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AVAILABILITY OF SERVICES

1) Memo: 10/17/1989 To: David Rogers From: Harlan Knudson

2) Letter: 01/11/1990 To: David Rogers From: Ward Hurlburt

3) Survey of Availability of Obstetric Care for Low-Income Women

4) Letter: 11/28/1989 To: David Rogers From: David Hoffman

5) Report: Our Greatest Natural Resource - 01/1988

6) Report: The Best of Care - 09/1988

7) Notes: Board of Nursing

8) Is There a Nurse in the House? - Christine Klein

9) Nursing Shortage - Barbara Bathony

10) Letter: 10/19/1989 To: David Rogers From: Debra Gravo

11) Letter: 01/08/1990 From: Seth Adams

12) Memo: 05/30/1989 From: Terrence Brooks, enclosures

AVAILABILITY OF SERVICES

health association of alaska

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REPRESENTING ACUTE, LONG TERM AND OUTPATIENT FACILITIES

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October 17, 1989

MEMO TO: DAVID ROGERS
HOUSE LIABILITY TASK FORCE

FROM: HARLAN R. KNUDSON
HEALTH ASSOCIATION OF ALASKA

SUBJECT: IMPACT "LIABILITY" ON ACCESS TO HEALTH CARE

Hospitals are concerned that the cost of liability insurance does impact access to medical care.

The impact includes:

1. The ability of communities to recruit and retain physicians. (Wrangell, Petersburg and other Alaska communities are having this problem)

2. Physicians dropping high risk procedures, such as obstetrics.

The following studies indicate that liability does have an effect on the cost and access to health care:

1. Enclosed is a copy of a study on "Access to Obstetrical Care in Rural Areas: Effect on Birth Outcomes." This July, 1989 study was done by the WAMI rural Health Research Center at the University of Washington.

This study, based on rural Washington State, concludes "that diminished rural access to obstetrical care leads to poorer and more expensive perinatal outcomes for women who travel outside their local communities for obstetrical care. Programs that maintain local availability of obstetrical care are likely to improve perinatal outcomes and be cost effective."

2. The Report of the Governor's Interim Commission on Health Care, September, 1988 provided the following findings:

- An estimated 10 percent of every medical bill in Alaska goes for medical liability insurance.

- Medical liability insurance premiums in Alaska more than doubled between 1985 and 1988.

- Nationally, it is estimated that 15 percent of health care expenditures pays for defensive medicine.

- Rural providers, especially those providing obstetrical care, have been particularly hard hit by the increase in medical liability insurance.

- Health providers are not the only professions that face problems with the availability and affordability of liability insurance. Addressing the problem comprehensively requires the involvement of many professions and industries and the consideration of insurance regulation and tort reform.

3. The Discussion Paper presented to the State of Alaska Task Force on Employee Health Care Benefits September 8, 1988 by the firm of Mercer, Meidinger & Hansen indicated that the "malpractice crisis" was a factor contributing to health care cost inflation:

- Providers are increasing their rates to make up for the increased dollars they have to spend for larger malpractice premiums.

- Physicians increasingly practice (and charge for) defensive medicine - they perform unnecessary tests and extra procedures, more to ensure against malpractice suits than to assess medical conditions.

- It is estimated that 14% of all health care costs are related to defensive medicine.

- In 1975, there were five malpractice claims filed per 100 physicians; in 1983 there were 16 malpractice claims filed per 100 physicians.

4. The Aetna Life Insurance Company in it's October 13, 1988 report to the State of Alaska Task Force on Employee Health Care Benefits meeting stated:

> "Malpractice lawsuits and the sometimes unbelievable amounts awarded by juries add to our trend results in two ways. First, malpractice insurance rates rise. Providers, in turn, pass that back to consumers in the form of higher charges. Second, the fear of a malpractice suits based on misdiagnosis has led many providers to order plethoras of diagnostic tests and exams to cover even the remotest possibilities for causes. Over utilization of services results for both inpatients (Hospital Ancillary) and outpatients (X-ray and Lab).

5. The Section on Maternal & Child Health, of the Division of Public Health, Department of Health and Social Services has completed a survey on the availability of obstetrical care in Alaska. Unfortunately, the DHSS Commissioner, Myra Munson has not released the results of the survey.

Enclosed is information on a DHSS survey on obstetrical care for low income women.

enc.

# # #

DEPARTMENT OF HEALTH & HUMAN SERVICES
PUBLIC HEALTH SERVICE

ALASKA AREA NATIVE HEALTH SERVICE
250 GAMBELL STREET
ANCHORAGE, ALASKA 99501

January 11, 1990

FAX # 586-6959

Mr. David Rogers
House Liability Task Force
Box 33932
Juneau, Alaska, 99803

Dear Mr. Rogers:

This letter is in regard to our conversation today related to unmet health needs of rural Alaskans.

As we discussed, as health professionals, we could certainly point to many places in our program where, with added funding, we could do a better job. If I were to select one area, however, to point to where I see a need related to medical services for rural Alaskans, I would identify the lack of funding for travel.

During the past two years while we have been operating on a tightened budget and yet trying to maintain the spectrum of high quality, high technology services for the Native population of Alaska, we have had to cut back on our support for travel. At this time, with the exceptions which we discussed on the phone, we are basically paying only for emergency travel. If the state were wanting to identify an area for potential positive impact on the provision of medical services for rural Native Alaskans, I would suggest consideration of the development of a mechanism for supporting travel costs.

I appreciate the opportunity to comment on this issue.

Sincerely yours,

Ward B. Hurlburt

Ward B. Hurlburt, M.D., F.A.C.S.
Deputy Area Director/Chief Medical Officer
Alaska Area Native Health Service

STATE OF ALASKA

STEVE COWPER, GOVERNOR

DEPT. OF HEALTH AND SOCIAL SERVICES

DIVISION OF PUBLIC HEALTH

SECTION OF FAMILY HEALTH

ADMINISTRATIVE OFFICE
1231 GAMBELL STREET
ANCHORAGE, AK 99501-4627
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SURVEY OF AVAILABILITY OF OBSTETRIC CARE FOR LOW-INCOME WOMEN

SUMMARY OF RESULTS

During the summer of 1988, the Department of Health and Social Services' Division of Public Health and the Alaska State Medical Association surveyed Alaska's potential OB/GYN providers to determine the availability of obstetric care for low-income women in Alaska. The survey was conducted in conjunction with the Department of Health and Social Services' planning process for the "Healthy Baby Project," an expansion of Medicaid and other coverage for pregnant women beginning January 1, 1989.

Providers displayed extraordinary interest in the survey. Questionnaires were returned by a phenomenal 93% of the 196 family practice and OB/GYN physicians surveyed (5 others had either left the state, retired, or joined the military). Many respondents took the time to include additional comments clarifying their answers to various questions.

While the results have minimal statistical significance because of the small size of the population surveyed, they indicate important trends in doctors' perceptions and behavior.

- **FEWER THAN HALF OF THOSE SURVEYED CURRENTLY PROVIDE OBSTETRIC CARE. WITHIN TWO YEARS, ONLY SLIGHTLY MORE THAN A THIRD OF THE SURVEYED PHYSICIANS MAY BE OFFERING OBSTETRIC SERVICES IN ALASKA.**

  84 of the 182 respondents (46%) offer prenatal care. 1 of these provides prenatal care only, 4 do prenatal and postpartum care only, and 79 (43%) offer labor and delivery as well as prenatal and postpartum care. Asked whether they planned to continue to offer these services for the next two years, 5 said no and 10 were uncertain; only 67 have definite plans to continue services. These 67 doctors represent 82% of those currently providing care (not counting 2 who did not answer this question), but they comprise only 37% of the total survey respondents. In unsolicited comments, several physicians cited medico-legal issues, including the high cost of medical liability insurance, as the reason for their discontinuing obstetric services.

(Because of the apparent connection between high insurance costs and reduced availability of obstetric care, the State of Alaska is conducting a further survey of physicians' medical liability coverage.)

The remainder of this summary focuses on the responses of the 84 physicians who offer prenatal, postpartum, and/or labor and delivery care. Percentages shown relate to the total number of these providers who responded to the particular question.

- **PHYSICIANS IN SOME REGIONS OF THE STATE ARE MORE LIKELY TO BE CONSIDERING DROPPING THEIR OBSTETRIC PRACTICES.**

REGION	POPULATION**		NOW PRACTICING		1990:YES		NO/?
Anchorage	235,269	(44%)	30	(36%)	24	(80%)	6
SouthCentral	97,953	(18%)	26	(31%)	23	(88%)	3
Northern	107,567	(20%)	12	(14%)	10	(83%)	2
SouthEast	64,220	(12%)	15	(18%)	9	(69%)*	4
SouthWest	34,591	(6%)	1	(1%)	1		
TOTAL	539,600	(100%)	84	(100%)	67	(82%)	15

* Two respondents from the SouthEast region did not answer the question.
** 1985 population estimates by Alaska Dept. of Labor

- **ONE-THIRD OF THE PHYSICIANS OFFERING OBSTETRIC CARE PERFORM MORE THAN 100 DELIVERIES PER YEAR. ONE-THIRD SEE MORE THAN 15 MEDICALLY HIGH-RISK PREGNANCIES ANNUALLY.**

DELIVERIES	# MDs		HIGH RISK	# MDs	
1 - 50	29	(37%)	0	20	(24%)
51 - 100	22	(28%)	1 - 15	34	(40%)
101 - 150	12	(16%)	16 - 30	12	(14%)
151 - 200	8	(10%)	31 - 45	8	(10%)
201 - 250	5	(7%)	46 - 60	5	(6%)
251 - 300	1	(1%)	100	4	(5%)
301 - 350	1	(1%)	200	1	(1%)
301 - 350	1	(1%)			
TOTAL	78	(1 NR)***		82	(2 NR)

***Total excludes the 5 physicians who do not provide labor and delivery care.

- **NEARLY ONE-THIRD OF RESPONDENTS' DELIVERIES ARE FOR MEDICAID PATIENTS OR OTHER LOW-INCOME WOMEN WITHOUT RESOURCES TO PAY FOR OBSTETRIC CARE.**

  Respondents estimate they perform a total of 7,205 deliveries per year. They estimate that 1,472 of these deliveries (20%) are provided for Medicaid patients, and that an additional 767 deliveries (11%) are for other low-income women who cannot afford obstetric care.

- **PROVIDERS IN THE SOUTHCENTRAL REGION (INCLUDING THE MATANUSKA VALLEY, THE KENAI PENINSULA, KODIAK, AND THE VALDEZ-CORDOVA AREA) PERFORM A DISPROPORTIONATE NUMBER OF THESE DELIVERIES FOR MEDICAID AND OTHER LOW-INCOME PATIENTS.**

REGION	DELIVERIES		MEDICAID	OTHER L-I	TOTAL	
Anchorage	3,830	(53%)	770	348	1,118	(50%)
SouthCentral	1,724	(24%)	413	274	687	(31%)
Northern	1,127	(16%)	192	77	269	(12%)
SouthEast	516	(7%)	97	62	159	(7%)
SouthWest	8	(0%)	0	6	6	(0%)
TOTAL	7,205	(100%)	1,472	767	2,239	(100%)

REGION	% DEL. UNABLE TO PAY*
Anchorage	29%
SouthCentral	40%
Northern	24%
SouthEast	31%
SouthWest	75%

* Percentage of deliveries which are for Medicaid patients or other low-income women unable to afford obstetric care.

- **ONE-THIRD OF THE RESPONDENTS PROVIDING OBSTETRIC CARE PERFORM MORE THAN 20 DELIVIERIES ANNUALLY FOR MEDICAID PATIENTS. ONE-FIFTH OF THE PROVIDERS DO DELIVERIES FOR MORE THAN 10 OTHER WOMEN WHO CANNOT PAY.**

MEDICAID DEL.	# MDs		OTHER L.I. DEL.	# MDs	
0	13	(16%)	0	17	(22%)
1 - 10	22	(28%)	1 - 10	45	(58%)
11 - 20	18	(23%)	11 - 20	9	(12%)
21 - 30	14	(18%)	21 - 30	3	(4%)
31 - 75***	12	(15%)	31 - 100***	4	(5%)
TOTAL	79		TOTAL	78	(1 NR)

- **THREE-FOURTHS OF THE OBSTETRICS PROVIDERS TAKE STATEWIDE REFERRALS. SIX OUT OF SEVEN HAVE OBSTETRIC PATIENTS FROM OUTSIDE THE COMMUNITY WHERE THEIR OFFICE IS LOCATED.**

- **SLIGHTLY MORE THAN ONE-QUARTER OF THE PHYSICIANS WHO PROVIDE OBSTETRIC CARE ARE ASSISTED IN THEIR OBSTETRIC PRACTICE BY AT LEAST ONE NURSE PRACTITIONER, NURSE MIDWIFE, AND/OR PHYSICIAN'S ASSISTANT.**

  Eleven physicians (13%) work with nurse practitioners, nine (11%) work with nurse midwives, and nine (11%) work with physician's assistants. A total of 22 physicians (26%) employ one or more of these professionals in their obstetric practice. Altogether, these doctors work with 15 nurse practitioners, 11 nurse midwives, and 10 physician's assistants.

- **FOUR-FIFTHS OF THE PROVIDERS OF PRENATAL CARE NOW USE A STANDARDIZED PRENATAL CARE FORM. DOZENS OF DIFFERENT FORMS ARE CURRENTLY IN USE. SEVEN OUT OF EIGHT PHYSICIANS EXPRESSED WILLINGNESS TO USE A STANDARDIZED FORM PROVIDED BY THE STATE, DEPENDING ON THE DESIGN OF THE FORM USED.**

  Fifteen physicians (18%) use no standardized form for prenatal care. Twenty-one (25%) use the Holister form, 8 (10%) use the POPRUS form, and no one uses the WISPY form. Thirty-nine providers (47%) use a standardized form other than those listed. Many of these (at least 16) use a form of their own design. Other forms mentioned more than once included the IHS/ANMC form (5), the University of Washington form (2), and a military form (2). (1 NR)

  Twenty-three providers (29%) say they would use a State-provided prenatal care form, and 47 (59%) say it depends on the type of form used. Ten providers (13%) say they would not use a form provided by the State. (4 NR)

- **NINE OUT OF TEN OBSTETRICS PROVIDERS CURRENTLY ARE ACCEPTING NEW PATIENTS INTO THEIR OBSTETRIC PRACTICE. MOST OF THESE SAY THEY ARE ACCEPTING NEW MEDICAID PATIENTS.**

  Seventy-five providers (90%) are accepting new obstetric patients. Seventy-two (87%) are accepting new Medicaid patients. (1 NR)

- **NEARLY NINE IN TEN OBSTETRICS PROVIDERS DO NOT LIMIT THE NUMBER OF MEDICAID PATIENTS THEY ACCEPT INTO THEIR OBSTETRIC PRACTICE. TWO-THIRDS OF PROVIDERS HAVE NO CONDITIONS LIMITING THEIR ACCEPTANCE OF MEDICAID PATIENTS.**

  Seventy-two providers (88%) do not limit the number of Medicaid patients they accept. (1 NR)

  Fifty-four doctors (68%) say they accept new Medicaid patients unconditionally. Two (3%) accept Medicaid patients only on referral from another physician. Ten (13%) accept only Medicaid patients with low risk pregnancies. Eight providers (10%) said that conditions other than those listed limit their acceptance of Medicaid patients (including whether the patient is non-hostile, whether they have space left after accepting an established number of insured patients, and whether the patient is a continuing patient of theirs who has become Medicaid-eligible). Four providers (5%) listed a combination of these answers. (1 NR)

- **FOUR-FIFTHS OF THOSE WHO PROVIDE OBSTETRIC CARE EXPRESSED INTEREST IN PARTICIPATING IN A PROGRAM WHICH WOULD FINANCE OBSTETRIC CARE FOR MEDICAID-INELIGIBLE LOW-INCOME WOMEN.**

  Sixty-seven physicians (83%) are interested in being part of such a program. Fourteen (17%) said they would not be interested in participating. (3 NR)

- **IN DETERMINING CHARGES FOR OBSTETRIC CARE, MORE THAN FOUR OUT OF FIVE PROVIDERS INCLUDE AN ITEMIZED COST PER VISIT IN THEIR CALCULATIONS.**

  Thirty-six physicians (44%) rely exclusively on itemized per-visit costs in figuring the total charge, while 32 (39%) use a combination of itemization and a global pregnancy package (one total price for a normal pregnancy). Only 7 (9%) use the global package alone. Another 7 (9%) use some other method of determining cost, including adding delivery fees and pro-rating costs for patients seen by another physician for part of their pregnancy. (2 NR)

- **TWO-THIRDS OF OB/GYN CARE PROVIDERS RETAIN THE FLEXIBILITY OF CONSIDERING A PATIENT'S ABILITY TO PAY IN DECIDING ON A METHOD OF PAYMENT.**

  Many providers listed more than one method of payment for low-income women.

METHOD	ONLY	W/OTHER	TOTAL	%USING
Depends on ability to pay	30	26	56	(67%)
Bill insurance or Medicaid	11	25	36	(43%)
Pmt in full at time of visit	6	14	20	(24%)
Pmt of deductible at visit	1	12	13	(15%)
Deposit for total at 1st visit	0	4	4	(5%)

- **CLIENT NON-COMPLIANCE PROBLEMS ARE THE LARGEST FACTOR INFLUENCING A PHYSICIAN'S DECISION TO TAKE MEDICAID PATIENTS. THE LARGE OF AMOUNT OF PAPERWORK IS ANOTHER MAJOR CONCERN AFFECTING WILLINGNESS TO ACCEPT PATIENTS ON MEDICAID.**

Providers were asked to rank the influence of various perceptions of Medicaid and Medicaid clients on their decision to take on these clients. A rank of "1" indicated "Not at all important" and a rank of "5" indicated "Very important;" thus, for any one factor the minimum Total Points (each rank multiplied by the number of providers selecting that rank, and added to the others) is 84 (i.e., all 84 ob/gyn providers say it is not at all important) and the maximum Total Points is 420 (i.e., they all say it is very important).

PERCEPTION	TOTAL POINTS
Client non-compliance	243
Too much paperwork	224
Takes too long to get payment	219
Low reimbursement rate	215
Eligibility denied after care given	206
Too medically high-risk	191
Patients more likely to sue	191
Different socioeconomic group from other clients	131

Eight providers listed other factors, including problems locating and contacting patients, abuse of their schedule by patients ("no shows"), and the unfriendliness of the Medicaid system to both doctors and patients.

Many doctors emphasized in comments that they would not refuse to treat a patient for these reasons. Because the question asked to what extent these factors influenced the decision to accept a Medicaid client, rather than the extent to which they were perceived as a real problem, the ranking of a particular problem may not adequately reflect the frustrations of those physicians who routinely accept Medicaid patients regardless of any of these factors.

- **ADDITIONAL COMMENTS BY PROVIDERS INCLUDED:**

--- "...I don't feel I have any option except to accept all patients needing OB care...Anything you can do to help me get paid is appreciated."

--- "Medicaid helped drive me out of OB because the pay for delivery did not even cover my malpractice premium share for the delivery...I provide care to anyone who comes to my office without regard to whether I will be paid."

--- "...The problem we have is (Medicaid patients) being eligible one moonth, denied the next, then eligible again; if...women were eligible for the entire pregnancy and we could do it as a single charge billing, that would be great."

--- "...Some of the negative perceptions Medicaid patients may carry for us result from the red tape and poor payment their care means. We try to care for the person but get frustrated with the system - any help would be appreciated."

--- "If the current idiocy of public, medico-legal demand for perfect obstetric care and perfect newborn could be answered, most of the other problems of care would be minor and low-income patients would not have most of their current care problems."

--- "Would not refuse to take care of any patient. It's nice to get paid, but not of primary importance. I have dramatically increased charges to cover increased malpractice costs."

--- "I strongly encourage better funding for Medicaid folks but hope you build in a system for abuse and fraud because it's rampant!"

--- "We have no problem accepting Medicaid patients. Indigent patients not eligible for Medicaid are a VERY BIG PROBLEM - they get very little prenatal care because they cannot afford it, have no insurance, and there is very little financial help available."

--- "All pregnancies need prenatal care - especially in this socio-economic class."

--- "Our goal is to provide OB care for those financially unable to get good (or any) care. We would welcome any help in financing this via Medicaid."

STATE OF ALASKA

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

STEVE COWPER, GOVERNOR

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November 28, 1989

Mr. David E. Rogers
P.O. Box 33932
Juneau, AK 99803

Dear ~~Mr. Rogers~~ Dave:

Your November 3rd letter requested the department's comments on what services are lacking in rural Alaska. Although your letter did not specify the questions that the House Liability Task Force may have, we can provide a general discussion of service needs in the state.

