agreement in advance of performing services beyond the first half-hour consultation.
- D. If the panel member is unable to accept a referred case, the client should be referred back to the LRS for further referral, or the attorney may arrange for another attorney in the panel member's office to render further services subject to fees owed the LRS. If the referred case is without merit, the client should be so informed.
- E. The panel member shall return the referral confirmation and quarterly statements to LRS within 30 days of receipt.
- F. The panel attorney shall remit to LRS 10% of the total attorney fees collected by that attorney or his/her firm from LRS clients, which arise out of the subject matter of the original referral, as follows:
 - 1. The fee is due on all cases where the total attorney fee is over \$300. If the fee over \$300 has been paid to the panel member in installments, the 10% may be paid either periodically or when the total fee has been received. (See V.G.3 for special rules for the Early Mediation panel.)
 - 2. The fee on cases with the total fee over \$300 is due on the entire fee, including that collected by another attorney associated in the matter by the LRS panel attorney.
 - 3. For cases referred to Early Mediation panel members, where the reduced fee of \$100/hour is charged, 5% is due on all fees collected. For matters charged at a regular fee, 10% is due as set forth above.
 - 4. The panel member is personally liable for the 10% fee sharing.

5. The attorney should inform the client about the attorney's fee-sharing agreement and administrative process with the LRS, and include in the written fee agreement or engagement letter for LRS referred clients language that indicates the client's understanding and consent to such agreement. (Sample language attached.)
 6. If the subject matter of the original referral expands into a class action, the 10% is due on the total fee collected by the attorney in the action.
- G. The panel member shall not charge any additional fees or increase the fee for the purpose of compensating for any amount due LRS.
 - H. The client remains an LRS referral client for the duration of the matter referred, even if the attorney leaves the LRS panel. If a client later brings a different matter to the attorney, that matter is not subject to any LRS fees.
 - I. The panel member shall treat the LRS-referred client with the same attention and respect as any other client.
 - J. The panel member must inform LRS of any pending WSBA disciplinary matters.

VI. Rejection, Suspension, or Removal from Panel. The Committee may reject an attorney's application for panel membership or suspend or remove an attorney for any of the following reasons:

- A. One or more complaints substantiated by a preponderance of the evidence from LRS clients showing violation of the Rules of Professional Conduct.
- B. One or more complaints substantiated by a preponderance of the evidence from LRS clients involving failure to perform promised work, failure to communicate case status, rudeness towards clients, or actions that are discriminatory.
- C. Failure to carry the minimum required professional malpractice insurance.
- D. Failure to report or remit fees due LRS.
- E. Conduct that indicates instability or substance abuse such that the Committee determines the applicant/member cannot properly perform as an LRS member.
- F. Failure to cooperate with the Committee in any investigation concerning a complaint from an LRS-referred client.
- G. Failure to abide by any other of these rules.

VII. Client Complaint Procedure.

- A. A client complaining about either the LRS or the referred panel member will be sent a complaint form, including a waiver of attorney-client privilege with respect to information relevant to the complaint. The form must be returned to LRS to open a complaint.
- B. The Lawyer Referral Manager will notify the panel attorney and gather additional information from the client and the attorney.
- C. Failure by the client to provide requested information will result in the

closing of the complaint. Failure of the attorney to provide such information may result in a recommendation to the Committee of suspension from the panel.

- D. The LRS Manager will report to the Committee.
- E. If the Committee believes that reasonable grounds exist for suspension or removal, the Committee chair will so notify the panel member.
- F. If the matter appears to be an ethical complaint, the client will also be advised of the WSBA procedure. If the dispute concerns fees, the client will be encouraged to pursue fee arbitration through the WSBA.
- G. If the Committee recommends suspension or removal of the panel member for any reason, the member may request a meeting with a three-person review committee appointed by the LRS Committee chairperson.
- H. The review panel will make a recommendation to the full Committee, which will determine the action to be taken. There will be no further right of review.

