Activity Report: December 2023

Drafted January 30, 2023

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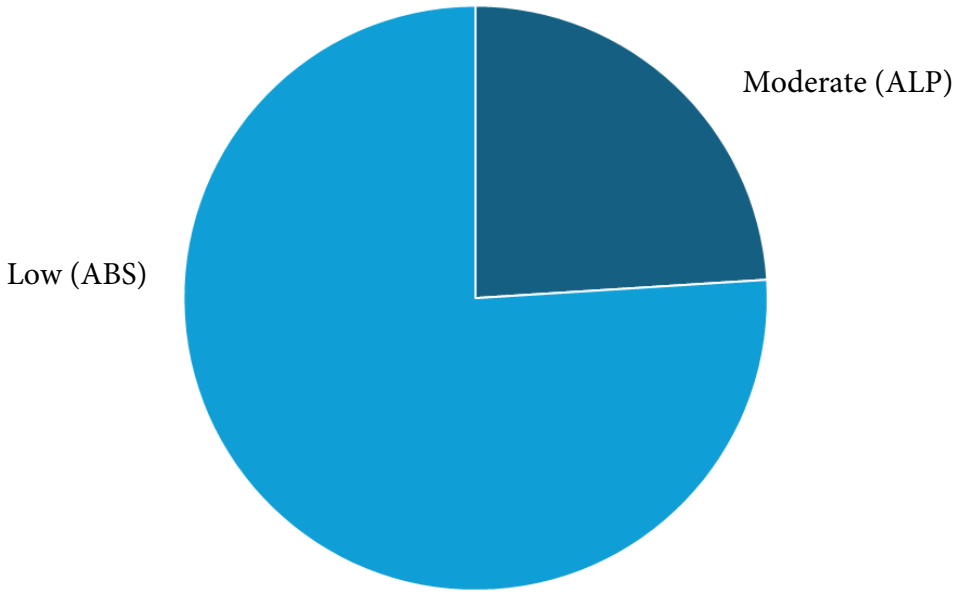
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OVERALL METRICS

Total Applications Received	105
Authorized Entities	51
Entities Withdrawn After Authorization	6
Entities Suspended or Terminated	2
Entities Reporting Data in December	19
Key Risks and Trends	