Medical services in nearly all of the smaller, rural and predominately Native communities are provided by community health aides who are paid with Federal funds funneled through the regional Native non-profit corporations. I suggest you contact the Indian Health Service and the non-profit corporations for information on the adequacy of these services at the community level and the level of hospital, doctor and dental services in the regional centers such as Bethel.

Small cities use State revenue sharing funds to operate and maintain the clinics used by health aides. In some areas, the cities are also expected to contribute to or pay entirely for alternate health aides who fill in when the regular aide is off duty. The 40% cut in Revenue Sharing funds is making it increasingly difficult to fund alternate health aides and keep the clinics operating.

Our department staff who work with communities and attend Mayors Conferences report that council members are concerned that the decline in State revenue and efforts to reduce Federal funding for Alaska Native Services will severely curtail even these "emergency" type medical services in many communities. Such a reduction in primary medical services will most likely be occurring at the same time that local water systems and sanitary sewage disposal services are being shut down, or maintenance on these facilities is being dropped because of declining revenue sharing funds and insufficient local per capita income to pay the user fees necessary to operate and maintain these systems.

21-P1LH

During a November conference in Noorvik, The North and Northwest Alaska Mayors Conference passed Resolution 90-28, concerning the Need For Health Insurance. The motivation for this resolution was a presentation by a Native Elder who maintained that the diagnostic and treatment facilities and capabilities of the regional hospitals were not adequate, causing many people of the area to travel to Anchorage to get proper diagnostic and treatment services. The Elder said that Alaska Native medical funds will not pay for treatment or diagnostic services at facilities not operated by the Indian Health Service. One solution proposed in the resolution is an insurance program which will cover both transportation to Anchorage or Fairbanks and services provided by non-Indian Health Service facilities in these towns.

DCRA is involved in assisting Day Care and Headstart programs statewide, and together with Health and Social Services and Education, the departments provide a myriad of services. One of the most comprehensive studies done on the needs of Alaskan children is the 1988 report of the Governor's Interim Commission on Children and Youth: "Our Greatest Natural Resource - Investing in the Future of Alaskan Children." I have enclosed a copy for your reference, as it provides an excellent discussion of issues and service needs relevant to Alaskan families.

Please contact my staff if you or the Task Force have additional questions.

Sincerely,

David G. Hoffman
Commissioner

Enclosure

THE BEST OF CARE
The Challenge of Providing Health Care to Alaskans

A Report of the
Governor's Interim Commission on Health Care

September 1988

For further information contact:
Department of Health and Social Services
P.O. Box H
Juneau, Alaska 99811
(907) 465-3030

Some areas of Alaska will always have difficulty attracting health professionals. A wide range of services are needed. Many medical specialties, such as obstetrics and psychiatry, are not accessible in many parts of rural Alaska. Targeting student loan forgiveness programs to health professionals whose primary practice is in a medically underserved area is a means by which the state can encourage professionals to locate in those areas.

Extending third-party coverage to mid-level licensed practitioners is another way for the state to encourage access to care. By including mid-level licensed practitioners under Medicaid and GRM and by requiring private insurance to reimburse for care they provide, the state increases clients' ability to purchase their services.

Cost: The student loan forgiveness program would have to be funded; the cost would depend on the success of the program. Developing a training continuum might require additional funds, although most of the components of the program already exist.

Implementation: Legislative action is required to enact the student loan forgiveness program, to adopt Medicaid options for covering licensed mid-level practitioners, and to mandate private insurance coverage of mid-level practitioners.

37. State and Federal Coordination

Finding

- Health care delivery in Alaska would benefit from closer cooperation between state and federal agencies involved in health-related services.

Recommendation

The state should endeavor to coordinate planning and provision of health care with federal agencies.

The federal government provides health care in Alaska through a variety of programs, including the Indian Health Service, the Veterans Administration, the military, Medicare, and Medicaid. Commission testimony and discussion raised concerns about the provision of health care services by the federal government. The issue of cost shifting between federal and state programs and a general uncertainty about federal policies and their future direction were both identified as problems the state must address. State and federal coordination of planning and health care delivery will allow more efficient use of resources.

Cost: Coordination can be implemented at no additional cost to the state.

Implementation: Coordination of planning and provision of health care can be accomplished through administrative activities of state and federal health care agencies.

38. Medical Liability Insurance

Findings

- An estimated 10 percent of every medical bill in Alaska goes for medical liability insurance.
- Medical liability insurance premiums in Alaska more than doubled between 1985 and 1988.
- Nationally, it is estimated that 15 percent of health care expenditures pays for defensive medicine.
- Rural providers, especially those providing obstetrical care, have been particularly hard hit by the increase in medical liability insurance.
- Health providers are not the only professions that face problems with the availability and affordability of liability insurance. Addressing the problem comprehensively requires the involvement of many professions and industries and the consideration of insurance regulation and tort reform.

Recommendation

The Governor should appoint and fund a Liability Insurance Task Force, outside the legislative process, in an effort to achieve meaningful liability insurance reform. The task force should include: one legislator each from the Alaska House and Senate, and representatives from the trial lawyers, medical doctors, the Alaska Chamber of Commerce,

THE WOMAN WHO CAME INTO THE SALVATION ARMY CLINIC in Fairbanks was in her fourth month of pregnancy and experiencing complications; she needed immediate medical attention. Already past her first trimester, when prenatal care is especially important, the woman had yet to see a physician during this pregnancy. Salvation Army staff began trying to find someone to see her, but physician after physician, wary of malpractice suits, turned them down.

"There is a fear of treating people after the first trimester. . . . We've got a woman bleeding at the office. What do you do?" Sherry McWhorter, director of the Northern Area Health Resource Association, told the Commission at one of its public hearings.

"We were unable to find a physician to see her because she was past her first trimester and in difficulty. They don't want to treat someone who may have a problem pregnancy and potentially have a lawsuit," she said.

Lack of early prenatal care takes on new health implications in an era of soaring medical liability insurance premiums. The rising cost of malpractice insurance has affected pregnant women perhaps more than any other group. In recent years, some physicians in small towns in Alaska have stopped treating pregnant women altogether, forcing the women to travel to larger communities or go without the care that is so important to ensure a healthy baby.

Yet, for physicians, medical liability is a fact of life they cannot ignore. As in any other profession, doctors must manage their risk. The result is a system that treats people unfairly. Many pregnant women lack access, financial or otherwise, to early care, but waiting may jeopardize their access to later care.

the general public, the state Division of Insurance, and other affected professions and industries, including dentistry, child day-care operators, air taxi operators, dram-shop (i.e., bar) owners, commercial fishermen, engineers, hospital administrators, and liability insurance companies. The task force should study the issues and make a series of recommendations for improving the affordability and availability of liability insurance to the Sixteenth Legislature by January 15, 1989.

The rising cost of medical liability insurance (also known as malpractice insurance) for health care professionals has adversely affected both the cost and quality of health care. In the past few years, medical liability insurance premiums have escalated in price at the same time that the insurance has become less available.

It is now estimated that more than 10 percent of every medical bill in Alaska goes for medical liability insurance premiums. The primary insurer in Alaska, the Medical Indemnity Corporation of Alaska, raised its premiums an average of 124 percent between 1985 and 1988.[32] The rate increases raise the cost of medical care and have prompted an increase in the practice of "defensive medicine," the ordering of excessive and sometimes medically unnecessary tests and procedures to protect health care providers from lawsuits. Nationally, the American Medical Association estimates that 15 percent of health care expenditures pays for defensive medicine.

The cost of medical liability insurance has created a particularly severe problem for pregnant women in rural areas. Non-Native residents of Glenallen, Dillingham, Bethel and some other communities have lost access to local obstetrical and prenatal care because local providers are unwilling or unable to pay the expensive premiums.

While it is obvious that the medical liability insurance problem must be addressed, the Commission recognizes that a solution will not be found only in the health care system. The search for an answer will also require a consideration of insurance regulation and tort reform.

The Commission believes that the most effective way to identify meaningful improvements

in liability insurance is to bring together those groups involved—and those affected by potential changes. In a task force, representatives of these groups could provide their expertise to inform the recommendations that will be transmitted to the Legislature.

Cost: Convening a task force for three meetings is estimated to cost approximately $8,000–$10,000.

Implementation: The task force could be created by order of the Governor.

39. Reconvening the Health Care Commission

Finding

- The Commission received extensive public testimony about the need to assure, to the greatest extent possible, that the recommendations of the Commission are implemented.

Recommendation

The Governor should reconvene the Interim Commission on Health Care one year after the transmission of its final report for the purposes of receiving and reviewing audit and status reports regarding the recommendations made by the Commission.

The Commission is concerned that its recommendations, which reflect extensive efforts not only on the part of Commission members but also on the part of the many state agencies, health providers, and members of the public who contributed to the process, receive proper attention and consideration. Some of the public testimony advocated the creation of a permanent health care commission to provide oversight for the continued development and implementation of health policy.

The Commission is not recommending that it become a permanent body. However, in order to ensure some degree of oversight regarding the implementation of the recommendations in this report, it proposes to reconvene after one year to assess the progress made.

Cost: The cost of one three-day meeting of the Commission would be approximately $7,500.

Implementation: The Governor could reconvene the Commission through executive action. The Governor should work with the Legislature to ensure that funding of this meeting be included in the FY 90 budget.

Our Greatest Natural Resource

Investing in the Future of Alaska's Children

A report of the Governor's Interim Commission on Children and Youth

January 1988

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2. Affordability

Millions of parents in this country are not working because they can't afford to pay child care expenses. Millions of children whose parents work and can't afford child care are left alone to care for themselves, for each other and even for younger siblings, including infants. In a family where both parents work, child care may be the second largest annual cost after housing. Low-income families may pay one-third to one-half of their monthly paycheck for child care.

The gap between how much parents can afford to pay and how much it costs to provide quality child care is currently being filled by low-paid workers subsidizing the industry, working for poverty wages with no benefits and by overcrowding children in inadequate facilities. In Alaska 90% of home care providers and 56% of those who work in child care centers earn below poverty wages. They make less than parking lot attendants or zookeepers.

Child care for working parents in Alaska is expensive. In March 1987, infant care ranged from $321 to $521 per month, preschool care from $301 to $450 per month, school-age child care from $132 to $215 per month and care for children with special needs from $600 to $1,200 per month. High quality care may be even more expensive.

Nationally, a recent survey of 600 American families, commissioned by the American Federation of State, County and Municipal Employees, recalled that nearly 40% of their respondents felt they cannot afford their current child care arrangement or the arrangement they would prefer. Much evidence indicates that Alaskans would agree. Family incomes cannot support the current system, let alone add needed resources to improve quality. The state must become involved.

What does child care actually cost?

The charts on the next pages illustrate the realistic operating cost for quality care in this state. They do not include capital costs and are based on Department of Health and Social Services requirements for child care centers, including a 1:10 ratio of staff to children. The cost is calculated for a program serving 100 children, offering breakfast, lunch, one snack and preschool activities that is open from 7 a.m. to 6:30 p.m. Very few parents could actually support such a program, even when those costs are far below a public school education.

To have affordable, quality child care, Alaska must recognize that society as a whole, and not just parents, is responsible for the care of our future generation. Public resources must be dedicated to reducing the affordability gap and to filling the quality void. The price we as a society will pay if we do not assume this responsibility and help fill this important gap will be devastating in the long run to our educational system, economy, international competitiveness and ultimately our viability as a nation.

Child care for working parents in Alaska is expensive.

If Alaska is to develop a first-class child care system, Alaska's employers must take a more active role in that system. For most employers child care affects productivity, profits and employee morale. Child care is important because parents who have it are better workers, not absent as much and stay with their jobs.

Any business can join in reaping the benefits of flexible personnel policies through direct financial assistance, or indirect assistance like resource and referral services to employees, if direct provision of child care is not realistic. Employer-sponsored child care has been the fastest growing part of the child care industry nationally. In 1982, 450 identified employers nationwide offered child care to their employees. Today more than 3,000 employers see the benefits in sponsoring child care.

To have affordable, quality child care, Alaska must recognize that society as a whole, and not just parents, is responsible for the care of our future generation.

In Alaska, the Municipality of Anchorage offers a choice of benefits to non-union employees and parents can pick child care at pre-taxed dollars. ARCO-Alaska's Dependent Care Task Force has developed a range of options for that company. Many small professional corporations offer a full range of child care benefits. Anchorage's Providence Hospital and Ketchikan General Hospital have been among the few employers to offer employees on-site child care.

A partnership of public and private employers, parents and the community must work together to support quality child care in Alaska.

Operating Costs for Quality Child Care

Expense	Cost/Month/Child	Description of Allocation
Teachers	$300	Full-time teachers @ $2000/month ($11.50/hour) and Part-time teachers @ $1000/month
Food	120	2 meals @ $2.25 each and 1 snack @$1/day
Rent and Property Tax	54	$1 per square foot @ 35 sq. ft./child, 65% usable
Staff Benefits	80	7.5% Social Security, $75/month health insurance, 2 weeks vacation and 12 days sick leave and reduced child care cost for one-half of one child
Administrators	60	Average of $2160/month @ 1.6 per program
Supplies and Educational Materials	50	Office, kitchen, classes and equipment
Support Personnel	40	Cook $1500/month, bus driver $1500/month, part-time janitor $1000/month
Utilities	20	2.47% of budget
Maintenance	20	2.47% of budget
Miscellaneous	10	1.23% of budget
Total	$754	per child per month

Assume a child care program with one class of maximum enrollments in each age group with all children attending full time. Enrollment income would be as follows:

5 infants	@ $425/month	$ 2,125
6 toddlers	@ $375/month	2,250
10 preschoolers	@ $325/month	3,250
15 kindergartners	@ $225/month	3,375
20 school age	@ $150/month	3,000
Total		$14,000

To calculate staff and benefits costs, assume an average wage of $5.50 per hour, which while higher than the current average is still not adequate compensation for the level of responsibility, commitment and knowledge required to do a good job.

Benefits were computed as follows:

1 day/month sick leave
10 days per year vacation time (for full-time employees only)
7.5% of gross wage for Social Security
2.34% of gross wage for ESC taxes
0.47% of gross wage for workman's compensation insurance
66% of health insurance premium (no dependent coverage)
No retirement
50% reduced child care charge for first child

Based on the above assumptions, the following are staff costs:

Position	Wages and Benefits/Month
1.5 infant teachers	$1,923
1.5 toddler teachers	1,923
1.5 preschool teachers	1,923
1 kindergarten teacher (6 hours/day)	1,078
1 school age teacher (3.5 hours/day)	553
1 bus driver (5 hours/day)	787
1 janitor/maintenance (5 hours/day)	787
1 cook (8 hours/day)	1,294
1 director (8+ hours/day)	2,596
Total	$12,864

The difference between income and staff wages and benefits of $1,136 must cover rent, insurance, food, vehicle maintenance, utilities, supplies and equipment. Receptionists, typists and accountants are luxuries few child care facilities can afford.

—Prepared by Commission member Patty Meritt.

Comparison of Public Schools and Private Child Care Programs

	Public Schools	Private Child Care Facilities
Program hours/day:	6.5	11 (average)
Children/teachers:	25+:1	5:1 (under 12 months) 6:1 (under 30 months) 10:1 (preschools) 15:1 (kindergarten) 20:1 (school age)
Student days/year:	180	252 (average)
Facilities:	Designed for children Paid for by government	Seldom designed for children Rented and renovated or donated by churches
Teacher qualifications:	Type A certificate/ 4 year degree	None (18 years old)
Teacher pay:	$41,000/year, 9 month contract	$6,890/year, 9 months $9,186/year, 12 months
State support:	$435/month/child plus capital appropriations	$11 to $25/month/child approximately
Local support:	Approximately 20% of operating budget of school district plus bond support	None, except in occasional rare grants for non-profits in general
Parent funding:	None required	85% to 100%

Day Care Assistance Program: 38

Alaska has few programs to assist parents with child care costs. The Day Care Assistance Program subsidizes a portion of the cost of licensed child care for parents with low and moderate incomes who are working, in training or in school. With just modestly increased funds, it will not be able to serve moderate income families. Begun in 1976, it was the first of its kind in the country and is now available in 37 Alaska communities that have licensed child care centers and homes. Parents select child care arrangements and payments are made to the licensed programs. Parents must pay the difference between the state payment and the program fees.

More than 90% of the families using the program are single parents. In many communities, all families served are below the poverty line. Also in many of the smaller communities, 40% of the families served are two-income families—the working poor. This locally administered program offers a sliding fee schedule. As incomes rise, parents pay a larger percentage of child care tuition. Many parents gradually work themselves off the program.

Waiting lists have plagued this program since its start. The lists are caused by lack of child care space and program dollars. These two factors directly correlate in many rural communities. The lack of licensed child care space prevents eligible families from receiving financial help. In urban communities, lack of specialized care and programs open during non-traditional work hours force parents to either quit work or leave children home alone.

The state should increase funding for the Day Care Assistance Program to serve more families and expand eligibility.

Alaska has few programs to assist parents with child care costs.



Facilities: 39

Along with local communities, churches and the state can help lower child care costs. Many child care facilities are inadequate for young children. Many public facilities, however, are already suitable for children. Schools, for example, have playground facilities and other suitable areas. State and municipal buildings offer opportunities for child care because employees who are parents work there.

Buildings not fully used should be made available for child care, including churches, schools, state office and municipal buildings, and vacant buildings held by state agencies such as the Alaska Housing Finance Corporation.

Flexible Personnel Policies: 40

Public and private employers should support working families to meet their child care needs. Many employers may be unaware that their current employees may be two wage earner families with children or single parents and that child care is one of their major stresses. Parents need a leave policy that includes parental leave, job sharing, flexible hours, part-time employment, use of sick leave to attend sick children, parenting education, training of supervisors and administrators about the needs of working parents, child care available on or near the job. Ample research shows that quality employer-sponsored child care is good for business.

All employers, public and private, should adopt flexible personnel policies that meet the needs of parents and families.

State as a Model Employer: 41

The State of Alaska is the largest employer in Alaska, but its policies do not acknowledge the needs of working parents. One-third of the 1,100 respondents in a 1984 survey of state employees felt that their child care needs were not being met—that their children were in programs that offered inadequate or no learning activities and were very expensive or overcrowded. More than a third of single parents felt their needs were not being met. The federal government is the second largest employer in the state. The military is the only federal employer currently offering child care services in Alaska.

The state should develop a Model Employer Plan. Such a plan would consider job sharing, flexible hours, part-time employment, use of sick leave to attend sick children, parenting education, training of supervisors and administrators about the needs of parents, and child care on or near the job. Under the leadership of the Department of Administration, the state's Model Employer Plan should include statewide policies that address the needs of working parents as determined by a needs assessment. Each agency should submit its plan to implement a Model Employer Plan to the Department of Administration.

Optional Child Care Benefits: 42

Child care is fast becoming the newest form of employee benefits for state and local workers, Governing magazine reports. At least six states pr[illegible]e on-site child care for statehouse employ[illegible] Connecticut is the first to make it availab[illegible] legislators and people attending public hearings. States that earlier decided to provide child care for legislative employees include Arizona, Maryland, Ohio, Washington and Wisconsin. In five other states, legislatures have provided on-site child care for other state workers but not their own employees. Thirty-three states are either offering or planning some form of child care related benefits for their employees.

Child care is fast becoming the newest form of employee benefits for state and local workers.

The state should make child care an optional benefit for state employees through the Supplemental Benefits System.

"A conservative estimate of the cost to the State of Alaska for employee time lost in Juneau and Anchorage as a result of child care concerns is $539,003 per year."

—The Alaska State Employee Child Care Survey, Richard Smiley, South East Regional Resource Center, January 1985.

Employer-Sponsored Child Care: 43

Alaska's employers lack awareness about the importance of quality child care for today's work force. Other places in the country have forged successful partnerships between public and private employers, parents and the larger communities. For some it has meant creating space to set aside in new and existing facilities for child care services. Models of such attempts are the City of San Francisco and the City of Honolulu.

The state should launch a new public/private initiative on employer-sponsored child care. A task force of individuals from the public and private sector should be created to develop a statewide strategy.

Information about quality child care should be provided to new and existing businesses, community leaders, Chambers of Commerce, mayors, local planning departments and those businesses whose corporate headquarters are outside Alaska, through the departments of Commerce and Economic Development, and Community and Regional Affairs.

The state should establish a business tax credit that would stimulate employer subsidies and cover resource and referral as well as child care services.

Municipal Child Care: 44

See Background for Employer-Sponsored Child Care above.

Local decision makers, including planners, zoning boards and developers, should be encouraged to investigate successful models elsewhere that set aside space for child care in public facilities.