VIII. **Fee-sharing Review Process.**

- A. Panel members shall, under any of the circumstances outlined below, allow the Lawyer Referral Committee or its designee to review members' accounting and financial records of LRS- referred clients.
 - 1. The panel member receives a high number of referrals and has not reported a retained case in over a year.
 - 2. The panel member has failed to return two consecutive quarterly case status reports.
 - 3. There is a discrepancy between information reported by the attorney and that reported by the client.
 - 4. The panel member has failed to report a retained case.
 - 5. The panel member's name is randomly selected.
 - 6. Such other reason as the Committee determines is sufficient.
- B. If the Committee selects a panel member for review, the member shall be given notice by mail, along with a request for specific relevant information or documents. The notice shall specify the reason for the request.
- C. The Committee shall appoint a committee member or other person to conduct the review. The review shall be conducted with as little inconvenience to the panel member as possible.
- D. The reviewer shall report to the Committee at the next monthly meeting of the Committee. The full Committee shall consider the report and make a determination. If it is determined that the panel member has fulfilled his/her obligations to LRS, there will be no further action. If it is determined that the member has not met those obligations, the Committee shall set out the steps required for the member to maintain panel membership and the timetable for compliance.
- E. If the panel member does not cooperate with the review or with the determination, his/her membership in the LRS shall be terminated. The Committee may also report the member to the WSBA.
- F. **Confidentiality.** All communications, documents, and other information obtained under this

rule are confidential and such information shall not be released to anyone other than the LRS committee members, the LRS Manager, or, in some circumstances, the WSBA, or to enforce the LRS agreement.

IX. Reinstatement of Suspended Panel Members.

- A. If the panel member has been removed due to a referral client complaint, the attorney may reapply six months after removal upon a showing that the problem has been corrected.
- B. If the panel member has been removed due to failure to abide by the administrative provisions of these rules, the member may be reinstated upon compliance.

X. Limited Legal Services (Unbundled) Family Law Panel

- A. The LRS may establish a panel specifically for the purpose of providing limited legal services in family law.
- B. Services Offered. Clients may be referred to such panel members for:
 - 1) Pleading preparation
 - 2) Coaching
 - 3) Limited appearance
 - 4) QDRO preparation
 - 5) Other matters that may be appropriate for limited services.
- C. Panel Membership. An attorney with less than 2 years family law experience wishing to be a member of this panel must be a member of the KCBA Family Law Section.
- D. Fees Owed LRS.
 - 1) No administrative fee will be collected from unbundled referral clients. Panel members may charge the client from the beginning of the contact.
 - 2) The 10% fee is owed LRS for clients where the total fee collected is over \$300, just as in other referral matters.
 - 3) There are no set fees for unbundled services. Panel members set fees just as in regular referrals.

XI. Reduced Fee Panels

- A. Establishment of Panels. In order to serve those who cannot afford regular attorney fees, LRS will maintain a special panel for eligible clients. This panel will have only selected subject panels reflecting the most common requests by low income clients.
- B. Panel Membership. Attorneys may join the Low Fee panel *only* at no cost.
- C. Client Eligibility. Clients referred for low fee representation must have an income between 125% and 200% of the federal poverty level and limited assets.
- D. Referral Process.
 - 1) Clients will be required to complete a written application form and include a \$10 processing fee.
 - 2) Clients found eligible will be referred if an attorney on the Low Fee panel agrees to the referral.
 - 3) Confirmation forms sent to attorneys will have the case type listed as Low Fee, e.g., Low Fee Contested Family Law.
 - 4) Fees

- a) Hourly rates are limited to \$75 per hour.
- b) Advance fee deposits are limited to \$900 for contested family law and misdemeanors. For all other matters, the limit is \$450.
- c) Flat Fees. Some matters are to be charged at a flat rate. Chapter 7 consumer bankruptcies without litigation are \$600 (plus the filing fee). Simple wills are \$75 and powers of attorney or directives to physicians, \$35.
- 5) No fees are due LRS for clients referred on a reduced fee basis. If a panel member receives a regular referral he/she wants to accept on a reduced-fee basis, prior approval must be obtained from LRS in order to have the 10% fee sharing waived.

XII. Indemnification.

The panel member agrees to indemnify King County Bar Association from any or all claims, liability, or loss incurred through any negligence or intentional conduct of the attorney which causes damage to a client referred by LRS. In addition, the attorney agrees to waive any or all claims against King County Bar Association for loss arising from the operation and policies of LRS.

June 2, 2009

Sample Language to Add to Fee Agreement with LRS-Referred Clients

I, the undersigned Client, understand that since this matter was referred by the King County Bar Lawyer Referral Service (LRS), Attorney pays the LRS 10% of attorney fees, as permitted by the Rules of Professional conduct, RPC 1.5(e)(1). I consent to Attorney informing LRS of the total settlement amount even in cases where the settlement is otherwise undisclosed, and, under appropriate circumstances, allowing review of the attorney's accounting and financial records pertaining to this case to determine the proper payment of the 10% fee.