Cumulative Innovation Office Activity

Entities Authorized to Offer Legal Services : 51

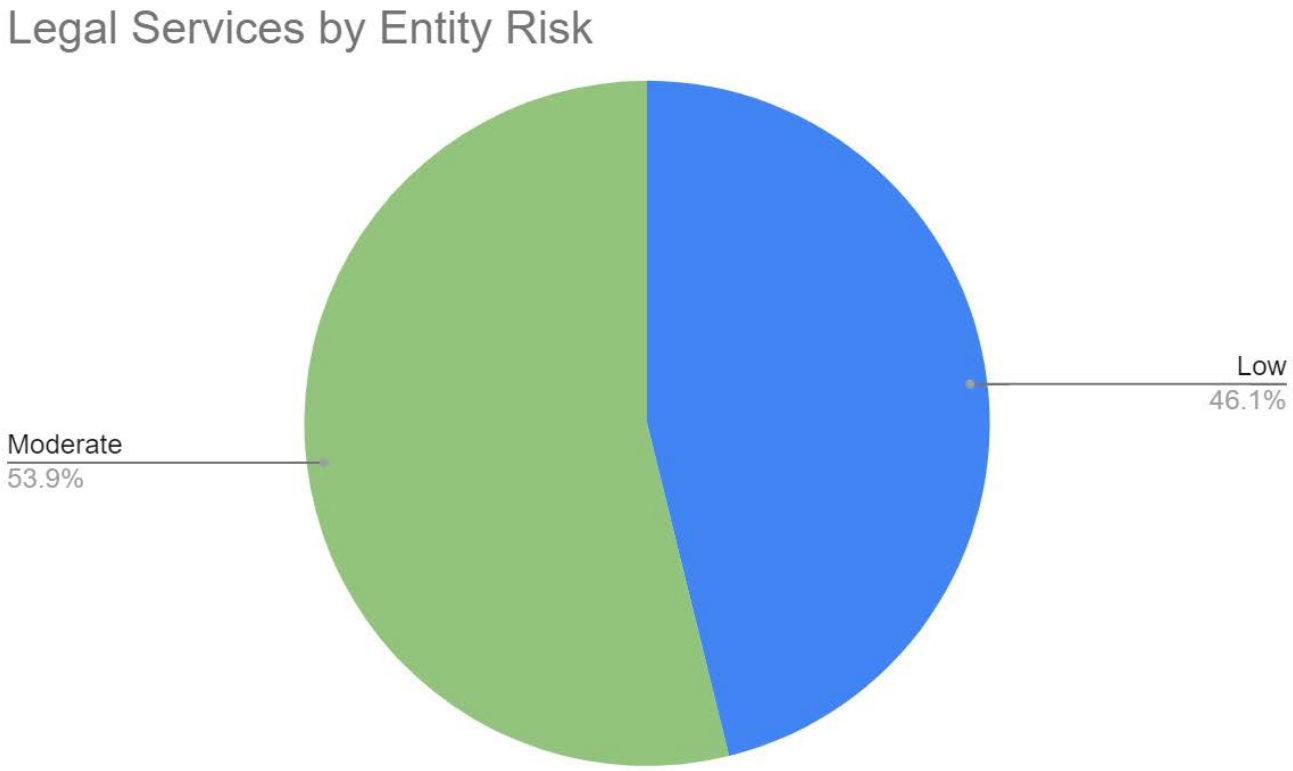


- Please see the list of currently authorized entities at: [Authorized Entities – Utah Office of Legal Services Innovation (utahinnovationoffice.org)]

Active Entities Reporting Data

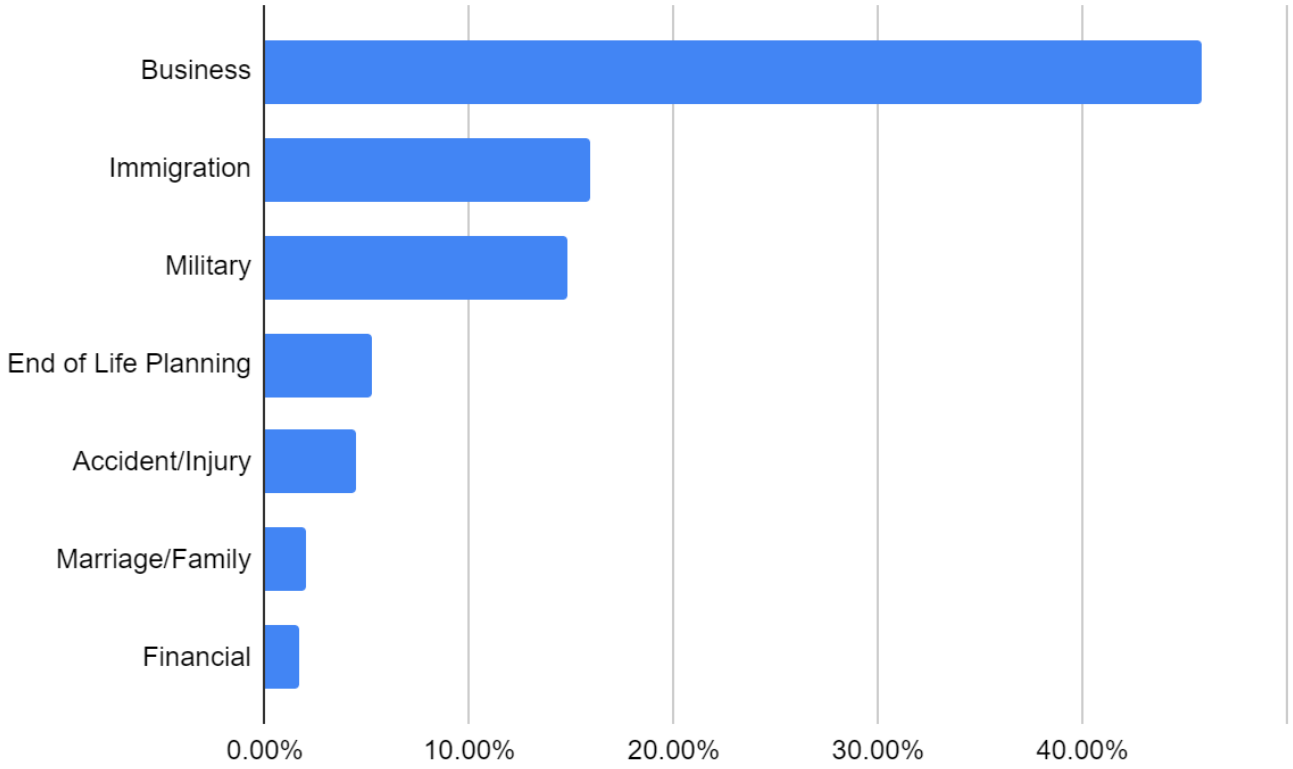
- **33 approved entities have launched services reporting** data since November 2020
- 18 approved entities reporting in December
    - 8 low innovation entities (ABS / Intermediary Platforms)
    - 11 moderate innovation entities (ALP + ABS)