Resource and Referral Agencies: 45

Parents often have difficulty finding child care that meets their needs and matches their resources. Resource and referral centers assist parents to find affordable, appropriate child care. They also sponsor parent education and collect information about local community needs for different kinds of care. They are "one-stop shopping" for any parent's child care needs.

Child Care Connection in Anchorage is now the only child care resource and referral center in Alaska. Its staff could serve as consultants to other communities interested in establishing a resource and referral network. A resource and referral network links regions and promotes a statewide awareness of quality, as networks have done in other states.

Resource and referral centers are "one-stop shopping" for any parent's child care needs.

A statewide system of resource and referral centers to help parents find accessible, affordable, quality child care should be funded jointly by the state, local businesses, school districts and other agencies.

"Universal access, based on parental option, must be the cornerstone for all policies for young children."

—Four Year Olds, Who Is Responsible? Report to Connecticut Board of Education, 1985.



Family Child Care Providers: 46

Parents who work rotating shifts, nights or weekends, or who have children with special needs require programs with licensed and trained caregivers. Too few programs offer flexible hours, overnight care and flexible staffing to ensure safe care for children. Not enough family child care homes exist to accommodate the needs of parents who work a non-traditional or normal schedule. The result is a near crisis in urban and rural Alaska.

In rural Alaska, children are predominantly cared for in centers rather than homes, giving parents fewer options. No care is available for many who work non-traditional hours or schedules that take them out of town. In these and other instances a family child care home can offer a kind of care that larger centers cannot provide—a home away from home with few (by regulation fewer than six) or no other children and the same adult. Many parents prefer this for their young children, yet it becomes more difficult to find.

The number of family child care homes licensed by the state is the lowest since 1982 while more two wage-earner families than ever need specialized care. In Anchorage alone in January 1987, 87% of parents seeking child care for their children under 36 months old sought family child care. Only 115 active family child care homes, with a licensed capacity of 332 children, provided child care in Anchorage. Even with families leaving Anchorage, Child Care Connection, the local resource and referral agency, estimates Anchorage's current need to be a licensed capacity of 5,000 children in family child care.

Current data and future projections indicate an urgent need to recruit more family child care providers.

Resource and referral agencies should receive incentive grants to recruit, initially train and help develop a continuing training program for family child care providers.

Not enough family child care homes exist to accommodate the needs of parents who work.

Range of Care:

A system of accessible child care must be designed to meet the varied needs of all of Alaska's working parents and those in job training. It should serve school children, children with special needs, infants and toddlers and mildly sick children. Low-income families especially need additional assistance for affordable, quality care so parents may remain in Alaska's work force. Urban and rural families need access to quality care.

Families with children with disabilities need child care as much as other families, but in Alaska too few facilities meet their special needs. The number of children with special needs is predicted to increase dramatically in the next decade because of advances in modern medicine and the unmet needs and problems of pregnant mothers. Besides providing suitable care for children who need it, placing children with special needs in licensed programs can significantly improve their ability to enter the public school mainstream later.

Quality is of special interest in infant care programs. Babies need appropriate stimulation from the same caregiver every day; continuity is important for all children but especially for infants.

Mildly sick children, whose ailments are not highly contagious, need care if their parents work. Unless a friend or family member is available to stay with a sick child, current options are limited and often undesirable: take leave and stay with the sick child; send the sick child to school or child care; leave the sick child home alone. Alaska has facilities, like the St. Jude's Center in Juneau, where mildly sick children are easily cared for along with other children. Other programs should be created based on these models.

A full range of child care services must be made available for parents needing out-of-home care for their children. This range should serve infants and toddlers, preschoolers, school-age children, children with special needs and mildly sick children.

"Children don't start learning at age 5 and they don't stop at 3:00 p.m."

—Sue Oliphant, Latchkey Program, Auke Bay School, Juneau



School-age Child Care: 48

Child care can be very difficult to locate for the growing number of young school children who care for themselves in the morning and afternoon while their parents work. This situation can be dangerous. In addition to loneliness, boredom and fear, some children risk accidents and abuse by other children and adults. Being left alone can also have life-long negative effects on children's adjustment, school achievement and self-image.

Child care for school children is difficult for working parents to arrange. No statewide system addresses the need. In 1987, the Community Schools program helped provide care for school children in 27 public schools in the state. Budget cuts eliminated approximately 75% of the Community Schools professional staff who had expertise to run such programs. Growing numbers of private centers also care for children before and after school because demand has increased. We need to ensure that all these programs are safe and healthy for children.

A network of affordable care programs for school-age children should be developed throughout the state. Public schools should coordinate and collaborate with local private child care providers and parents. Schools should dedicate adequate developmentally appropriate space available for before and after school care. Technical assistance, training and other support should be provided through the Department of Education's Community Schools program, resource and referral agencies and others to encourage new program development. Community Schools funding should be reinstated to coordinate school-age care.



Head Start: 49

Head Start is the most well-known early childhood program in the country. Children in centers are usually served four hours a day, four days a week in this comprehensive program designed 20 years ago to give low income children in America a better start in life. Head Start's 1986 estimated cost in Alaska was $4,067 per child, funded by the federal and state governments. Though the program serves 1,700 children in Alaska, a waiting list contains 915 other eligible children and 65 other communities requesting a program. In addition, there are rural communities that have too few children to operate a program though they are eligible under federal guidelines.

Many low-income families do not attempt to be placed on Head Start waiting lists because child care is not available before and after the program and on days when the program is not open. Kid Corps, which operates five Anchorage Head Start programs, is developing an integrated Head Start and child care program, which could serve as a model for future programs.

"A $1 investment in quality preschool education with low income children returns $4.75 to the state, because of lower costs of special education, public assistance, and crime."

—Report of the Select Committee on Children, Youth and Families of the U.S. House.

The state should make Head Start services available to all of Alaska's eligible children and their families. For eligible families who cannot participate because of additional child care needs, the state should assist Head Start programs to develop integrated child care systems so parents could continue employment or job training while their children are served cooperatively by Head Start and child care centers and homes. In communities with too few children to establish a Head Start program, assistance should be provided so school districts or other community-based organizations can offer this model program for young children and their families.

Many low-income families do not attempt to be placed on Head Start waiting lists because child care is not available before and after the program and on days when the program is not open.

4. PARENT SUPPORT AND TRAINING

Good parenting is both art and science. This skill can be improved through training and mutual support. Programs need to be available to assist parents with day-to-day support and nurturing of their children. Though one of the most important adult functions, parenting is rarely learned except through trial and error. Frequently parents raise their children the way they were raised.

Community agencies, churches, employers, programs and schools can assist parents to do their job if parents, teachers and the people who work with children understand and cooperate in their roles. The effectiveness of community programs can be enhanced through cooperation in parenting. All parents are under stress at times. Parents can learn to deal more effectively with their emotions and children and thus provide healthier care and avoid abuse and neglect. Parents and child care personnel can help each other care for children if they understand each other and learn to work together. Prevention can avoid costly treatment later.

Parent Support: 50

Child care in Alaska, at home and away, will be considerably improved if additional parenting classes are made more widely available. Teen parents need the support and assistance parenting courses offer. Grade school children can more effectively deal with their young siblings and peers if they understand early child development. Young parents with little previous experience with infants and children can expand their abilities to cope with stress and learn how to help their children develop in healthy and productive ways.

Infants with special needs are most at risk from inadequate or non-existent care. Early help and support for the parents of infants with special needs will save the state significant money in the future as demonstrated by the success of the home-based Infant Learning Program, which identifies infants between birth and age 3 with special needs and infants at risk and provides services in the home.

(Continued on Page 63)

Alaska should adopt and fund a comprehensive parent support and training program. High-risk families should be especially encouraged to attend training programs through financial incentives. Many community organizations such as churches, hospitals, public and private employers and volunteer organizations should be encouraged to offer parenting classes. Model programs and curricula should be available at a low cost.

Notes From The Board of Nursing

Gail McGuill, RN

Executive Secretary

It goes without saying these days that there is a nursing shortage in Alaska. No matter what specialty scope of practice we have or in what area of the state we provide nursing services, the shortage is there.

Nurses, employers of nurses and consumers share the same concerns about the shortage of nurses. What can we do to recruit and retain nurses in Alaska?

The Board of Nursing has focused on shortage related issues at each meeting during the past two years. While the Board sees the shortage issue as one really for the profession and employers, it has responded to a number of issues precipitated by the shortage. There has been an increase in questions related to scope of nursing practice. Many of these questions relate to the scope of practice of the practical nurse as agencies seek to efficiently utilize these nurses. There have been questions about acceptable acute care and home care nursing responsibilities. For example, these led to the Board's determination that medication administration via intraplural catheters and epidural catheters is an acceptable standard of practice for registered nurses. Responding to these scope of practice issues is one way the Board has been involved with the effects of the nursing shortage.

At the Division offices we have strived to keep the temporary permit and licensure procedures efficient and to keep the processing turnaround time as short as possible.

For many years, the nursing community has asked questions about the supply of nurses in Alaska. Recently, the Department of Labor assisted the Division of Occupational Licensing by computerizing the information provided by nurses on the 1988 renewal survey. This information is of value in looking at the supply of nurses in Alaska.

Another source of data, the Board of Nursing Annual Report for fiscal year ending June 30, 1989, states the number of registered nurses currently licensed is 4,405 and for practical nurses the number is 742. During FY'89, we licensed 540 new RN's and 98 new LPN's. This was an increase of 17% for registered nurses over the previous year and a 33% increase in LPN's for that same time. If one looks at the average number of registered nurses licensed per year for the past nine years, which is 545, this year's number shows us right at that average. The nine year average for practical nurses is 135 which is still higher than our current number of newly licensed LPN's.

The renewal data, which provides the best look at Alaskan nurses, was analyzed using the 3,523 surveys received from licensed nurses (3,048 RN's and 475 LPN's). The data shows 72% of Alaskan nurses are married. For registered nurses, 35% reported Diploma as their basic educational preparation with 27% reporting Associate Degree and 38% reporting Baccalaureate in Nursing or higher. For highest degree held at the present time 18% reported ADN, 7% reported other associate degree, 29% reported BSN, 5% reported other baccalaureate, 4% with Masters in Nursing, 4% with other masters degree and .2% with doctorates other than nursing. No one in Alaska reported a Doctorate in Nursing.

Sixty-one percent of the nurses in the survey group reported working full time in nursing with 39% reporting working part time in nursing. Three percent indicated full time employment out of nursing with one percent employed part time out of nursing and one percent unemployed.

Of the 182 nurses who reported not being currently employed in nursing, only 44 (24%) reported seeking work in nursing. Family or personal relationships were most often reported as the reason for not working in nursing. Other reasons noted in descending order of frequency selected were:

1. nonspecific
2. salary level of nurses
3. dissatisfaction with working conditions
4. attending school
5. health or disability
6. retired

Of the 167 nurses who do not work in nursing who answered the question "Are you planning to return to nursing?", 126 (75%) said yes. While this number reflects only those nurses currently licensed and not inactive nurses, this data is consistent with national information which does not reflect a large supply of inactive nurses who could be brought into active service.

The last subset of data involves employment setting, position and scope of practice. Fifty-two percent of the nurses reported a hospital as their primary place of employment. The nurse's current employment setting is shown

here in descending order of frequency:

1. Hospital
2. Medical/dental office
3. Nursing home/long term care
4. Community/public health
5. Public school/college health
6. Other (nonspecified)
7. Home health care
8. Mental health agency
9. Correctional facility/Health & Social Services
10. Native corporation
11. Alcohol/drug abuse treatment center
12. Surgery center
13. School of Nursing
14. Federal hospital clinic
15. Rehab/developmental center
16. Industrial/occupational
17. Private duty nursing
18. Hemodialysis center
19. Board/Association/Agency
20. Quality assurance agency

The most frequent current nursing position is staff/general duty with 63% of the nurses selecting this option. The remaining selections with most frequent

first are:

1. Nurse Manager/Assistant
2. Supervisor/Assistant Supervisor
3. Advanced Nurse Practitioner
4. Administrator/Assistant Administrator
5. Instructor/Teacher
6. Clinical Specialist
7. Consultant
8. Inservice Education
9. Nurse Anesthetist

Major practice areas correlate to the current position and setting of employment. Consequently, the most commonly indicated major practice areas were medical/surgical, obstetrical/gynecological, general practice, emergency room/operating room/recovery room and geriatrics.

I hope this look at some of the Alaska nurse demographics has been informative. Anyone who would like further information may contact Gail McGuill, RN, Executive Secretary at 561-2878. The Board of Nursing and the Division of Occupational Licensing are indebted to the Department of Labor, Section on Research and Analysis for their assistance with this project.

0930n/tb

Is There A Nurse In The House?

By Cristina Klein

Probably not — Alaska is experiencing its share of a nationwide nursing shortage — a shortage which demonstrates the interrelationship of occupational supply and demand.

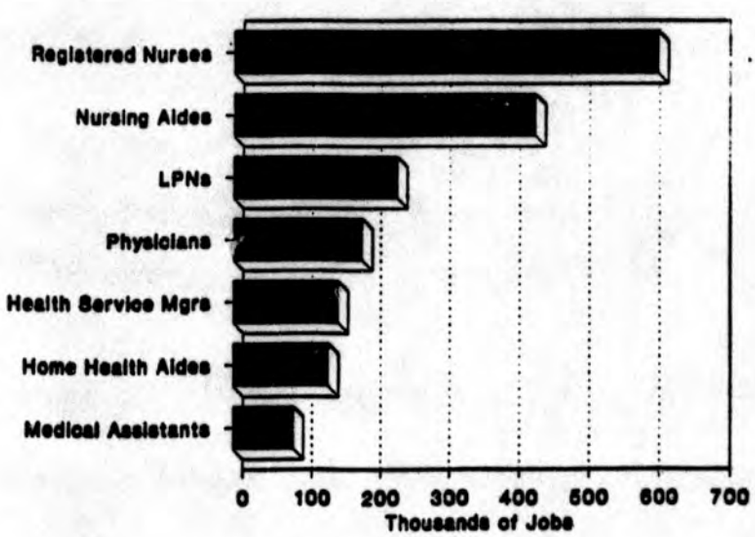
The nationwide nursing shortage began in 1986 when demand outpaced the supply of 1.6 million registered nurses. Registered nurses include those with bachelors of science in nursing (BSN) degrees and associate degrees who have passed a licensing exam. In Alaska, the shortage exists primarily in rural areas and in specialized hospital programs like critical care and obstetrics.

Demand Is Outpacing Supply, With No Relief In Sight

The number of nurses has grown slowly but steadily, doubling in the last 30 years. However, according to U.S. Department of Health and Human Services (DHHS) 1988 estimates, there were 117,000 vacant nursing positions in hospitals and 21,000 vacant positions in nursing homes nationwide. At the beginning of 1987, 83% of the nation's hospitals reported nursing shortages. Eighteen percent of large urban and nine percent of rural hospitals had to close understaffed wards. Meanwhile, occupational projections for the health care industry show no signs of a slowdown in the demand for nurses through the year 2000. (See Figure 1 & inset on page 8.)

Figure 1

Health Occupations With The Most New Jobs, U.S., 1986-2000



Source: U.S. Bureau of Labor Statistics.

Compensation & Working Conditions are Among the Reasons for the Shortage

The nursing shortage has been extensively analyzed and there are several commonly accepted reasons for the shortage. The following reasons are most often cited when explaining the nursing shortage in the United States' and the Alaskan labor markets:

- *Expanding Career Choices for Women*–Women, who traditionally

Why Is The Demand For Nurses Increasing So Quickly?

Health care is becoming more diverse. The growth of HMOs (Health Maintenance Organizations) and community based and out-patient services like home health, ambulatory and preventive care have increased the demand for RNs.

The population is aging. RNs are needed in a variety of convalescent and extended care facilities that rely on sophisticated equipment and treatments. An American Association of Retired Persons study in 1987 shows that 31% of all health care expenditures are provided to Medicare recipients who are 65 or older, although the U.S. Census Bureau figures show that people over 65 made up 11% of the 1980 population. Health care services for the elderly are expected to increase well into the 21st century when postwar "baby boomers" reach retirement age.

The AIDS epidemic has created a need for specially trained nurses to deal with the increasing number of seriously ill patients.

Cost containment moves, like DRGs (Diagnostic Related Groups) and Medicare legislation are putting pressure on patients to leave hospitals quickly. Treatment is intensified, requiring more nursing care.

Health care technology is changing. Medical care is rapidly becoming a 1950s science fiction fantasy of costly, technologically complex equipment and treatments. Specially trained RNs, more cost effective than MDs, are needed to operate this equipment and to administer treatment.

Management options now exist for nurses. RNs are needed in risk management, quality assurance, and vocational rehabilitation programs.

have made up a high percentage of the nursing profession, now have more career options. Mobility and job availability, two attractions to nursing, are being eclipsed by other job opportunities which offer women better wages and more advancement.

- *Compensation* – Nursing salaries plateau after 6-8 years and benefits are usually limited. These two factors drive nurses into other employment.
- *Working Conditions* – Are often difficult because of irregular hours, perennial understaffing, and lack of authority; these drawbacks are more significant now that there are greater career options for women, including the option of becoming the physician.
- *Changing Roles for Nurses* – The cost effective use of RNs for a wide variety of technical and administrative responsibilities has dramatically increased the demand for RNs.

In Alaska, Experienced Rural Nurses Are in Shortest Supply

In Alaska, the shortage is, in part, a lack of experienced RNs to work in rural areas. These rural positions require experienced nurses who can work without supervision in isolated locations with few amenities.

There is an overall vacancy rate at private Alaska hospitals of about 6-7%, slightly lower than the national average which, in April 1988, was 7.6%. Like hospitals in the rest of the U.S., Alaska hospitals have acute nursing shortages in wards that require specialized training, like critical care and obstetrics.

A Typical Alaskan Nurse- Urban, White, & Working in a Hospital

In 1988, the Alaska Department of Commerce, Division of Occupational Licensing, sent out a nursing survey with license renewal forms to all nurses licensed in Alaska. In the summer of

989, the Alaska Department of Labor, Research and Analysis staff compiled and analyzed these data.

of 4,431 of the 5,147 nurses licensed in Alaska responded to the survey (86% response). However, the total number of licensed nurses includes more than 600 new RN and Licensed Practical Nurse (LPN) applicants in 1989 who would not be included in a licensing renewal survey. Other licensed nurses may have moved permanently out of Alaska and therefore did not renew their licenses.

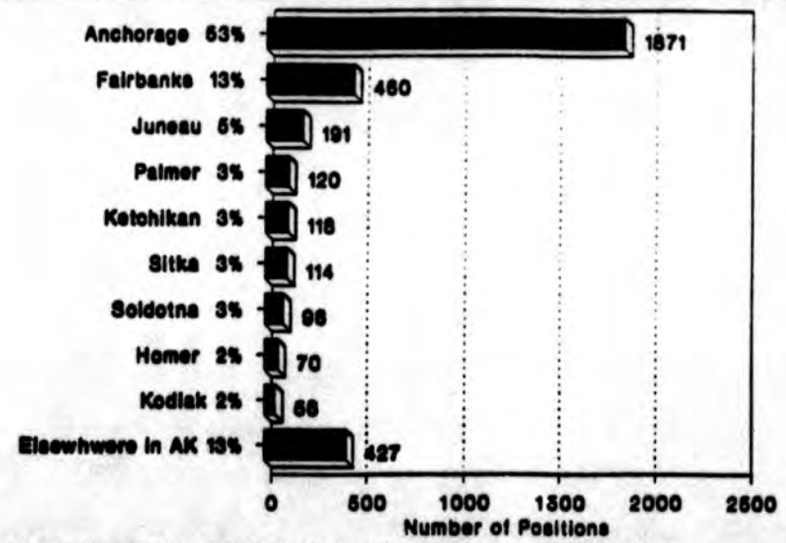
Of the nurses responding, there were 3,808 RNs (86%) and 589 LPNs (13%). Thirty-four nurses did not specify what type of license they hold. Eighty percent (3,523) of these nurses are living in Alaska. The remainder are living throughout the U.S. and in other countries. Of those nurses who are living and working in Alaska, more than 50% work in a hospital, and 53% of all respondents reported living in Anchorage. (See Figures 2 and 3.)

Of those responding, Alaskan Natives and other minorities represented less than 10% of the nurses in Alaska. Only respondents were Alaskan Natives, 1.5% of the total. Of these, 46 are working in the nursing field and nine are working in rural areas of Alaska.

Ninety-one percent of the nurses living in Alaska are working either full-time (67%) or part-time (33%) in the nursing field. According to a 1988 survey conducted by the American Nursing Association, about 80% of licensed nurses in the U.S. are working in the nursing field. This means that there is an even smaller pool of nurses available for employment in Alaska than there is elsewhere in the U.S.

Figure 2

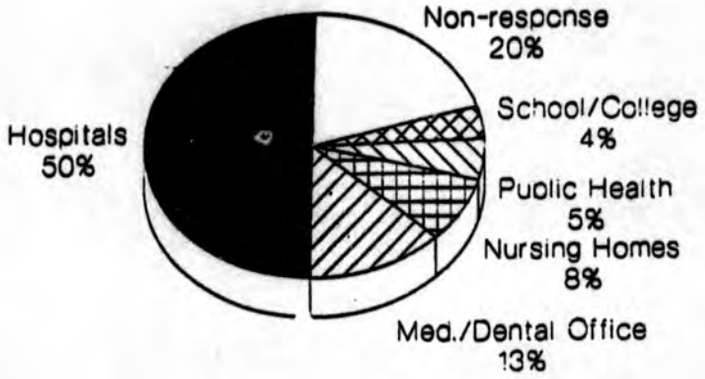
Communities in Alaska Where 50 or More Nurses Work



Source: Alaska Department of Labor, Research & Analysis Section, 1988 Nursing Survey.

Figure 3

Work Settings for Alaska Nurses



Source: Alaska Department of Labor, Research & Analysis Section, 1988 Nursing Survey.

Why Are Licensed Nurses Choosing Not to Nurse? Family and Low Salaries Among the Reasons

To gain insight into what makes licensed nurses choose not to nurse, the responses of 151 licensed nurses who were not nursing were analyzed. (See Figure 4.) The leading cause for not nursing was family or other personal priorities which kept them from taking a nursing job. Child-rearing and care of other relatives were often factors. Salaries or working conditions which were unacceptable were listed as the second and third leading causes for nurses not working in nursing.

Large Hospitals, Public Sector Provide Many Nursing Jobs in Alaska

Of those nurses who are working, many are employed in large private hospitals or by the public sector. State and federal government account for a total of 670 nursing positions in Alaska. According to the Division of Personnel, the State of Alaska has 277 nurse and public health nurse positions. The U.S. Department of Health and Human Services (DHHS), Division of Public Health, has 101 public health nurse positions and the federal Indian Health Service has 292 positions.

Job openings for nursing positions occur regularly. Between July 1988 and June 1989, the Alaska Employment Service received job orders for 112 RNs. Since many RNs go directly to hospitals and public health agencies when looking for employment, the actual number of job openings for RNs in the state was higher than this figure.

Average Hourly Wages – $12.12 for LPNs $15.61 for RNs

The Alaska Department of Labor conducts an annual wage rate study and published the results in *Alaska Wage Rates for Selected Occupations, 1989.* The wage rate survey samp the employers of approximately 12% nurses working in Alaska. The avera wage rates for RNs and LPNs in Alas and six geographic regions of the st are shown in Table 1.

Nursing Education in Alaska – Addressing the Need for Nurse

The University of Alaska, unli universities in the rest of the U.S., h experienced full enrollment in nursing programs for several yea Each year, between 45 and 50 nurs students graduate. Some of th students do course work in Fairban and complete their degree at Univers of Alaska, Anchorage (UAA).

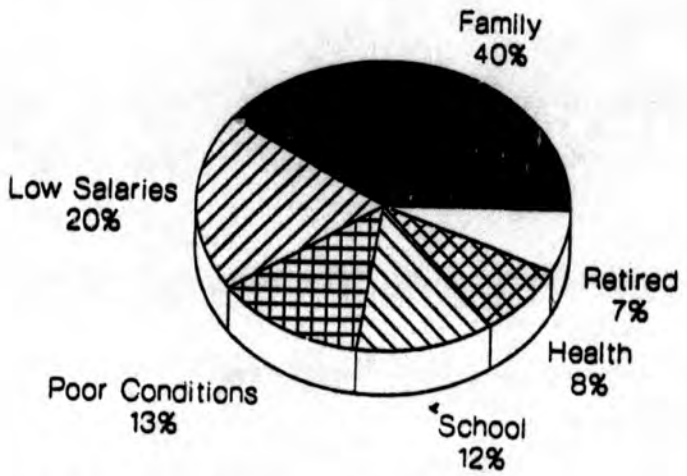
The graduate nursing program h three masters in science specialt (family nurse practitioner, commun health, psychiatric mental health) a graduates ten to fourteen students ea year. And the UAA College of Car and Vocational Education graduat about 30-38 nurses annually wi associate degrees. There is a two ye waiting list for entrance to t program.

In response to the shortage in ru areas, Kuskokwim College in Bet has started a nursing preparato program on a three year grant from t U.S. Department of Health and Hum Services, Division of Nursing, Spec Projects Grant Program. Eleven twelve students a year are expectec take preparatory courses which th will complete with an associate nurs degree at the UAA College of Car and Vocational Education.

Because of a lack of clinical setting which nurses can receive training, th is a limit to the number of register nurses who can be trained in Alas There is a particular shortage pediatric clinical settings in the sta Therefore, the number of register nurses graduating from Alaska nurs programs cannot keep up with growing demand — a demand wh partially stems from the opening new facilities like long term c centers.

Figure 4

Reasons Alaska Nurses Are Not Practicing



Source: Alaska Department of Labor, Research & Analysis Section, 1988 Nursing Survey.

Competing for Nurses – Employers Offering Higher Pay, Incentives

The effects of more competition for the nurses that are available are manifesting themselves in the Alaskan labor market. For example, the Alaska Department of Administration, Division of Personnel, raised the salaries for fifteen nursing job classes as of July 1, 1989.

Private hospitals have been offering a variety of incentives to attract nurses. These incentives include new employee bonuses, moving expenses, referral bonuses, increased benefits, payback of student loans, increased salaries and direct reimbursements to nurses for tuition costs. Hospitals have also advertised out of state and have attempted to hire foreign, particularly Canadian, nurses.

Varied Solutions Offered to Solve Alaska's Nurse Shortage

Other states are beginning to address the nursing shortage, and some of these solutions may be models for Alaska to follow. At least twenty-seven states have passed, or are considering, legislation to address the nursing shortage. Legislation and programs include accelerated forgiveness of student loans, scholarship programs, the development of community health corps, collective bargaining for nurses, child care, task forces to look into the shortage, and increased pay and benefits.

Nursing directors and administrators, teaching professionals, and others studying the nursing shortage in Alaska, make the following recommendations to solve the nursing shortage in Alaska:

- To keep experienced nurses in the field, (particularly in hospitals where nurses complain of poor conditions as well as inadequate pay): Increase pay and benefits and give nurses more authority.
- To attract new entrants to the field: Increase pay and benefits and offer state sponsored forgiveness programs for student loans.
- To increase the level of training: Offer forgiveness programs for student loans and reimbursements for out-of-state tuition. LPNs could be encouraged to go back for their associate degree, and students with associate degrees could be encouraged to go back for their B.S. degrees.
- To deal with the shortage of nursing programs and clinical settings in Alaska: Form joint ventures with other universities which have access to clinical facilities, particularly pediatric sites. Students could be encouraged to return to Alaska with incentives like student loan forgiveness and bonuses. Increase funding of UAA nursing programs which are losing faculty to other, better paying positions.
- To attract rural residents: Offer special preparatory training like the training offered in the pilot program by Kuskokwim Community College. Grants for living in Anchorage and special tutoring would make the transition from the bush to Anchorage for study more attractive.
- To attract nurses to jobs where there is a chronic shortage, such as intensive care and newborn care: Increase pay for these jobs in relation to other nursing fields and offer tuition reimbursements for training in these fields.
- To attract nurses to Alaska: Provide nurses in other areas with information about nursing opportunities and about Alaskan communities, as well as providing financial incentives and moving costs.

Table 1

Average Hourly Wage – RNs & LPNs 1988-89

	Registered Nurses		Licensed Practical Nurses	
Region	July 1988	July 1989	July 1988	July 1989
Statewide	$14.71	$15.61	$12.33	$12.12
Anchorage/Mat-Su	13.66	14.67	11.45	12.17
Interior	13.96	13.68	10.44	10.85
Southeast	15.77	17.40	13.06	12.68
Gulf Coast	13.92	16.88	13.21	12.87
Southwest	17.25	14.48	N/A	N/A
Northern	N/A	N/A	N/A	N/A

Source: Alaska Department of Labor, Research & Analysis

Summary

Alaska's nursing shortage is unique for several reasons: UAA does not graduate enough nursing students to meet Alaska's growing needs; there are hard to fill rural public health positions in the state; 90% of licensed nurses living in Alaska work in some aspect of the profession, which means that there is not a pool of nurses available for employment.

When surveyed, Alaskan nurses give the same reasons for discontent with their profession as nurses nationwide: low pay, poor working conditions and plateauing wages. Detailed information on the survey of licensed nurses is available from the Alaska Department of Labor, Research and Analysis, Occupational Information Unit.

About the author:

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AKCIS Provides Career Information on Shortage and Other Occupations

Current information on the nursing profession, health care professions, and other careers can be found in the Alaska Career Information System (AKCIS), available through the Alaska Employment Service, schools and vocational counselors. AKCIS provides occupational and educational information on careers, including the outlook for the profession, wages, educational and licensing requirements, school and financial information, as well as a bibliography of publications on various careers. Information on AKCIS is available through:

Alaska Career Information System
Department of Education
P.O. Box F
Juneau, Alaska 99811
(907) 465-4685

1990 Census – The Big Count

By Kathryn Lizik

Once every 10 years every man, woman, and child is counted in the nation's decennial census. It is one of the federal government's largest undertakings, short of mobilizing for war. The next census is scheduled for April 1, 1990. The U.S. Census Bureau will hire an "army" of 300,000 census-takers; check the location of the nation's 106 million housing units; and help gather vital information about 250 million people. The census results will be a snapshot of what the country looks like on census day, and they will be used to plan government policies for the next decade.

The mandate for the census is found in Article 1, Section 2 of the U.S. Constitution. Its primary purpose is to determine how many congressional representatives each state gets. The importance of the census has increased, however, for reasons beyond congressional representation. More than $30 billion in federal funds is allocated to the states according to formulas based on census data. State governments use the figures to allocate their financial resources and redraw legislative districts. Governments of all types use census information extensively

1990 CENSUS

ALASKANS COUNT

NURSING SHORTAGE
RELATED PROBLEMS AND POSSIBLE SOLUTIONS

Presented by Barbara Bathony, R.N.C.
Transcript from Presentation to State Officials
April 13, 1988, Juneau, AK

The nursing shortage has no quick remedy and answer. It is a serious problem which needs short-term and long-term goals. Below are some of the recommendations cited from the American Nurses Association to the Health and Human Services of the United States of America on September 10, 1987. These recommendations are as follows:

1. The obligation of hospitals, trustees, administrators, physicians, and nurses to establish a suitable environment for nursing practice. They stressed that nursing should be involved in policy development and decision making throughout the organization.
2. The relationships and responsibilities of nurses and physicians as essential partners in the care of patients.
3. Recognition of nursing as a clinical practice discipline needing to have authority over its management process in order to ensure high quality nursing care.
4. The need for nurse executives and nurse managers of patient care units to be qualified by education and experience to promote an organizational climate conducive to quality nursing practice and effective management of the nursing resource.
5. The importance of the conditions of the nurse employment fostering professional growth and development and the need for approaches such as flexible scheduling, appropriate staffing patterns, career advancement programs, and recognition for achievement.
6. The need for salaries and benefits for nurses to commensurate with their level of responsibility, preparation, experience, and performance. There should be at least two tracks of the career ladders: clinical specialization and managerial specialization.
7. Acknowledgement that the presence and quality of supporting services to the patient care unit is a major determinant in the effectiveness of the delivery system and the satisfaction of the professionals working in the system, and the recognition of the role of nursing in establishing standards for, and evaluating the quality of, the support services for patient care.
8. The need for uniform policies in education, credentialing, and standards of practice.
9. The importance of nursing research and the preparation of nurse researching to advance the knowledge base on which approved education and practice rests.
10. Access to baccalaureate and advance degrees in clinical specialization, administration, teaching, and research.

THE FACTS OF SUPPLY AND DEMAND: The following figures were collected in December 1986. The nurse-supply survey was conducted by the American Hospital Association, American Organization of Nurse Executives and has revealed that 13.6% of hospital RN jobs were vacant in 1986 compared to 6.3% in 1985. These figures even increased to a higher level in 1987. Two-thirds, or 66%, of the hospitals reported that they needed more than 60 days to fill RN vacancies, especially in medical/surgical areas, operating rooms, emergency rooms, and psychiatric nursing areas. Nearly 90% of the

hospitals reported needing 60 days to fill intensive care nursing positions. As attachments, you will find several articles taken out of the American Health Care Association's Provider magazine which is the professional journal for long-term care professionals. These articles indicate the areas of nursing shortage and how different organizations are affected. An article in Nursing 88 Career Guide covers the nursing shortage in various regions of the United States and gives statistics for all areas. It also advises nurses what to look for in a new position and what present salaries are offered in specific areas of the United States. Alaska will have a very difficult time competing with present salaries offered in the Lower 48.

THE NURSING SHORTAGE STEMS FROM A VARIETY OF REASONS:

1. Because of a dramatic change in the attitude of values and aspirations of the potential recruitment pool for nursing, the enrollment into colleges, and especially in the formerly female-oriented professions, has drastically declined. More lucrative and challenging careers are open to women today.
2. Demographically, the number of people entering college is smaller.
3. Massive changes in the way health care is delivered and paid for. DRG's have shortened hospital stays and placed the burden of out-patient care on the community and long-term care facilities.
4. Changing roles within the health care services sector itself pose a very real challenge to the profession.

We here in Alaska are small enough in the demographic areas that we will be able to effect some of these changes if we take bold steps within our system. There are 1.5 million working registered nurses in practice in the United States as of today; 68% of these work in hospitals and that is slowly decreasing. Despite the heroic measures and innovative practices and successes of many hospitals, the overall problems in health care facilities employing nurses are still:

1. the very modest financial rewards compared to their responsibilities
2. limited authority for the clinical practice of nursing
3. insufficient involvement in hospital management decisions regarding standards of nursing practice and substantial support service itself.

These three obvious factors are also continuously present as we surveyed nurses in Alaska. These same factors have to be addressed within the state of Alaska to be able to attract more nurses, retain more nurses, and attract more students into the nursing profession.

Several years ago, a special Texas senate committee studied at the University of Texas School of Nursing to identify what is keeping nurses out of nursing. The researchers asked about 3,500 nurses to rate the importance of and their dissatisfaction of different factors involved in nursing. These include:

1. Availability of adequate salaries.
2. Amount of paper work.
3. Lack of support on the part of hospital administration.
4. Insufficient opportunitites for furthering professional education.
5. Inadequate staffing.
6. State laws that artifically limit nursing practice.
7. Lack of support on the part of nursing administration.

8. Lack of access to child care facilities.
9. Insufficient in-service education.
10. Lack of fringe benefits.
11. Lack of competent support personnel.

LIMITATIONS OF SOME CURRENT ATTEMPTS TO RESOLVE THE SHORTAGE: I would like to discuss these first so these particular attempts can be eliminated before Alaska tries to get into their strategies to solve the nursing shortage. Some hospitals have initiated strategies to include finder fees and recruitment bonuses. These are at best short-term answers to a problem and they just add to facilities cannabilizing each other with an added rapid turnover which is very costly. To orient a new staff person to any type of facility on home health is very costly. Therefore, especially at state facilities in Alaska, we should treat all nurses equally, fairly, and give them some incentives to work for the state. These will be discussed later.

Another strategy has been tried by recruiting foreign- educated nurses. Currently, we have around 4% of our registered nurses from foreign nursing education sources. Since 1978, only 20,000 foreign nurses have passed the examinations and are eligible to take licensed examinations for registered nurses. These nurses are far insufficient to make any dent in the current problem.

It has also been suggested to approach inactive nurses as a resource. Twenty-one percent of licensed registered nurses are not employed in nursing. Of these 21%, 5% are employed in other fields, 5% are over the age of 60, and another 5% have children at home. None of these groups are ever likely to return to nursing in large numbers. Most of the 5% who are employed in fields other than nursing have gone there because those fields have paid more, have been more attractive, and have given more benefits and awards to the professional nurse.

RECOMMENDATIONS: A chronic nursing shortage has existed in this country since 1940. No short-term fix, or even any attempt to correct this problem, has been made. A long-range solution would demand federal intervention. The following recommendations have been promoted. These recommendations are for the federal level; some can be adopted on the state level.

1. Appoint a working task force within the office of the Secretary of Health and Human Services to work towards resolution of the shortage of nurses until such time as the underlying structural problem has been resolved. On the state level, appoint a commission on nursing Invite the nursing leaders of the state to research, and produce innovative and creative ideas and solutions to the present problem.
2. Provide for a level of DRG payments and for reimbursement rates for long-term care settings that are sufficient to enable appropriate compensation for, and will be allocated to, nursing services. Long-term care always has been the stepchild in the health care field. For many nurses, this is one of the last facilities in which they would like to work. As competition has increased in the nursing long-term care field, and since newer, more patient-oriented long-term care facilities have been built, they have been able to attract higher caliber nurses. If it is recognized by the state and the federal government that to improve patient care and attract nurses into rewarding positions, a reimbursement

structure for nurses, especially in long-term care or psychiatric care has to be available.

3. Provide significant federal support for scholarships for students entering baccalaureate nursing programs.
4. Provide public support for a comprehensive recruitment program that promotes nursing as a challenging and rewarding career.

SOLUTIONS: The next paragraph will address some of the possible solutions how the state of Alaska, in various situations, could attempt to overcome the short-term problem and plan for a long-term solution.

As mentioned earlier, there are 11 major areas of dissatisfaction why nurses don't go into nursing, don't stay in nursing; and, if they do stay in nursing, explain the top 11 dissatisfactions of employed nurses as follows:

1. Availability of adequate salaries. Salaries for nurses in Alaska have not kept up with the pace of other professions which are much easier for women to enter these days. Even a special-degree prepared nurse may find the highest salary within the state system in a profession other than nursing. This is especially true for nurses with advanced education. We do not have the present mechanism to pay or reward nurses who have advanced education. Advanced education could have been by certification, clinical specialization, certification as practitioner, certification as anesthesist or midwife, not to forget certification as school nurses. Nurses also would like to see a possibility for getting reimbursed for basic education if nurses have graduated from a 2, 3, or 4 year degree program, a Master's program, or are PhD prepared. These prepared, very well-educated nurses should have the possibility within the state system to enter a career ladder or see any type of possibility for advancement. This career-type ladder could be as clinical specialist, researcher, educator, or as nursing managers. The school system has a similar system for pay increases for their teachers as they obtain additional credits. A similar program would benefit in the retention of nurses in Alaska.

   Please refer to the attachments on nation-wide salaries (Nursing 88 Career Guide). The salaries offered to nurses nation-wide, especially on the West Coast, are no longer competitive with state salaries as available. To attract nurses, we should be able to send our nursing leaders to some of the national conferences and present at these conferences a video on Alaska, promoting Alaska in itself rather than the salaries. The state of Alaska still has fantastic benefits which can definitely add up as an incentive to enticing nurses. Another program to entice nurses to come to Alaska is to grant internships to come to Alaska; and we would pay back their travel fee and later on, moving, if they stay at least one year or two years, whatever the state is willing to commit itself for.

   Recognized nursing leaders who work in Alaska who are satisfied with their job surroundings are your best resources to be your nurse recruiters. A charismatic nurse leader will draw other nurses to her in a nursing network and also be able to retain these nurses for a

much longer time than would otherwise be possible. To retain nurse leaders, you have to provide rewards. The most important reward, like in any other profession, is still salary. Many of the nurses employed today are no longer working just to help out with their family income. Many of them are the main providers of household income and have family at home to take care of. Nursing is no longer considered just a job to get a little extra money; it has become a professional career.

2. Lack of Support on the Part of Hospital Administration: This has been mentioned over and over again, including by employed nurses in the state of Alaska. One of the solutions is to encourage decentralized administration. This would give the nursing managers the authority and flexibility to be innovative and creative in effecting change.

The nursing shortage is greater in for-profit corporations. Nurses state that when working in a pressure situation that concentrates on making profit without sufficient input from nurses and their inability to influence the nursing practice, they burn out too fast and therefore leave.