Total Services by Innovation Level



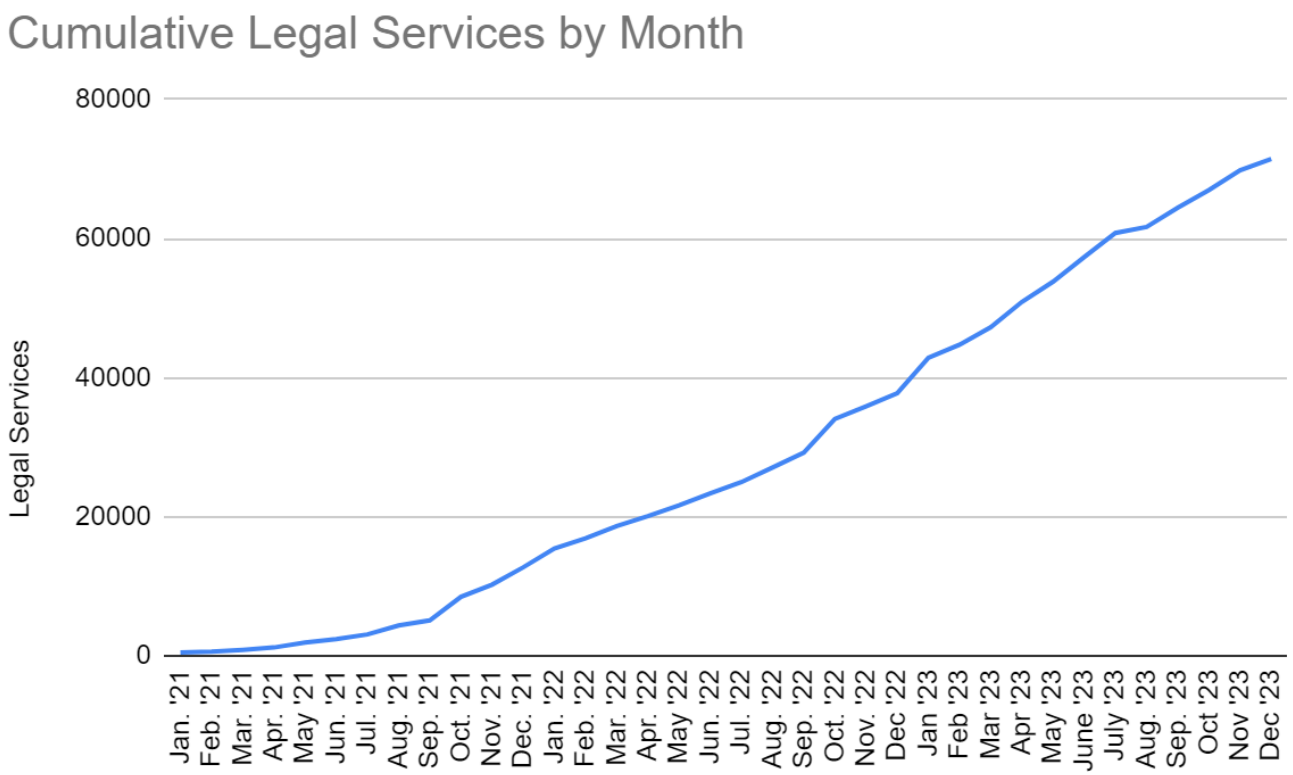
- **69,829 legal services sought** from approximately 24,000 **unduplicated consumers**
    - Low (ABS) = 29,449 legal services sought
    - Moderate (ALP+ABS) = 41,988 legal services sought
    - **57,901 (81.1%)** legal services have been delivered by a **lawyer,** lawyer employee, or **software tool like document completion**
    - **13,536 (18.9%)** legal services have been delivered by **non-lawyers** (**software or person) with lawyer involvement.**