Again, give more authority to nurse administrators. The ability to influence and manage with authority, allowing freedom of scheduling, ability to have positions to accommodate special requests by nurses, flex positions, all that which assists nurses in meeting the employees' demands, will benefit in retention. This retention will provide more satisfied nurses who are better nurse recruiters for the future. A hospital, long-term care, or state administration should award special assignments to nurses. These assignments should not be included in their regular 8 hour shifts. Otherwise, these additional assignments don't leave them enough time to do patient care. But, if you give them a week to work on these special projects, for example, nursing shortage, you will benefit greatly in the long run. This special attention and response to valuing the nurses' input will also increase the satisfaction of nurses with the administration and satisfaction in the knowledge that the administration cares for them.

Nursing managers also like to have the authority to establish a PRN pool, a temporary pool, without all the restrictions of the hiring practices of the present state nursing personnel routine. It takes too long to recruit at this moment; the registers for nurses are too cumbersome. Half of the nurses are already working someplace else; the other half is no longer interested or they have moved out of state and have not changed their addresses. There should be an easier way to handle nurse recruitment.

3. Insufficient Opportunity for Furthering Professional Education: Alaska is so many miles away from larger nursing centers, nursing research, and universities which have more advanced knowledge and nursing training (PhD training). The state of Alaska opened the UAA School of Nursing in spring of 1977; and, since that time, we have educated a very intelligent core group of nurses with advanced practice skills, excellent clinical skills, nurse researchers, and nurse educators. The UAA School of Nursing needs to expand into the outlying areas. In the past, they promoted this concept; I encourage the state to support their endeavors further. ACC School of Nursing has a good program for the technical registered nurse and continues to produce quality nurses for us. ACC should also be encouraged and supported by the state to continue to reach out to the outlying areas by rotating again into the

rural community to entice the rural population into the school and by making it easier for them to attend. We should support HB 409 to make it easier for nurses to get an education or to further their professional education by returning to school to make their bachelor's, Masters, or PhD program. HB 409 is an act for forgiveness of student loans for certain health care providers. At the present time, it supports rural health care providers; but, it should be amended to give forgiveness to nursing students in all of Alaska with the higher percentage of forgiveness for working in the rural communities.

A strong effort should be made to promote nurses' leaders to go into high schools and pre-high schools to educate the younger generation on nursing careers, especially rewarding careers that are available in Alaska. I strongly believe this should be presented by nursing leaders who can answer questions which they can identify with rather than an office or any other personnel. Efforts should be made to recruit minorities, by giving special grants, and to recruit working mothers by making day care and grants available to them during their education.

I also very strongly support internships for summer work or short-term winter work. This will allow nursing students to earn some money; it will allow them to work at different health care sites, and to learn as they also earn part of the money for the next semester. This internship should be made available, especially in the rural areas. I know from experience, after having had the chance to go into the rural community with public health nursing under a grant; I was greatly influenced by that type of nursing possibilities in the state of Alaska. As a result, I did my last semester of concentration studies in public health and then entered the public health field. This type of internship could be promoted in any area, from long-term care to hospitals to rural or home health care areas.

In-service education or continuing education credits are mandatory for nurses to continue their licenses in the state of Alaska. These required credits are even higher for nurses in advanced practice. We, as a state, should encourage quality continuing education to be presented in Alaska so the nurses can attend and get educational days off from work to promote their professional ability for better up-to-date patient care. Those outstanding nursing leaders in each of the work settings should be given a chance to go out of state and confer, learn from their peers, and bring back some of the innovative ideas they have learned in the Lower 48.

4. <u>Inadequate Staffing</u>: With the shrinking dollar amount, we have a real problem on our hands. We have an increase in the acuity or, in other words, health care needs of the population, not just the elderly population. All patients are discharged much faster, may not even be sent to the hopsital, are treated as out-patients and have to go home. Younger generation accidents are much greater, and they also may be treated at home. Home nursing is much more preferred by the registered nurse, since it gives them more freedom of activity; we therefore experience inadequate staffing in the long-term care facilities and hospitals. DRG does not make it any easier to provide a sufficient amount of nursing hours per patient. In the future, we may have to price out nursing services. To explain that: if nursing services are being charged by the hour to the patient, then it may become more obvious what the benefit of nursing

care is. Also, it may be charged and money may be allocated to nursing services and be used for nursing services and not hidden in the overhead cost.

5. State Laws that Artificially Limit Nursing Practice: In 27 states in the United States, third party reimbursement for nurses is already effective. At the present time, SB 315 has already passed the Senate and is presently in the House awaiting, soon we hope, final approval. SB 315 will allow nurses in advanced practice, otherwise advance nurse practitioners, to collect third party reimbursement for their specialized care given at a variety of health care settings in Alaska. Third party reimbursement is already available for other professionals such as chiropracters, physical therapists, and so on.

6. Lack of Support on the Part of Nursing Administration: The nurse managers/ nurse administrators will have to improve their networking within the state system. They also have to be willing to listen to their nurses and to present the needs to upper management and the legislators to receive the support for nursing professionals. We repeatedly hear that nurse managers work for the administration instead of being a spokesperson for their employees.

   Nurse administrators with foresight should encourage computerized patient care planning and computerized or taped charting. All these activities will utilize professional nursing time more efficiently, and the future will include lower paying positions to handle the routine tasks such as data entry. Nurse managers should have a secretary (ward clerk, etc.) to assist with routine paperwork.

7. Lack of Access to Child Care Facilities: The nursing profession, especially in institutions, require 24 hour coverage, including holidays, weekends, Christmas, and so on. It has been very difficult in the past for nurses, especially those who are single parent mothers, to find adequate child care for these hours. Suggestions have been made to place child care facilities within state facilities or giving child care support to nurses, especially if they work evenings, night shifts, or holidays. This also could be accomplished by increasing the shift differential for nurses and nurses' aides. Along with an incentive for working evenings and nights, an additional incentive would be a premium paid for working weekends and holidays other than the routine payment received. This again would point towards having a PRN, or on-call or temporary on-call, staffing pool where the state could pay a premium pay for these special holidays, nights, and weekends and be covered while giving the nurses a chance to spend some of these holidays with their families.

8. Insufficient In-Service Education: Nurses have mandatory continuing education. The work aspects, professional nursing standards, and requirements for licensure make it mandatory to collect a certain amount of continuing education per year. Some of these credits could be combined with inservices so the education received is to the benefit of the employer. If the state sets aside special funds to provide in-service education, the end result would be a more satisfied professional nurse and a nurse better prepared to give updated professional nursing care. Since there is a staff shortage in many state areas, and with the nursing shortage increasing, the staff shortage makes it much more difficult to attend in-

service education or continuing education. This again makes it mandatory to look at any possible flexible staffing pattern so the nurse manager has the authority and the possibility to work creatively and independently on providing the necessary in-service hours to his/her staff.

9. Lack of Sufficient Fringe Benefits: The state of Alaska does provide excellent fringe benefits. The state has been able to keep employees just because of that one major improvement over other employers. One fringe benefit missing, of course, for nurses within the state of Alaska system is support for continuing education, in-service, and return to nursing school. That also includes promoting returning to school for nurses' aides and LPNs to enter nursing schools to make up our future pool of nurses to draw from.

10. Lack of Competent Support Personnel: Having talked to nurses from hospitals, home health care, long-term care, and public health nurses, all express the need for competent support personnel. All need nurses' aides, health care aides, psychiatric aides, Pioneers' Home aides, who have a basic training which will afford better support to the nursing staff. Also, nurses bitterly complain about the lack of ward clerks and other support persons who could do the tasks not needing to be performed by nurses. This could allow the nurse to spend most of her time in nursing care and nursing related activities. It would be very beneficial for the state if we would have a career ladder or a basic certification type program and health aide nurse assistance and so on. Some of the credit may be applicable for future advancement in the nursing career.

    At the present time, the American Medical Association has proposed a career letter for a one year program for health techs with an advancement to a 2 year level of health technologist. Physicians are in need of support personnel for hospitals. What they do not realize is that these health techs will not be able to ever fill the shoes of a professional nurse. If we all get together and provide us with this type of support personnel for nurses, called health techs or aides or whatever, we can utilize the nurse in a much more effective way. I again emphasize the need for any of these beginning incoming health care professionals to have an education with certification which could be used as a stepping-stone for upward mobility; that includes medical profession, physical therapy, occupational therapy or nursing, etc. It doesn't matter. If this could be a stepping-stone for a health care-related education, the whole United States would benefit from it. Also, this type of state certification program would encourage reciprocity possibilities with other states. A basic curriculum for incoming health care providers could easily be designed by community colleges through the UA system. This course, for example Step I, could be a six month condensed course presented throughout Alaska. Part of the course could be teleconferenced, and the clinical section could rotate or be contracted to community nursing leaders. We should encourage Indian health service to participate in this shared educational system. It would not block CHAs, aides, etc., future career development.

SUMMARY: All above paragraphs indicate that there is no quick fix to the problem. But Alaska has great possibilities which other states to not have. We have a community and state organization which is willing, in an innovative, creative way,

to work on the problem and come up with some solutions. The state of Alaska also is open enough, and not entrenched into a bureaucratic process, that innovative change is possible. Alaska also offers nursing leaders possibilities of working in a creative, innovative work situation. If we can emphasize that to prospective nurses in the Lower 48, we could entice a few of these nurses to come up and work in Alaska. And again we should not forget that salary is number one on the list of nurse dissatisfaction. Without a salary and benefit increase, we will have a very difficult time attracting nurses. Nursing autonomy has to be stimulated throughout the state government. Nurse recognition, by appointing nurses to health care related commissions, boards, or special study assignments, will be beneficial to solve and improve health care in general in the state of Alaska. And, lastly, support UAF School of Nursing financially by allowing them to give grants to returning students and to incoming generic students, encourage and provide different health care providers of the state of Alaska with financial support for internships for summer employment for the students so they do not have to drop out and can continue their nursing education as fast as possible. This will increase our supply of registered, graduated nurses in the state of Alaska.

I thank you very much for allowing me to present this condensed version on problems and solutions for the nursing shortage. I encourage you to meet with the nursing leaders who will be in Juneau on April 27-29 for their annual meeting. Connie Trollan of the Juneau Health Center is the president for this year.

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October 19, 1989

David Rogers
P.O. Box 33932
Juneau, Alaska 99803

Dear David:

Enclosed please find the "Public Citizen Health Research Group Report" which I spoke to you about earlier today. You will note that the report cites several additional references on page seven which might be of interest.

I spoke with Eric Sanders this afternoon and he told me that he does not know of any study/report detailing settlement allocations in personal injury cases.

I also spoke with Robert Hickerson, Executive Director of Alaska Legal Services here in Anchorage. I asked him about any study/report concerning availability of legal services in Alaska. He told me about a study being done by Algodones and Associates at the direction of the American Bar Association. The study is entitled, "The National Civil Legal Need Survey". The study is being used as a fundraising tool by the American Bar Association to fund statewide legal services. Robert was not sure whether Alaska was included in the study. I called the American Bar Association regarding the study. Their offices were closed for the day. I will call again tomorrow and keep you posted on what I find out.

If there is anything else I can help you with, please give a call.

Sincerely,

Debra C. Gravo

Debra C. Gravo
Executive Director

dch/encl.



Alaska Pro Bono Program
1016 W. 6th Ave., Suite 200
Anchorage, Alaska 99501
(907) 272-9431

January 8, 1990

Dear Pro Bono Program Member:

In the past, the Alaska Pro Bono Program has relied on your generous support. This year, more than ever before, your help is desperately needed in assuring that needy Alaskans have access to high quality legal assistance and representation. I know that we all share the belief in the phrase "equal justice for all", and I look forward to your continued support of the Pro Bono Program in this year to come.

By participating in the Alaska Pro Bono Program you demonstrate the very best in your profession and help make the words "Thou Shalt Not Ration Justice" a reality. Please accept the enclosed 1990 Membership Card with our deepest gratitude.

Sincerely,

Seth Eames

SE/np

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MEMORANDUM

TO: Participants in June, 1989 Conference on Access to Justice in the 1990's

FROM: Terrence J. Brooks

SUBJECT: Studies of Civil Legal Needs Sponsored by the Consortium on Legal Services and the Public in 1989

DATE: May 30, 1989

In planning this conference, the Consortium discovered that little current, national data exists on low and moderate income persons' use of lawyers and justice system components, and on the types and extent of unmet legal need. Therefore, to provide a basis for conference discussions, the Consortium commissioned separate, limited, national studies of the civil legal needs of the poor (persons with income below 125% of federal poverty guidelines) and of the public in general.

The Spangenburg Group, Inc. conducted a random national telephone survey of low income households, gathering data on the civil legal needs of the poor. This first-ever national study of the civil legal needs of low income persons produced critically needed information on the overall level of unmet legal need and specific data on the needs in ten important areas of law. The findings are highlighted in an executive summary, and detailed in an accompanying comprehensive report.

The American Bar Foundation conducted a separate national survey of the incidence of personal, civil, non-business legal problems among U.S. adults at all income levels and the use of legal service providers and other mechanisms in resolving such problems. This study partially replicated a similar study conducted in 1974. It demonstrates an increased use of legal service providers, but shows that significant changes have occurred in lawyer use for some types of problems. Among the findings is that the demographics of such usage have changed dramatically -- younger people seem less likely than 15 years ago to obtain help with legal problems. The findings are summarized in an executive summary, and reported in full in an accompanying paper.

CONFERENCE ON ACCESS TO JUSTICE

IN THE 1990's

Sponsored by:

The American Bar Association Consortium
on Legal Services and the Public
and
Tulane Law School

AMERICAN BAR ASSOCIATION
NATIONAL CIVIL LEGAL NEEDS SURVEY

The Spangenberg Group
West Newton, Massachusetts

May, 1989

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AMERICAN BAR ASSOCIATION
NATIONAL CIVIL LEGAL NEEDS SURVEY

Final Report

May 1989

Prepared for:

American Bar Association
Consortium on Legal Services
and The Public

Conference on Access to Justice
in the 1990's

Prepared by:

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West Newton, Massachusetts

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EXECUTIVE SUMMARY

The June 1989 "Conference on Access to Justice in the 1990's," sponsored by the ABA's Consortium on Legal Services and the Public, is designed to focus on the development of innovative techniques to better assure access to civil justice and the availability of affordable legal services during the next decade.

As part of that conference, The Spangenberg Group of West Newton, Massachusetts was asked to conduct a limited, random national telephone survey of households at or below 125% of poverty to determine the current civil legal needs of low income households across the country. While a number of similar studies have been conducted in various states over the past few years by The Spangenberg Group and other organizations, no national civil legal needs survey of low income persons has previously been conducted.

The survey consisted of 34 individual problem identification questions drawn from ten broad categories: consumer, utility, housing, employment, school, medical, public benefits, family, discrimination and other. Respondents were asked whether or not they had legal assistance for the problems they identified as having occurred during the past year. Five hundred calls were completed during November-December of 1988 which included respondents in all 50 states and the District of Columbia, with the exception of Alaska and Hawaii.

Approximately 43% of all 500 households reported that they had one or more civil legal problems during the past year for total of 682 problems. For those households reporting problems, the average number of problems was 3.18 per year.

Eighty-two of the sample households or 16.4% reported that they had a civil legal problem involving legal assistance in the past year. The total number of problems involving legal assistance was 142 with each of these households reporting an average of 1.73

civil legal problems in the past year.

Almost 40% of the nationwide sample reported that they had a civil legal problem for which they did not have legal assistance in the past year. The total number of problems reported in this category was 540 with each of these households reporting an average of 2.81 civil legal problems for which no legal assistance was provided in the past year.

Overall for the entire sample of 500 households, the average number of civil legal problems for which legal assistance was provided in the past year was 0.28. The average number of problems for which no legal assistance was provided for the entire sample over the past year was 1.08.

Among the ten categories of problems, respondents with family problems most frequently had legal assistance. Respondents with medical access problems, on the other hand, most frequently had no legal help. We also found a significant variation for respondents reporting utility and public benefits problems. In both cases, these categories were far more frequently reported by respondents with no legal help compared to respondents who had legal help. These data are consistent with our experience in conducting civil legal needs studies in several states. Our observation is that low income persons generally consider family and consumer problems as those for which legal assistance might be necessary, but do not consider the relevance of legal assistance when faced with problems in the medical, utility and public benefits categories.

Based upon data published in March 1988 by the United States Bureau of the Census, we have determined that there were 17.569 million households below 125% of poverty. Applying the above rates of 0.28 and 1.08 there would be in 1987 approximately 4.9 million civil legal problems for which low income households had legal assistance and approximately 19 million civil legal problems for which there was no legal help - a ratio of about 80% to 20%.

The Legal Services Corporation has just reported that all field programs provided representation to clients in approximately 1.6 million cases in 1987, approximately one-third of the cases for which legal assistance was provided for respondents in our national survey. The balance of the cases were likely handled by private legal aid societies, LSC programs for clients served by non-LSC funds, individual pro bono efforts of the private bar and private attorneys who charged a fee.

CHAPTER I
INTRODUCTION

In June 1989, the American Bar Association will sponsor a "Conference on Access to Justice in the 1990's." The conference will be sponsored by the ABA's Consortium on Legal Services and the Public and will attempt to assess existing means for delivering civil legal services to low and moderate income persons. The principal focus will be the development of innovative techniques to better assure access to civil justice and the availability of affordable legal services during the next decade.

In early August 1988, the Consortium's Planning Subcommittee for the Conference contracted with The Spangenberg Group of West Newton, Massachusetts to conduct a limited national random telephone survey to estimate the civil legal needs of low income persons throughout the country. This report summarizes the highlights of that study and hopefully will assist the conferees in addressing the problem of providing access to civil justice for low income persons throughout the nation in the 1990's.

1.1 Background on Civil Legal Needs Studies

Over the past 20 years, many efforts have been undertaken around the country to assess the civil legal needs of low income persons. We are aware of over 25 studies dating back to a 1969 effort in Denver, Colorado when 402 households below the poverty level were surveyed. The nature and types of studies have ranged both in size and in scope. At least six studies have been conducted statewide. Others have been limited to one city, one county or multi-county jurisdictions.

The sample size and methodology employed have also varied greatly. Some studies have included a random sample of low income households conducted through either mail surveys, in-person interviews, or phone surveys. Other studies have not included a

random survey of low income persons or households, but have instead relied upon existing secondary data. The decisions made by those who have conducted these studies, regarding the use of the survey method employed, have for the most part reflected both the purposes and available funds for each study.

In 1977, the American Bar Foundation published, "The Legal Needs of the Public." This study, authored by Barbara A. Curran, surveyed the legal needs of a sample of the adult population nationwide including individuals with income under the poverty level ceiling. Although the report does point out some of the special problems of the poor, it does not examine in depth the full panoply of their problems or special difficulties in their access to legal services.

The study that The Spangenberg Group has just completed for the ABA will for the first time provide empirical data on a nationwide basis and should add substantially to the work conducted on a state or local basis over the past 20 years.

The Spangenberg Group has participated in several civil legal needs studies to date. Robert Spangenberg was the author of the "Action Plan for Legal Services--Report on the Legal Problems of the Poor in Boston," conducted for the Boston Bar Association and published in January 1977. That study included in-person interviews of 500 low-income households in the city of Boston.

More recently in 1987, The Spangenberg Group conducted research for the "Massachusetts Legal Services Plan for Action," sponsored jointly by the Massachusetts Legal Assistance Corporation, the Massachusetts Bar Association and the Boston Bar Association. In addition, The Spangenberg Group is about to complete civil legal needs assessments of low income residents in both New York and Illinois. The New York study is sponsored by the New York State Bar Association and the Illinois study is jointly sponsored by the Illinois State Bar Association and the Chicago Bar Association with the substantial assistance of the Lawyers Trust Fund of Illinois. We have also provided technical assistance to the

Maryland Legal Services Corporation which conducted a civil legal needs assessment statewide in 1987.

Finally, we have begun, in joint sponsorship with the American Bar Association Commission on Legal Problems of the Elderly, a study of the civil legal needs of the elderly in the State of Wisconsin.

All of the studies conducted by The Spangenberg Group have included a random telephone survey of the civil legal problems of the poor in each of the states mentioned above.

1.2 Methods Employed in Civil Legal Needs Surveys

There are several methods that have been employed in civil legal needs studies to estimate the level of unmet legal needs. As indicated above, some studies have relied entirely upon secondary data, usually involving statistical information routinely collected and published by state and local government. Unfortunately, the appropriate methods to establish the correlation between the available statistics and the actual incidence of legal needs has not been effectively developed and tested.

Other studies have relied upon the estimates of those knowledgeable about civil legal needs, usually staff of legal assistance programs. While these efforts have proven useful, they lack adequate verification and are subject to the argument that they may be subjective in nature and be based in part on speculation. In addition, they may not take into consideration the needs of low-income persons who have not sought assistance from legal services programs and therefore lack the distinction between those served and those not served.