Services by Legal Area



- **Seven legal categories** accounted for **92.8% of legal services**[1]
    1) Business (46.1%; e.g., intellectual property, contracts/warranties, and entity incorporation)
    2) Immigration (15.6%)
    3) Military/Veterans Benefits (12.8%)
    4) End of Life Planning (5.2%)
    5) Accident/Injury (4.5%)
    6) Marriage/Family (1.8%)
    7) Financial (1.6%; e.g., individual bankruptcy and collections practices)
- The top three categories accounted for 74.4% of legal services
- The remaining 13 possible legal categories accounted for 25.6%

[1] Note that housing rental and housing ownership (real estate) legal matters were collapsed to create the category of Housing and that Marriage & Family and Domestic Violence were collapsed into a single category.



Harm Assessment: Consumer Complaints

To date, entities have reported fourteen complaints to the Office, approximately 1 complaint per 3,760 services delivered. (The other complaint mechanism is through the online Sandbox complaint form). The ratio of harm-related complaints to services was approximately 1 complaint per 7,937 services. To date, entity response to harm-related complaints has been adequate and acceptable as related to harm mitigation and prevention.

The Innovation Office collects a range of measures from the entities designed to assess the occurrence of three consumer harms: rights, results, payment. This can also be understood as "actualized risk." The assessment of consumer harm is based on the prevalence of consumer complaints indicating the occurrence of one or more of the three harms. Social scientific studies grounded in expert peer review of lawyers' work product typically find that lawyers commit errors in one fifth to one quarter of the cases reviewed.

Taking this finding as a baseline, the harm assessment classifies receipt of harm-related complaints from more than 25% of consumers as a significant warning of harm, which would indicate an immediate need for the entity to work with the Office to develop and implement quality improvement plans to prevent harms and might also lead the Office to recommend that the Court suspend the entity's operations in the Sandbox.

Receipt of harm-related complaints from 11-25% of consumers would trigger a watch to better understand and prevent potential harms and would likely include the requirement of additional

information from entities so classified. Receipt of harm-related complaints from 10% or fewer of an entity's consumers is considered reasonable risk and does not trigger the need for any additional risk assessment.

Complaint Harm Category	# Consumer Harm-Related Complaints	% Services with a Harm-Related Consumer Complaint
Consumer achieves an inaccurate or inappropriate legal result.	**2**	**<0.01%**
Consumer fails to exercise legal rights through ignorance or bad advice.	**3**	**<0.01%**
Consumer purchases an unnecessary or inappropriate legal service.	**4**	**<0.01%**

Complaint History is as follows:

- April 2021 - linked to the harm of an inappropriate/inaccurate legal result
- May 2021 - not linked to any of the three harms
- June 2021 - linked to exercising legal rights
- September 2021 - linked to exercising legal rights
- October 2021 - linked to exercising legal rights
- December 2021 - two complaints reported but neither was harm-related
- April 2022 - one linked to a legal result, and one complaint not harm-related
- June 2022 - one not harm-related, and one related to a payment harm
- July 2022 - one complaint not harm-related
- November 2022 - one not harm-related, one linked to entity disclosures
- December 2022 - related to the purchase of an unnecessary legal service
- July 2023 – September 2023 – four consumer complaints reviewed, found to not be linked to any of the three harms
- November 2023 – (two non-consumer complaints reviewed and resolved)
- December 2023 – (two non-consumer complaints under review)

Quality Assessments

Audit materials were collected from three moderate risk entities and reviewed by the Innovation Office. Independent lawyer audit panelists then assessed randomly selected representative legal service files of the three entities. The Office drafted entity audit reports and distributed them to the Legal Services Innovation Committee and the Utah Supreme Court. Based on audit findings, there was no evidence of material or substantial harm to consumers, and services were found to be at least satisfactory by the

Office, the LSI Committee, and independent lawyer auditors. The three entities were authorized to continue to offer services within the Sandbox.