The third method, which is the most reliable, is to conduct a random survey of low income persons or households based upon a scientific sample provided for the entire jurisdiction under study.

There are three primary methods to conduct such a survey:

- By mail;

- o In-person; or
- o By telephone.

The mail survey is the easiest and least costly to administer. However, there are a number of serious problems including how to obtain appropriate mailing lists and the fact that past surveys disclose that the return rate on a mail survey is extremely low. Given a small response rate, it is not possible to generalize to a larger population and those that do respond may be unrepresentative of the individuals and households for which information is required.

The in-person survey, while perhaps the most reliable, is clearly the most costly, and beyond the resources available for this study.

The third method is the telephone survey. There are a few limitations to a telephone survey, including:

- o Non-telephone households are eliminated from the sample frame.
- o Telephone interviews cannot exceed approximately twenty minutes in length.
- o Telephone interviews eliminate interviewer observation as a means of data collection.

However, there are also a number of advantages to a phone survey. These include:

- o Telephone interviewing is far less expensive than in-person interviewing. A telephone methodology affords the opportunity to achieve a larger sample size than could be accomplished using an in-person methodology with the same budget.
- o Telephone surveys may provide less biased sampling of inner city dwellers--poor, minorities, elderly--among whom it is increasingly difficult to secure physical access to their dwellings.
- o Telephone interviewing provides the capability to shift to multilingual interviewers if the respondent is non-English speaking.

- The telephone provides the anonymity between interviewer and respondent necessary for surveys on sensitive topics.
- The telephone survey allows for unclustered interviewing in a rapid and economical manner.
- Telephone interviewing makes possible follow-up much less time-consuming and much more cost-effective.
- Telephone surveys provide greater access to younger, more mobile populations who are less frequently home.

It is our judgement that the benefits of a telephone survey far outweigh its limitations. Moreover, given the constraints of cost and the need for a valid statistical nationwide focus, there is no viable alternative. The successful results of telephone surveys that we have conducted in Massachusetts, New York and Illinois support this view.

1.3 Methodology for the Current Study

The following information describes the methods used to conduct the national legal needs assessment telephone survey. It includes a discussion of the design of the questionnaire, the development of the sample and the conduct of the phone interviews.

1.3.1 Questionnaire Design

In early October 1988, the Conference Subcommittee for the Conference on Access to Justice in the 1990's selected a small group of individuals to work with the research team on the design of the survey questionnaire. We began by distributing the questionnaires used both in New York and Illinois. These questionnaires were developed in close consultation with working committees and legal services staff in the two states. While many

of the individual questions were different, the basic format was the same.

Over the period of the next two months, the research staff and the subcommittee worked through a number of issues and problems. The subcommittee felt strongly that there was a compelling need to gather data about formal contacts with lawyers and the legal system as well as to learn about problems that did not involve legal assistance.

Second, due to resource limitations, it was determined that the total number of individual problems listed in the questionnaire would need to be reduced from those contained in the Illinois and New York instruments to reduce the length of the telephone call.

Third, it was determined that the individual questions used in the survey should be carefully drawn to insure that they reflected problems presented to legal services offices and not those that could be categorized more as social problems.

Finally, it was determined that it would be useful, to the extent possible, to gather anecdotal information from respondents to learn first-hand about many of their problems and their ability to obtain legal assistance.

The subcommittee was extremely helpful in all of these efforts and the final questionnaire reflects many of their comments and suggestions.

The body of the final questionnaire consists of four sections:

(1) Income Eligibility Screening - designed to ensure that only those households which would qualify to receive free legal services would be included in the survey. The test used was households that were at or below 125% of poverty (the Legal Services Corporation standard);

(2) Problem Identification - designed to determine whether anyone in the household had experienced any of 34 specific problems described in 10 basic categories (consumer, utility, housing, employment, school, medical, public benefits, family, discrimination and other). Respondents were asked to identify for each problem whether or not they had legal help;

(3) Household Demographics - designed to collect information about the households in the survey regarding key demographics variables (e.g., age and sex of each member of the household, head of household, race, employment status, education, etc.);

(4) Other Information - to include information regarding the problem that the respondent felt was the most serious, information regarding lawyer involvement, information regarding why no lawyer was involved, and the awareness of respondents of the availability of free civil legal services.

For purposes of analysis, the interview was considered successfully completed when respondents answered the questions in the first three primary sections listed above.

1.3.2 Designing the Sample

Because of the constraints of the resources available, the total nationwide sample was established at 500 low income households. This sample size enables us to produce an error rate of plus or minus 4-5%. We determined at the outset that because of the limited size of the sample we would not be able to conduct regional comparisons, which would have required a sample of at least 1000 completed interviews, to compare the four primary Census regions around the country.

The development of an appropriate sampling strategy involved the contribution of a number of participants including representatives from Survey Sampling, Inc. of Connecticut (the firm from which the lists of telephone numbers were purchased), MKTG Inc. of East Islip, New York (the firm which conducted the telephone interviews), Correlation Research, Inc. of Massachusetts (The Spangenberg Group's consulting statisticians) and project research staff.

1.3.3 The Telephone Interviews

MKTG Inc. conducted the actual telephone interviewing from specially compiled telephone lists. These lists consisted of randomly generated numbers within exchanges predicted to have households with median annual incomes at $25,000 or less. MKTG programmed the questionnaire into the computer in such a way that the appropriate questions appeared on the CRT screen and allowed direct data input into the computer as the interviews were conducted. The computer monitored progress toward fulfilling the requirements and interviewing continued until the target number of completed interviews was achieved.

The phone survey data, compiled on data disks, were later tabulated for analysis by Correlation Research. These tables arrayed the data with respect to the basic demographic variables, number of problems per household, number of problems with and without legal assistance, the awareness of free civil legal services and the most serious problems.

The information that follows sets out the basic results of the national survey. We have interspersed in the text comments of some respondents (along with their state of residence), recorded by our interviewers.

CHAPTER II

BASIC DEMOGRAPHIC VARIABLES

Table 1 on pages 10-12 displays the nationwide sample by state and for the District of Columbia. As the table indicates, at least one household completed the survey in all 50 states and the District of Columbia, with the exception of Alaska and Hawaii.

Table 2 on page 13 sets out the size of the households for the nationwide sample. Approximately 26% of all households sampled contained only one household member. On the other hand, 15% of the sample had five or more members in the household.

Table 3 on page 14 shows the age of the head of household for the entire sample. Almost 16% of the sample indicated the age of the head of household to be under age 30. 28% of the sample was headed by a household member 65 or older.

Respondents were asked to identify the sex of the head of household. Approximately 28% of the respondents indicated that a male headed their household, 56% reported a female head of household and 14% said that both a male and female headed the household. Over 17% of the respondents reported that the household was headed by a single female parent.

Table 4 on page 15 sets out the years of residence at the present address. Slightly more than 13% of the respondents have lived at their current address for less than one year, with over 50% of the sample reporting that they have maintained their current residence for six years or more and 26% for over 20 years. 53.4% of the respondents own their home and 45.2% rent.

In response to the question whether anyone in the household is handicapped or disabled, 92 respondents or 18.4% reported yes and 401 or 80.2% reported no. Only 3% of the respondents indicated that a member of their household was mentally ill.

Table 1

NATIONWIDE SAMPLE BY STATE

	Nationwide	
	N	%
State		
Alabama	7	1.4
Arizona	4	0.8
Arkansas	8	1.6
California	35	7.0
Colorado	7	1.4
Connecticut	2	0.4
Delaware	1	0.2
Washington, D.C.	1	0.2
Florida	13	2.6
Georgia	13	2.6
Idaho	3	0.6
Illinois	15	3.0
Indiana	14	2.8
Iowa	8	1.6
Kansas	5	1.0
Kentucky	19	3.8
Louisiana	15	3.0
Maine	2	0.4
Maryland	8	1.6
Massachusetts	8	1.6

(CONTINUED)

Table 1, continued

NATIONWIDE SAMPLE BY STATE

	Nationwide	
	N	%
State		
Michigan	22	4.4
Minnesota	10	2.0
Mississippi	12	2.4
Missouri	10	2.0
Montana	3	0.6
Nebraska	5	1.0
Nevada	1	0.2
New Hampshire	3	0.6
New Jersey	12	2.4
New Mexico	5	1.0
New York	32	6.4
North Carolina	27	5.4
North Dakota	2	0.4
Ohio	22	4.4
Oklahoma	8	1.6
Oregon	4	0.8
Pennsylvania	25	5.0
Rhode Island	1	0.2
South Carolina	15	3.0
South Dakota	3	0.6

(CONTINUED)

Table 1, continued

NATIONWIDE SAMPLE BY STATE

	Nationwide	
	N	%
State		
Tennessee	13	2.6
Texas	32	6.4
Utah	3	0.6
Vermont	3	0.6
Virginia	16	3.2
Washington	5	1.0
West Virginia	6	1.2
Wisconsin	9	1.8
Wyoming	3	0.6
Total	500	100.0

Table 2

NATIONWIDE SAMPLE, HOUSEHOLD SIZE

	Nationwide	
	N	%
Household Size		
1	131	26.2
2	153	30.6
3	77	15.4
4	64	12.8
5	44	8.8
6+	31	6.2
Total	500	100.0

Table 3

NATIONWIDE SAMPLE, AGE OF HEAD OF HOUSEHOLD

	Nationwide	
	N	%
Age of Head of Household		
18 - 29	79	15.8
30 - 39	88	17.6
40 - 49	69	13.8
50 - 64	105	21.0
65+	140	28.0
Refused/Don't Know	19	3.8
Total	500	100.0

Table 4

NATIONWIDE SAMPLE, YEARS AT PRESENT ADDRESS

	Nationwide	
	N	%
Years at Present Address		
< 1	66	13.2
1 - 5	153	30.6
6 - 19	140	28.0
20+	130	26.0
Refused/Don't Know	11	2.2
Total	500	100.0

Table 5 on page 17 sets out the race of the head of household. As the table indicates, almost 70% of the households answered white, 21.2% black and 4.4% Hispanic. 2.4% of the respondents answered other.

Table 6 on page 18 sets out data on the number of households with members who are employed. Slightly less than one-half of the households (45.4%) reported that no current member was employed. Only 5.0% of the households indicated that more than two members were employed.

Of the entire sample, slightly more than 40% reported that one or more household members were currently on some form of public assistance (such as AFDC, welfare, SSI, food stamps, Medicaid, or other programs based on financial need).

Table 7 on page 19 sets out the education level achieved by the head of household in the nationwide sample. As the table indicates, almost one-third of the respondents had no high school diploma, while slightly more than 25% had obtained some college education.

Finally, we asked each household whether it had been entirely without income for any 30 day period during the past year and whether any household member had been homeless for a 30-day period or forced to share a home in the past year. Twelve percent of the households reported no income for a 30-day period in the past year, while 3% of the households reported being homeless during the past year.

Table 5 .

NATIONWIDE SAMPLE, RACE OF HEAD OF HOUSEHOLD

	Nationwide	
	N	%
Race of Head of Household		
White	349	69.8
Black	106	21.2
Hispanic	22	4.4
Other	12	2.4
Refused/Don't Know	11	2.2
Total	500	100.0

Table 6

NATIONWIDE SAMPLE, NUMBER EMPLOYED IN HOUSEHOLD

	Nationwide	
	N	%
Number Employed		
0	227	45.4
1	166	33.2
2	77	15.4
3	17	3.4
4+	8	1.6
Refused/Don't Know	5	1.0
Total	500	100.0

Table 7.

NATIONWIDE SAMPLE, EDUCATION OF HEAD OF HOUSEHOLD

	Nationwide	
	N	%
Educ. of Head of Household		
No HS Diploma	164	32.8
H.S. or Tech.	192	38.4
Some College	127	25.4
Other	1	0.2
Refused/Don't Know	16	3.2
Total	500	100.0

CHAPTER III

NUMBER OF PROBLEMS PER HOUSEHOLD

At the beginning of the problem identification section of the survey we asked all respondents the following question:

> Now I would like to go through some typical noncriminal legal problems that you or a member of your household might have had during the past year. If you had a particular problem, please indicate whether or not you had legal help in dealing with it.

We then asked a series of 34 specific questions that were divided into 10 basic categories determined to be the most frequent kinds of legal problems experienced by low income households on a daily basis.

Because of the advantage obtained in conducting the interviews by computer, we were able to shift the order of the 10 categories presented during the course of the interviews, in order to eliminate any bias that might occur.

3.1 Number of Problems, Regardless of Legal Help

Table 8 on page 21 shows the total number of problems identified by the 500 respondent households, whether or not they had legal help. As Table 8 indicates, almost 43% of the households reported experiencing one or more non-criminal legal problems during the past year. Almost 18% of the households reported three or more such problems during the past year. Overall, the average number of problems reported by the nationwide sample were 1.36 per household per year. In addition, those households that indicated that they had one or more problems reported an average of 3.18 problems per year.

Table 8

NUMBER OF PROBLEMS PER HOUSEHOLD

ALL PROBLEMS, REGARDLESS OF LEGAL HELP

	N	%
Number of Problems		
0	286	57.2
1	83	16.6
2	44	8.8
3	22	4.4
4	16	3.2
5	15	3.0
6 - 9	24	4.8
10+	10	2.0
Total	500	100.0

The results of multiple regression analyses showed that three demographic variables had a statistically significant effect on the number of problems reported regardless of legal help. Households headed by a female single parent had dramatically more problems than other types of households. Other families with children, for example, reported 1.09 fewer problems than single female parents. Other households without children had 1.22 fewer problems than single mothers.

The number of individuals employed in the household and the age of the head of household also had a statistically significant effect on the number of problems reported. When two or more household members were employed, the household had .76 fewer problems than those households with no member employed. One person working, however, showed no significant effect. Age affected number of problems reported only when comparing elders over 65 with households in the 18-29 year old range. These elderly heads of household reported 1.41 fewer problems per household than the younger age group.

3.2 Number of Problems With Legal Help

Table 9 on page 23 sets out the data on the number of problems for which respondents did in fact have legal assistance during the past year. Eighty-two of the sample households or 16.4% reported that they did have a problem involving legal assistance during the past year. Of these 82 households, 60 or 73% also reported one or more problems for which they did not receive legal assistance. The average number of problems per household where legal assistance was provided proved to be 0.28 for the entire sample. For those households that reported having legal assistance, the average number of problems was 1.73 per household per year. The total number of problems involving legal help for the entire sample was 142.

Table 9.

NUMBER OF PROBLEMS WITH LEGAL HELP PER HOUSEHOLD

	N	%
Number of Problems		
0	418	83.6
1	47	9.4
2	21	4.2
3	7	1.4
4	5	1.0
5	1	0.2
6 - 9	1	0.2
Total	500	100.0

3.3 Number of Problems Without Legal Help

Table 10 on page 25 sets out data for the nationwide sample on problems reported for which no legal assistance was obtained. Almost 40% of the nationwide sample reported that they have had a problem during the past year for which they did not have legal assistance. The total number of problems reported in this category were 540. Almost 15% of this group reported at least three separate problems for which they did not have legal assistance. Overall, for the entire 500 households in the sample, the average number of problems for which respondents had no legal help was 1.08. Of those households identifying at least one legal problem with no legal help, the average number of problems per household was 2.81.

Table 10

NUMBER OF PROBLEMS PER HOUSEHOLD WITHOUT LEGAL HELP

	N	%
Number of Problems		
0	308	61.6
1	81	16.2
2	40	8.0
3	26	5.2
4	13	2.6
5	9	1.8
6 - 9	16	3.2
10+	7	1.4
Total	500	100.0

CHAPTER IV

FREQUENCY OF PROBLEMS

4.1 Problem Identification for All Respondents, Regardless of Legal Help

As previously indicated, respondents were asked a series of 34 individual problem identification questions which for purpose of analysis were aggregated into ten categories: consumer, utility, housing, employment, school, medical, public benefits, family, discrimination and other. Among the problems identified in the other category were civil torts, wills, immigration and worker's compensation. Table 11 on page 27 tabulates the frequency with which respondents reported experiencing a problem, by category, for all the problems reported, regardless of whether a respondent had legal help with the problem or not.

Table 11

FREQUENCY OF CATEGORY OF PROBLEM

ALL PROBLEMS, REGARDLESS OF LEGAL HELP

(A number of households had a specific problem in more than one category. A few households had two or more specific problems in one category. This table reports the total number of households that reported a problem within each category regardless of the number of specific problems they may have had in that category. For example, a household that reported one consumer problem and two utility problems were recorded once in the consumer category and once in the utility category.)

	Number of Households Reporting	% Reporting[1]
Medical	73	14.6
Public Benefits	67	13.4
Utility	61	12.2
Family	60	12.0
Discrimination	59	11.8
Consumer	57	11.4
Employment	50	10.0
Housing	48	9.6
School	23	4.6
Other	21	4.2

The largest percentage of respondents in the survey reported experiencing at least one problem in the medical category over the past year (14.6%). Individual problems within the medical problem category included problems with access to doctor, hospital, mental health or other health care services because of inability to pay, as well as problems securing insurance, Medicaid, Medicare or other government benefits to pay for medical bills.

> Not receiving Medicaid is the worst because I do not have any insurance and the other day I had to take my son to

[1]The total percentage does not add up to 100% inasmuch as some households reported problems in more than one category.

the doctor and it cost me $96. I can't really afford the proper health care for my children like dental care and things like that. When I was in the hospital sick and so was my daughter, I had no insurance and no medical benefits and quite frankly, I did not know how I was going to take care of the bills. I mean I owed the hospital almost $10,000 and had no idea how I was going to pay them. (New Jersey)

The second most frequently mentioned problem category was public benefits (13.4%). Individual questions included problems with food stamps, welfare, SSD/SSI and other public benefits.

Neither one of us was receiving our proper disability benefits. Because of this, we were unable to pay our rent (we were threatened with the end of all utilities like gas, electricity, and water) and were having problems getting both over the counter and prescription drugs. It seems as if we are at the mercy of the government until they reimburse us. In the meantime, we can't afford a lawyer and aren't receiving any income. We asked for a hearing in court. It still hasn't come through yet. (Illinois)

Utility problems were the third most frequently reported category of problems (12.2%) followed by family problems (12%).

Table 12 below tabulates the five most frequently reported individual problems of the 34 included in the survey, regardless of whether the respondent had legal help or not.

Table 12

FREQUENCY OF ALL INDIVIDUAL PROBLEMS, REGARDLESS OF LEGAL HELP

Individual Problem	Frequency Rank	% Reporting
Utility service turned off	1	11.4
Access to Physician Services	2	7.8
Need for a divorce	3	7.2
Unfair Job Termination	4	6.6
Discrimination in Employment	5	6.4

The gas is off, we cannot afford to keep the utilities going. The problem right now is keeping afloat. We have to manage somehow. (Virginia)

I had no insurance and they would not admit my wife into the hospital. I tried to get legal help. No money, no help. (Michigan)

4.2 Problem Identification for Respondents with Legal Help

In addition to the problem identification data outlined above for all problems regardless of whether a respondent had legal help or not, the telephone survey data were also tabulated separately for those problems where legal help was secured and those problems where respondents had no legal help. The following information pertains to problems where respondents reported having legal help.

Table 13 on page 30 reports the frequency of problems, by category, for those respondents who had legal help. Family problems were identified most frequently, by a wide margin, as those civil legal problems where respondents had legal help. Thirty-nine households, or 47.6% of the households reporting legal help, experienced at least one family problem for which they had legal help.

I had a problem getting child support that was owed to me and getting a raise for my child support. I hired an attorney and went to court and we won. (Iowa)

The consumer category of problem is the next most frequently reported category of problem where respondents had legal help. Less than half the number of respondents, however, reported having legal help for a consumer problem than for a family problem, with only 16 respondents, or 19.5% of the sample, having secured such help.

A number of respondents in the "other" category reported experiencing a private civil claim for which they had legal help.

When you have proper representation, all looks better in the court system. (Tennessee)

Table 13

FREQUENCY OF CATEGORY OF PROBLEM

FOR WHICH RESPONDENTS HAD LEGAL HELP

(An individual household may have more than one category of problem and is only counted once in any particular category, regardless of the number of specific problems they may have had in that category.)

	Number of Households Reporting	% Reporting
Family	39	47.6
Consumer	16	19.5
Other	12	14.6
Discrimination	11	13.4
Medical	10	12.2
Housing	8	9.7
Employment	7	8.5
Public Benefits	7	8.5
Utility	6	7.3
School	4	4.9

Table 14 on page 31 displays the five most frequently mentioned individual problems for which respondents had legal help. Although the numbers are quite small since these data are derived from a total of 82 households who reported having at least one problem for which they had legal help, it is significant that three out of the five individual problems are family problems.

Table 14

FREQUENCY OF INDIVIDUAL PROBLEMS
FOR WHICH RESPONDENTS HAD LEGAL HELP

Individual Problem	Frequency Rank	Number Reporting
Need For a Divorce	1	21
Child Support Dispute	2	19
Other Problem	3	12
Owed Money	4	10
Other Family Problem	5	9

Table 15 on pages 32-33 displays these data on legal help in a somewhat different, but revealing way. Here, data is tabulated for the individual problems by the total number of households experiencing the problem, whether they had legal help or not, and the percentage of these same households that had legal help with the problem. While having a utility turned off was the most frequently reported individual problem, regardless of legal help or not, the percentage of those respondents who had legal help with the problem is extremely low (7%). Child support disputes, on the other hand, had a lower overall frequency of occurrence (the problem ranks 8th in terms of frequency), but a relatively large percentage of respondents who received legal assistance for that problem (67.9%). Other individual problems where a high percentage of respondents had legal help included: divorce (60%); other family problems (53.8%); and owing money to someone (50%).

Table 15.

PROPORTION OF HOUSEHOLDS HAVING LEGAL HELP BY INDIVIDUAL PROBLEM

	Number of Households Having Problem	Percent that had Legal Help for Problem
Q6. Owed Money	20	50.0
Q7. Defective Purchase or Repair	27	7.4
Q8. Other Consumer Problem	26	23.1
Q9. Utility Turned Off	57	7.0
Q10. Other Utility Problem	9	33.3
Q12. Eviction	8	50.0
Q13. Locked out by Landlord	0	
Q14. Defective or Dangerous Conditions	24	8.3
Q15. Trouble getting Public Housing	21	0.0
Q16B. Foreclosure	9	11.1
Q16A. Other Housing Problem	2	50.0
Q17. Unfair Job Termination	33	18.2
Q18. Other Employment Problem	29	10.3
Q19. Special Education	12	33.3
Q20. Other School Problem	11	9.1
Q21.a Physician Services	39	7.7
Q21.b Hospital Services	24	12.5
Q21.c Mental Health Services	5	0.0
Q21.d Other Health Services	10	10.0
Q22. Government Medical Benefits	29	3.4
Q23. Other Medical Problem	12	25.0
Q24.a Food Stamps	29	0.0

(CONTINUED)

Table 15, continued

PROPORTION OF HOUSEHOLDS HAVING LEGAL HELP BY INDIVIDUAL PROBLEM

	Number of Households Having Problem	Percent that had Legal Help for Problem
Q24.b Welfare	19	10.5
Q24.c SSD/SSI	21	14.3
Q24.d Other Public Benefits Program	13	7.7
Q25. Other Public Benefits Problem	7	28.6
Q26. Divorce	36	58.3
Q27. Child Support Dispute	28	67.9
Q28. Other Family Problem	15	60.0
Q29.a Discrimination in Employment	32	15.6
Q29.b Discrimination in Credit	23	4.3
Q29.c Discrimination in Other Area	12	16.7
Q30. Other Discrimination Problem	13	30.8
Q31. Other Problem - A	21	57.1
Q31. Other Problem - B	2	50.0
Q31. Other Problem - C	1	100.0
Q31. Other Problem - D	1	100.0

4.3 Problem Identification for Respondents Without Legal Help

A far larger percentage of the nationwide sample reported experiencing a civil legal problem over the past year for which they did not have legal assistance than those that had legal help. Information collected during the survey tells the stories of people suffering serious legal problems without the benefit of legal assistance. One respondent from South Carolina reported, "I lost my house because I didn't know what to do." Another said:

> I have a problem with foreclosure because I haven't been able to pay the tax bill. I have been advised to sell my house to pay them, but I shouldn't. I'm waiting for them to throw me out. (New York)

A woman with family problems, and no legal help, reported:

> I would have liked to change my ex-husband's visiting rights. He is a very abusive person. Before I could do that, I have to go to court. It would have been good for me to talk with a lawyer. (Maine)

A disabled respondent who reported employment discrimination problems stated:

> Like I said before, it is because I have polio on my left side that people will not hire me. It takes me a lot of energy to get around, so I can't go to all lengths to fight for these kinds of things. And unfortunately, no one else will help us kind of people. Hopefully this here survey will do something because how do they expect us to rally and fight for ourselves when we can't even get around. (Pennsylvania)

Finally, another woman with family problems reported:

> I haven't been able to see my son since my ex-husband took him away from me. I have only seen him four times in the past ten years. I'm sure that if I could have afforded a lawyer, I would have been able to see him more, and possible would have gotten custody back. (Oregon)

Table 16 below tabulates the frequency of category of problem for which respondents had no legal help.

Table 16

FREQUENCY OF UNMET LEGAL PROBLEMS BY CATEGORY

(An individual household may have more than one category of problem. Each household is only counted once, however, in any particular category, regardless of the number of specific problems it may have had in that category.)

Problem Category	Number of Households Reporting	% Reporting
Medical	70	36.4
Public Benefits	62	32.3
Utility	55	28.6
Discrimination	55	28.6
Consumer	46	23.9
Employment	44	22.9
Housing	42	21.9
Family	25	13.0
School	19	9.9
Other	10	5.2

The largest percentage of respondents reported experiencing a medical problem for which they had no legal help (36.4%). These problems covered a range of issues from access to hospital care to inability to obtain insurance, to access to physician care. One respondent reported:

> My father-in-law who lives with us had two strokes and two heart attacks and the government will give no aid to help him, even though he needs round-the-clock care. We want to take care of him ourselves, but the state won't let us and won't pay for his care. He would die in a nursing home. (Wisconsin)

Another expressed frustration with securing physician services for a Medicaid recipient:

> My daughter has Medicaid and many doctors won't take Medicaid. I had to take her to the emergency room. (Arkansas)

Public benefits problems (32.3%), utility and discrimination problems (both at 28.6%) and consumer problems (23.9%) were the next most frequently reported categories where respondents had no legal assistance.

In comparing the most frequently reported problem by categ for those respondents with (Table 13) and without (Table 16) leg help, we found some significant results. Table 17 compares both categories by ranking of frequency.

Table 17

FREQUENCE RANK OF PROBLEM BY CATEGORY

FOR THOSE WITH LEGAL AND THOSE WITH NO LEGAL HELP

Problem Category	Frequency Rank for Those With Legal Help	Frequency Rank for Those With No Legal Help
Family	1	8
Consumer	2	5
Other	3	10
Discrimination	4	4
Medical	5	1
Housing	6	7
Employment	7	6
Public Benefits	8	2
Utility	9	3
School	10	9

An analysis of Table 17 shows that respondents with family problems were most frequently able to obtain lawyers among the ten

substantive categories. However, respondents with medical problems had the highest ranking in terms of no legal help compared to a ranking of fifth in terms of receiving legal help. There is also a significant variation for respondents reporting utility and public benefits problems. In both cases, the frequency rankings were high for those categories in which no legal help was obtained compared to the respondents who had legal help. These data are consistent with our experience in conducting civil legal needs studies in several states. Our observation is that low income persons generally consider family and consumer problems as those for which legal assistance might be necessary, but do not consider the relevance of legal assistance when faced with problems in the medical, utility and public benefits categories.

> I've been here 20 years. I tried to keep the house up for myself for most of these years. I tried so hard to keep it for my children and now it seems like I'll lose everything. I'm gonna try to find out from legal services if I could sell the house for back taxes. (New York)

Table 18 below displays the six most frequently reported individual civil legal problems for which respondents did not have legal help.

Table 18

FREQUENCY OF INDIVIDUAL PROBLEMS

FOR WHICH RESPONDENTS DID NOT HAVE LEGAL HELP

Individual Problem	Number Reporting	Frequency Rank
Utility turned off	52	1
Access to physician services	36	2
Food stamps	29	3
Government medical benefits	28	4
Unfair job termination	27	5
Discrimination in employment	27	5

Having a utility turned off was the most frequently mentioned individual unmet legal problem. Two out of the six other most frequently reported problems are in the medical category (access to physician services and government medical benefits). Unfair job termination and discrimination in employment both contained 5.4% of the total households reporting experiencing these problems without legal assistance.

CHAPTER V

MOST SERIOUS PROBLEM

At the conclusion of the interview, respondents were asked to identify which individual problem they considered to be the most serious of all the problems they had mentioned experiencing. Respondents were asked to choose one problem as the most serious, regardless of whether they had legal help or not. Separate tables were created for the most serious problem for respondents who had legal help and those who did not.

5.1 Most Serious Problems For Which Respondents Had Legal Help

The following tables tabulate those data that pertain to respondents who had legal help. Not surprisingly, once again, family problems predominate as shown in Table 19 on page 40. Nearly half (43.9%) of the 41 respondents, who identified their most serious problem as one for which they had legal help, said their most serious problem was a family problem. Consumer (12.2%), employment (9.8%) and utility and public benefits (both at 7.3%) were the next most frequently mentioned categories. The limited number of respondents, however, in these latter categories, does not permit us to draw statistical inferences from these data.

Table 20 on page 41 displays the data both for frequency of problems, by category, and most serious problem, by category. A comparison of frequency and importance rank reveals that family and consumer problems occurred both with greatest frequency and were considered the most serious problems when they occurred by those respondents who reported their most serious problem as one that involved legal help.

Table 19

MOST SERIOUS PROBLEM FOR WHICH RESPONDENT HAD LEGAL HELP

	N	%
Category		
Consumer	5	12.2
Utility	3	7.3
Housing	1	2.4
Employment	4	9.8
School	2	4.9
Medical	2	4.9
Public Benefits	3	7.3
Family	18	43.9
Discrimination	2	4.9
Other	1	2.4
Total	41	100.0

Table 20

MOST FREQUENT AND SERIOUS PROBLEM BY CATEGORY FOR WHICH RESPONDENTS HAD LEGAL HELP

Category of Problem	Frequency Rank	Seriousness Rank
Family Problems	1	1
Consumer	2	2
Other	3	6
Discrimination	4	5
Employment	7	3
Utility	8	4
Public Benefits	7	4

As Table 20 indicates, employment, utility and public benefits problems had higher importance ranks than frequency ranks.

5.1.1 How Respondents Found Legal Help for Their Most Serious Problem

A series of additional questions were asked to determine how respondents found legal help. Table 21 on page 42 displays the data from these questions. Some respondents reported finding their lawyer through more than one means so that the total number of responses exceeds the number of respondents.

Table 21

HOW RESPONDENTS FOUND THEIR LAWYER

Way in Which a Lawyer Was Obtained	Number of Responses	% of Responses
Referred from a friend	22	36.1
Referred from another lawyer	10	16.4
Found by some other method	9	14.7
Had seen the lawyer before	8	13.1
Knew the lawyer personally	8	13.1
Found in a phone book	4	6.6
TOTAL NUMBER OF RESPONSES	61	100.0

The largest percentage of respondents reported that they found their lawyer for their most serious problem through a referral from a friend. The second most frequently mentioned way was through referral from another lawyer.

5.2 Most Serious Problem For Which Respondent Had No Legal Help

Table 22 on page 43 displays the most serious problem identified by respondents who had no legal help. Not surprisingly, the medical problem category was reported most frequently (19.5%). Public benefits (17.8%), discrimination (13%) and utility (11.8%) were the next most frequently reported categories of most serious problem. Table 22 also compares frequency and seriousness ranks for those problems for which respondents had no legal help.

Table 22

MOST FREQUENT AND SERIOUS PROBLEM BY CATEGORY

FOR RESPONDENTS WITH NO LEGAL HELP

Category of Problem	Frequency Rank	Seriousness Rank
Medical	1	1
Public Benefits	2	2
Utility	3	4
Discrimination	4	3

Interestingly, those respondents without legal assistance reported the same four categories for both rankings. The only variation when we compared frequency and seriousness rank is for utility and discrimination problems which reversed places, with discrimination problems considered more frequently as serious than utility problems.

5.2.1 Why Respondents Did Not Have a Lawyer

For those households that provided information on their most serious problem and indicated that they did not have legal help, we asked, "Why didn't you have a lawyer?" Table 23 on page 44 provides responses to this question. A number of households reported multiple responses.

Table 23

REASONS WHY RESPONDENTS DID NOT HAVE A LAWYER

Reasons	Number of Responses	% of Responses
Thought too expensive	91	28.3%
Could handle problem themselves	71	22.1%
Didn't know how to get lawyer	56	17.5%
Thought lawyer couldn't help	44	13.7%
Other reasons	21	6.6%
Had other kinds of assistance	19	5.9%
Turned down for legal assistance	19	5.9%
TOTAL NUMBER OF RESPONSES	321	100.0%

Almost half of the survey responses indicate that they did not have legal help either because they thought it was too expensive or thought a lawyer couldn't help.

> I didn't know that you could get legal help to deal with unemployment. (Mississippi)

> A lawyer would have made a difference, but once again, I didn't have any money to pay him. (Indiana)

> I would like a divorce but can't afford a lawyer to go about doing it. We consulted a lawyer but could barely afford the consultation fees. (New York)

> The landlord had a lawyer and I couldn't afford one. I really couldn't handle it on my own. (Texas)

Finally, these same respondents were asked, "Do you think that having legal help would have made a difference in resolving the problem?" More than 43% of the respondents reporting stated that it would.

> I think that if I had a lawyer they wouldn't have sent me the unfair notices and they could not intimidate me. (California)

Legal help always helps. (New Mexico)

I could have gotten the job back if I had a lawyer. (California)

5.3 Knowledge of Free Civil Legal Services

All respondents in the national survey were asked, "Are there free legal services for non-criminal problems in your area?" Twenty-nine percent of the nationwide sample of respondents indicated that they were aware of free non-criminal legal services in their area. Almost 23% of the sample indicated that they were unaware of such services in their area and 48% reported that they did not know whether free non-criminal legal services existed in their area.

Of those respondents who indicated that they were aware of free non-criminal legal services in their area, 19% indicated that they had used such services and 81% reported that they had not used the services.

They got my benefits back. (Minnesota)

They made me feel like a person and helped me win the case. (Maryland)

5.4 How Respondents Would Find A Lawyer If They Needed One

Finally, all respondents to the survey were asked, "If you needed a lawyer today, how would you find one?" Table 24 on page 46 displays the responses to this question.

Table 24

HOW RESPONDENTS WOULD FIND A LAWYER IF THEY NEEDED ONE

	Number of Responses	% of Responses
Look in the Yellow Pages	168	33.6
Ask an acquaintance	118	23.6
Know or have a lawyer	115	23.0
Never thought about it	43	8.6
Go to Legal Aid	25	5.0
Check with Lawyer's Referral Service	17	3.4
Other	14	2.8
TOTAL NUMBER OF RESPONSES	500	100.0

Slightly more than one-third of the nationwide sample reported that they would find a lawyer through the yellow pages and 23.6% indicated that they would ask a family member or friend. These data are consistent with that reported in other civil legal needs studies we have conducted.

CHAPTER VI
CONCLUSION

6.1 Comparison With Other Civil Legal Needs Studies

As we indicated at the beginning of this report, there have been at least 25 civil legal needs studies of the poor in this country conducted over the past 20 years. At least 15 of these studies have attempted to compute the annual rate per household of legal problems experienced in their jurisdiction. The range of response has been quite broad--from 1.0 to 5.5. There are several reasons for these results. They include the following:

- Some surveys asked respondents to report their problems for a period as long as five years.
- Some surveys asked as many as 250 specific problems.
- Some surveys did not use random samples, e.g., the sample was limited to current legal services clients.
- Some surveys asked respondents to report the number of times within a specified period that the problem had re-occurred.

Despite these limitations, it is important to note that all surveys conducted in the past 20 years report an annual average rate of unmet legal problems per household of at least 1.0.

The two studies that The Spangenberg Group has conducted that most closely mirror the methodology for the phone survey in the current ABA Study were conducted in New York and Illinois. The one major difference is that only 34 individual problems were contained in the ABA Study while there were 65 in Illinois and 66 in New York. Based upon a sample of 1,250 respondents in New York State, the average number of civil problems without legal assistance per household was 2.46. In Illinois, with a sample of 1,900 respondents, the figure was 1.69. The ABA Study, with only about one-half of the number of questions asked in New York and Illinois,

produced a figure of 1.08 problems for which respondents did not have legal help across the nationwide sample.

6.2 Nationwide Estimates of Civil Legal Needs

Based upon the results of this survey of 500 randomly selected households throughout the country with incomes of 125% of poverty or below, 682 problems were reported. Approximately 20% (142) involved legal help and 80% (540) involved no legal help.

The data for the entire sample of households also disclosed that the average number of problems per year for which legal help was obtained was 0.28. The comparable figure for problems for which no legal help was obtained was 1.08 problems per household per year.

The United States Bureau of the Census published in March 1988 their "Current Population Survey: Poverty in the United States - 1987, Series P-60 #163." This report discloses that in 1987 there were 11.945 million households below 100% of poverty. This figure was obtained by adding the two categories of "families" and "non-family householders." The non-family householders are a subgroup of "unrelated individuals."

The report further provides data for those "families" at or below 125% of poverty. While data is available at the 125% level for unrelated individuals, there is no data for the subgroup of non-family householders. However, we have calculated this figure for the 125% level by assuming the same percentage as obtained for the 100% level. The resulting figure when added to the family figure suggests that there were 17.569 million households throughout the country in 1987 with incomes of 125% of poverty or below.

In an effort to provide a nationwide estimate of the annual total number of problems with legal help for the 17.569 million households in 1987 based upon the survey results in this study, we have multiplied that figure by 0.28 to determine the figure for

those with legal help and 1.08 to determine the figure for those with no legal help. The resulting figures disclose that, based upon the current study, there were in 1987 approximately 4.9 million problems for which low income households below 125% of poverty had legal assistance and approximately 19 million problems for which low income households had no legal assistance.

Within the past few weeks, the Legal Services Corporation has published their "Fact Book for 1987-1988." Data from that report indicates that LSC-funded programs nationally represented approximately 1.6 million clients. This figure is approximately one-third of the 4.9 million cases estimated from the national survey for which legal assistance was provided. There are a number of possible explanations for this gap. First, the 1.6 million LSC figure does not reflect the caseload from some programs funded by LSC which do not report caseload for clients whose services are supported by non-LSC funds. Second, there are a number of privately funded legal aid societies handling a large volume of civil cases around the country. Third there are a large number of private bar pro bono programs around the country that have no direct connection to LSC-funded programs. Fourth, there is a large but unknown number of clients around the country who obtain free civil legal services on a one-time basis from private attorneys who have no formal connection with any agency or organization. Finally, this survey, as well as prior surveys we have conducted show that some households, below 125% of poverty, receive legal assistance that involves the payment of a fee to a private lawyer.

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REPORT ON THE 1989 SURVEY OF THE PUBLIC'S USE OF LEGAL SERVICES

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Research Attorney, American Bar Foundation

May, 1989

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REPORT ON THE 1989 SURVEY OF THE PUBLIC'S USE OF LEGAL SERVICES

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May 15, 1989

Summary of Survey Results

In 1974, a national survey of a representative sample of the U.S. adult population examined the incidence of personal, non-business legal problems and the use of legal services in their resolution. In February, 1989, a second national survey was conducted for the purpose of determining whether changes had occurred in the public's need for or use of legal services. This paper reports on the results of the 1989 survey. The following are the principal findings discussed in this paper.

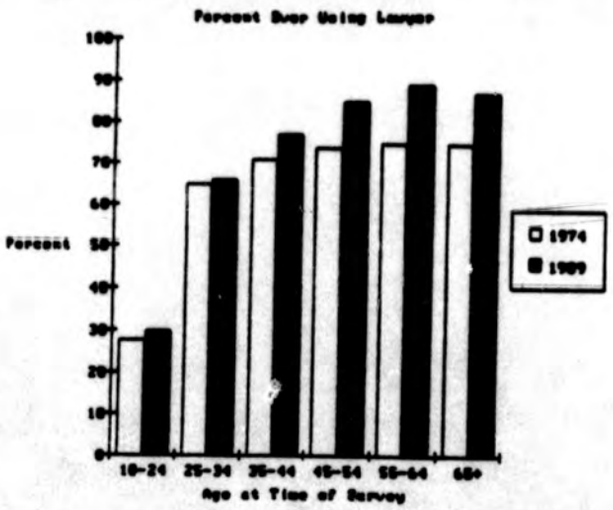
A. Overall Use of Legal Services

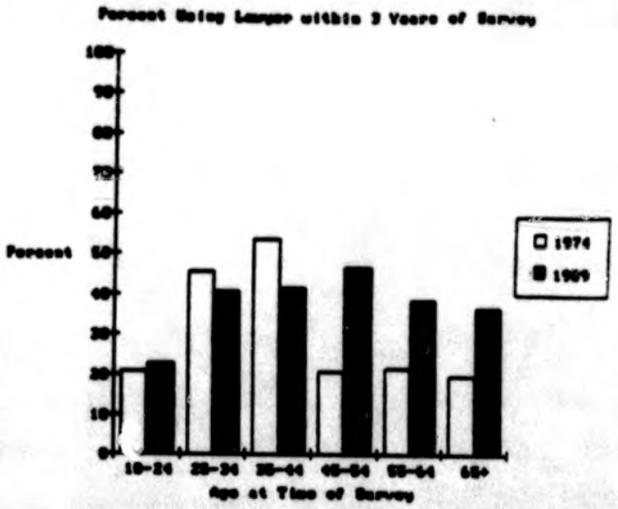
1. The use of legal services for personal and family legal matters has increased since 1974. A larger proportion of the 1989 adult population had consulted lawyers at least once in their lives than was the case for the 1974 population. Moreover, wider use of legal services in the 1989 population was also reflected in recent use patterns, i.e., the proportion of the population using legal services in the three year period preceding the 1989 survey was greater than that for the comparable period preceding the 1974 survey.

Percent of adults ever having used legal services:	Percent of adults having used legal services within 3 years of survey:
1974: 64%	1974: 27%
1989: 72%	1989: 39%

2. The rise in lawyer use occurred primarily among persons over the age of 40.

USE OF LEGAL SERVICES WITHIN AGE GROUPS

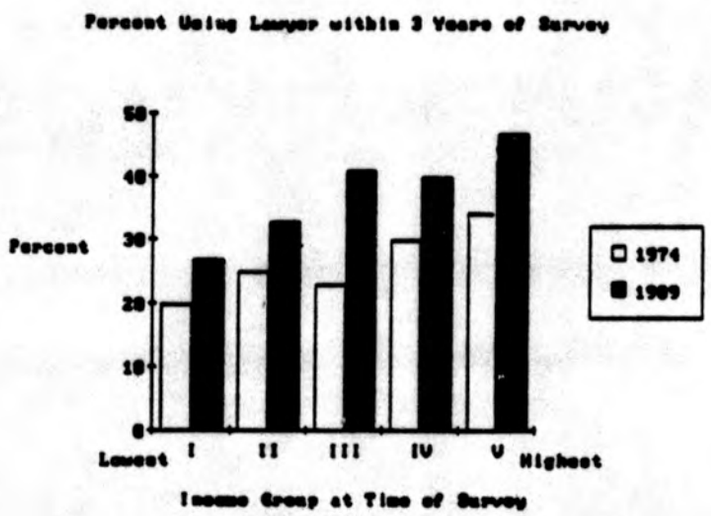




3. The disparity in lawyer use rates is substantial between highest and lowest income groups. While 49% of adults in the top 25% of the income scale had consulted lawyers in 1986-89, only 27% of adults in the lowest 10% used legal services during the same period.

4. Use of legal services increased for all income groups, but at the slowest rate among persons of limited means and at the highest rate among persons of moderate means.

USE OF LEGAL SERVICES WITHIN INCOME GROUPS



B. Use of Legal Services for Specific Problems

1. Although the overall use of legal services increased between 1974 and 1989, lawyer use actually decreased in some problem areas.

2. Use of lawyers by home buyers remained at the same level as in 1974, but the overall rate of use within the population at large declined as home purchase rates declined. Forty-one percent of home buyers during 1986-89 consulted lawyers in connection with home purchase.

3. Use of lawyers' services for will preparation also remained at the same high levels as in 1974, but the proportion of the population obtaining wills increased substantially. As of 1989, 40% of adults reported having wills, compared to 27% in 1974. Eighty-seven percent sought lawyers' help in will preparation in both 1974 and 1989.

4. Use of lawyers' services in divorce proceedings declined from 81% of divorcing persons in 1974 to 75% in 1989.

5. Use of lawyers' services for serious consumer problems seems to have increased since 1974, but the rate of use for such problems remains substantially lower than that for home purchase, wills, or divorce--36% of persons encountering serious consumer difficulties in the period from 1986-89 sought legal advice or help. Persons of low and modest means were most likely to report serious consumer problems but were least likely to use legal services in their resolution and most likely to do nothing about such problems.

C. Considerations Surrounding Use of Lawyers' Services

1. Cost remains a significant element in the decision to seek legal assistance. Those considering consulting lawyers are most likely to refrain from doing so in the case of consumer and marital problems.

2. The overwhelming majority of persons considering using legal services turn to friends and relatives for advice and help in choosing a lawyer. Almost 10% rely on advertisements and yellow pages.

3. Current income remains the principal way in which lawyers' services are financed by all income groups. Forty-two percent of those of limited means pay for lawyers' service out of current income or by borrowing.

Introduction

Fifteen years ago, the first national survey of the legal needs of the public was conducted by the American Bar Foundation in collaboration with the American Bar Association Special Committee to Survey Legal Needs.[1] Based on 2,064 personal interviews with a representative sample of the adult population, the purpose of the survey was to provide theretofore unavailable information on how and to what extent personal, non-business legal problems of persons of moderate and limited means were being served.

In addition to examining the incidence of various types of legal problems among the target population, the survey explored the ways in which ordinary people dealt with those problems, including their use of legal services. Significant variation in the kinds of problems encountered and in problem-solving approaches were found to exist among different demographic subgroups.

To understand more fully the reasons underlying the use, and non-use, of lawyers' services, the survey also explored the following: the nature of experiences with lawyers, general attitudes towards lawyers, and perceptions about accessibility to, and costs of, legal services. Even though the survey revealed some variation in attitudes and perceptions based on prior experiences with lawyers, and among demographic subgroups, the study pointed up commonly shared concerns about the cost of lawyers' services and the availability of competent lawyers interested in handling personal, family problems of ordinary persons.

In the intervening fifteen years since the survey, significant changes have taken place in the demography of the adult population and in the lawyer population itself that, in the former case, may well affect the incidence of legal problems, and, in the latter case, the availability of lawyers' services for persons of moderate and limited means. Moreover, changes which could affect availability of, and perceived accessibility to, lawyers' services have occurred in the rules regulating delivery of lawyers' services, in the ways in which law practice is organized, in the methods of paying for legal services, and in the availability of dispute resolution mechanisms to persons of moderate and limited means. Included in these changes were relaxation of rules against advertising, elimination of minimum fee schedules, the increased attention to pro bono

service responsibilities of lawyers, the rise of so-called retail law offices, the growth of prepaid and group legal insurance plans, the development of programs aimed at reduction of court costs and delay, development of alternative dispute resolution devices, and, in some jurisdictions, encouragement of *pro se* representation in matters such as marriage dissolution, small estate probate and administration, and small claims.

These changes raise the question whether the pattern of legal problem incidence and problem-solving behavior observed in the earlier survey hold true today. In mid-February of this year, a second national survey was conducted. The survey consisted of telephone interviews with 1500 persons, scientifically selected to be representative of the resident U.S. adult population living in households. Respondents to the survey provided information on their use of lawyers' services generally and for selected legal problems.[2]

The principal objective of the 1989 survey, undertaken for the American Bar Association Consortium on Legal Services and the Public, was to obtain information on certain key matters that would allow a preliminary assessment of the present situation and of changes that may have taken place since the earlier study. The 1989 survey was, by design, far more modest in scope and coverage than the earlier survey. There was no intention to replicate the earlier study in its entirety. Rather, the new study focuses on matters that are most likely to provide general insights into current patterns, permit reasonable inferences about the currency of findings from the prior study, and allow some conclusions to be drawn about the possible nature and direction of change since the mid-1970s.[3]

This paper reports on the findings of the 1989 survey and compares the results with those of the earlier study. The report presents preliminary findings on (1) the overall pattern of lawyer use for personal, non-business legal problems, (2) problem-solving responses to selected legal problems, and (3) the decision to consult a lawyer, the choice of lawyer, and payment for the lawyer's services.

I. Use of Lawyers' Services Generally

As of 1989, a larger proportion of the adult population had consulted lawyers for personal, family matters than was the case in 1974.[4]

Table 1. Distribution of adult populations by prior use of lawyer

	1974 Survey N=2062	1989 Survey N=1491
Had consulted a lawyer	64%	72%
Had never consulted a lawyer	36	28
TOTAL	100%	100%

Before concluding that a change in behavior underlies these statistics, differences in the demography of the two populations, particularly age distribution, must be taken into account. An older population will have had a greater exposure to risk and, consequently, a higher incidence of legal problems and reason for seeking legal help. And, indeed, the 1989 adult population is an older population. While 44% of the 1989 adult population were between the ages of 25 and 45, that age group comprised only 37% of the 1974 adult population.[5] When, however, the 1974 and 1989 populations are compared on the basis of lawyer use within the various age groups, an upward trend may be observed across all ages.

Table 2. Comparison of 1974 and 1989 age groups by prior use of lawyer

Percent in each age group who had ever consulted lawyers

Age at time of survey	1974 Survey	1989 Survey
18-24	28%	30%
25-34	65	66
35-44	71	77
45-54	74	85
55-64	75	89
65 and older	75	87
All ages	64%	72%

Thirty-nine percent of the 1989 population had consulted a lawyer at least once within the three years preceding the survey, i.e., in the period 1986-89. Persons 45-54 years of age at the time of the survey were most likely to have done so. On the other hand, only 27% of the 1974 population had consulted lawyers within the three years preceding the 1974 survey (1971-74). The most striking aspect of the comparison of the two populations centers on the 35-44 and 45-54 age groups. In 1974, recent use of lawyers' services by 35-44 year olds was 54%, substantially higher than that of 45-54 year olds, 21% of whom had consulted lawyers in the preceding three years. By 1989, the pattern had reversed itself: 42% of persons 35-44 in 1989 had used lawyers in the recent past while 47% of persons 45-54 in 1989 had recently consulted lawyers.

Table 3. Proportion of each age group who consulted lawyers within 3 years of survey date

Age at time of survey	1974 Survey	1989 Survey
18-24	21%	23%
25-34	46	41
35-44	54	42
45-54	21	47
55-64	22	39
65 and older	20	37
All ages	27%	39%

In the 1974 survey, economic well-being was strongly associated with use of lawyers' services. In both the 1974 and 1989 surveys, persons of limited means were the least likely to have consulted a lawyer in the 3 year period preceding each survey. In 1989, less than one-third of the lowest income group reported having consulted a lawyer during 1986-89, compared to 49% of the highest income group.

Table 4 shows recent lawyer use for five income groups. The income groups are based on total household income and household size. Respondents to the 1989 survey were first divided into five groups based on size of household. The income distribution for each of the five groups was obtained. All individuals with household income falling in the lowest 10% of their household group were assigned to Group I; all individuals with incomes falling in the next 11% to 33% of their household-size group were assigned to Group II; all individuals in the next 34% to 50% of their household group were assigned to Group III; all individuals in the next 51% to 75% of their household group were assigned to Group IV; and all those in the top 25% of their household group were assigned to Group V. Thus, for example, 1989 Income Group I includes the following: Respondents in 1 person households with household incomes less than $8,000; respondents in 2 person households with household incomes less than $12,000; respondents in 3 person households with household incomes less than $15,000; respondents in 4 person households with household incomes less than $15,000; respondents in 5 or more person households with household income less than $15,000. Respondents to the 1974 survey were assigned to five income groups using their income and household size in 1974. The full schedule of assignments to Income Groups I to V for both 1974 and 1989 is set forth in the footnotes.[6]

As shown by Table 4, the general trend was toward wider use of legal services in each income group in 1989 than was the case in 1974. The relative increase in recent lawyer use among those at the lowest income level was the most modest. Twenty-one percent of persons in Group I (the lowest income group) in 1974 had used legal services in 1971-74, while 27% of persons in Group I in 1989 had used legal services in 1986-89. The largest increase was among those of moderate income (Group III), rising from 23% recently using legal services in 1974 to 41% in 1989.

Table 4. Proportion of each income group who consulted lawyers within 3 years of survey date

Income at time of survey*	Percent of total persons in income group specified: 1974 Survey	1989 Survey
Group I [lowest]	20%	27%
Group II	25	33
Group III	23	41
Group IV	30	40
Group V [highest]	34	49
All income groups	27%	39%

*I-lowest 10% of income scale; II=10%-33%; III=33%-50%; IV=50%-75%; V=top 25%.

II. Use of Lawyers for Specific Problems

One of the most important findings of the 1974 legal needs survey was the extent to which use of lawyers' services varied substantially by problem type and, in turn, the extent to which problem incidence varied with respect to the individual's age and economic situation. The overall use rates for legal services at any given time thus reflect the interaction of a variety of factors including the demography of the population. The 1974 survey elicited information on more than thirty specific problems and on the ways in which individuals dealt with those problems. Four problems were selected for the 1989 survey: (1) home purchase, (2) serious problem with a seller of goods or services, a landlord, or creditor, (3) divorce, and (4) preparation of a will. The particular problems selected were the most frequently reported problems in the 1974 survey and use of lawyers' services differed significantly among the four. This section presents incidence of, and lawyer use for, such problems in 1989 and compares the results with the 1974 findings.

A. Home Purchase

In 1989, the probability that an individual would seek the advice or help of a lawyer in connection with the purchase of a home was lower than in 1974.

Yearly lawyer use among all adults for home purchase:

1974: 24 per 1000 adults per year
1989: 22 per 1000 adults per year

Yearly lawyer use by home buyers:

1974: 400 per 1000 home buyers per year
1989: 410 per 1000 home buyers per year

The downward shift was not, however, the result of a decline in the proportion of home buyers who sought the advice and help of lawyers at the time of purchase. In both 1974 and 1989, around 40% of home buyers consulted lawyers. Rather, the reduction in lawyer use is attributable to the decline in home purchases.[7]

Yearly incidence among all adults of home purchase:

1974: 60 per 1000 adults per year
1989: 54 per 1000 adults per year

The decline in home purchase occurred primarily among adults under 35 years of age and was most pronounced among 25-34 year olds. In 1974, about one third of those who were 25-34 years old at the time of the survey had purchased a home during the three years preceding the survey. In contrast, less than one quarter of 25-34 year olds in 1989 had made such a purchase during 1986-89.

Table 5. Proportion of each age group who purchased a home <u>within 3 years</u> of survey date

	Percent of total persons in age group specified	
Age at time of survey	1974 Survey	1989 Survey
18-24	14%	10%
25-34	32	23
35-44	24	24
45-54	14	15
55-64	10	11
65 and older	4	5
All ages	18%	15%

While home purchase declined, lawyer use among home buyers (about 40% of all home buyers) has remained basically stable over the last fifteen years across all age groups. The proportion of buyers consulting lawyers on home purchase made in the three year period preceding each survey were essentially the same in 1974 and 1989. Moreover, about 40% of buyers in each age group used lawyers' services for purchases both in the 1971-74 period and the 1986-89 period. Thus, the decline in yearly lawyer use from 24 per 1000 adults in 1974 to 22 in 1989 reflects a decline in residential purchases, particularly among young adults, rather than shifting pattern of lawyer use among those who are home buyers.

In both 1974 and 1989, home purchase was strongly related to income--the higher the household and family income at the time of the survey, the more likely an individual reported having purchased a home in the preceding three years. In both surveys, the proportion of home buyers was greater in each successively higher income group.

Table 6. Proportion of each income group who purchased a home within 3 years of survey date

	Percent of total persons in income group specified	
Income at time of survey*	1974 Survey	1989 Survey
Group I [lowest]	6%	9%
Group II	16	12
Group III	20	16
Group IV	19	19
Group V [highest]	23	25
All income groups	18%	15%

*I-lowest 10% of income scale; II=10%-33%; III=33%-50%; IV=50%-75%; V=top 25%.

Buyers in the upper half of the income scale were somewhat more likely to consult lawyers at the time of purchase than buyers in the lower half in both 1971-74 and 1986-89.

Table 7. Proportion of home buyers in each income group using a lawyer for home purchase within 3 years of survey date

Income at time of survey	Percent of total persons in income group specified: 1974 Survey	1989 Survey
Bottom half of income scale	36%	33%
Top half of income scale	43	48
All income groups	40%	41%

B. Wills

At the time of the 1989 survey, 40% of the adult population reported having a will. This was a substantial increase over 1974 when 27% had wills. The overwhelming majority of wills (87%) were prepared by lawyers in both 1974 and 1989. While the rate of lawyer use for will remained at the same high level, the rise in the proportion of adults who decided to have wills accounts for the significant increase in the yearly lawyer use rate for wills.

Yearly lawyer use among all adults for wills:

1974: 27 per 1000 adults per year
1989: 43 per 1000 adults per year

Yearly lawyers use for adults making wills:

1974: 870 per 1000 will makers per year
1989: 870 per 1000 will makers per year

Having a will is highly related to age. In 1989, seventy percent of the population age 55 years of age or older reported having wills, compared to 23% of the population under the age of 45 years. When, however, the results from the two surveys are compared, it becomes clear that estate planning has in fact increased among both younger and older age groups since 1974. Particularly noteworthy is the growth rate among the 45-54 age group. While 9% of those 45-54 in 1974 had a will prepared in 1971-74, 18% of 45-54 year olds in the 1989 survey reported having a will prepared in the three years preceding the 1989 survey. On the other hand, no important differences were detected in lawyer use for will preparation among different age groups in either 1974 or 1989.

Table 8. Proportion of each age group who had a will prepared within 3 years of survey date

Age at time of survey	Percent of total persons in age group specified: 1974 Survey	1989 Survey
18-24	1%	4%
25-34	7	11
35-44	11	14
45-54	9	18
55-64	18	20
65 and older	17	29
All ages	10%	15%

Given that an individual wants a will, the probability that a lawyer's help will be sought is similar among all income groups. However, as one might expect, income is highly related to whether or not an individual chooses to have a will in the first place.

Table 9. Proportion of persons in each income group who had a will prepared within 3 years of survey date

Income at time of survey*	Percent of total persons in income group specified: 1974 Survey	1989 Survey
Group I [lowest]	4%	10%
Group II	7	13
Group III	7	13
Group IV	9	14
Group V [highest]	17	35
All income groups	10%	15%

*I-lowest 10% of income scale; II=10%-33%; III=33%-50%; IV=50%-75%; V=top 25%.

C. Divorce

The proportion of adults in the 1989 population who had ever divorced was 21% compared to 15% in the 1974 population. However, the yearly lawyer use rate had declined over the same period.

Yearly lawyer use among all adults for divorce:	Yearly lawyer use for divorcing adults:
1974: 8 per 1000 adults per year	1974: 810 per 1000 divorcing adults per year
1989: 7 per 1000 adults per year	1989: 750 per 1000 divorcing adults per year

The reduction in the lawyer use rate is primarily a function of a decline in the use of lawyers' assistance in divorce proceedings and not to any absolute decline in divorces. Between 1974 and 1989, the relative size of the married adult population had decreased: married persons comprised 63% of the adult population in 1988 compared to 70% in 1974.[8] Since the yearly lawyer use rate shown above is for the total adult population, one might be tempted to attribute the depressed yearly lawyer use rate solely to the reduction in the relative size of the married population, i.e. the population at risk.

The shrinkage in the population at risk was offset, however by an increase in the proportion of individuals within that population who divorced. Three percent of the adult population divorced in the three year period preceding the 1989 survey, substantially the same proportion who divorced in the 1971-74 period. The 3% of total adult population who divorced in 1986-89 made up, however, roughly 5% of the then married population, while the 3% of total adults in 1974 made up approximately 4% of the then married population. Thus, the growth of divorce in the married population was offset by the decline in the relative size of that population. As a result, the decline in the yearly lawyer use rate for divorce can be attributed, in substantial measure, to the fact that a smaller proportion of divorcing persons (75%) in the 1989 population sought lawyers' assistance in marriage dissolutions than was the case in 1974 when 81% of the divorcing population consulted lawyers in connection with marriage dissolution.

The 1974 survey simply asked whether respondents had lawyers' advice or help in connection with their divorces. The 1989 inquiry went further and explored whether both, either, or neither of the parties had a lawyer in divorce proceedings.

Table 10. Distribution of divorcing persons by use of lawyer (1979-89)

	N=132
Each party to divorce had a lawyer	41%
Only one party had a lawyer	36
Neither party had a lawyer	11
Parties shared same lawyer	10
One party had lawyer, other unknown	1
One party no lawyer, other unknown	1
TOTAL	100%

Almost two-thirds of those who had obtained a divorce in the ten years preceding the 1989 survey were between 25 and 45 years of age at the time of the survey. The proportion was similar to that for persons in the 1974 survey who divorced during 1963-74. Since the earlier survey, however, the use of lawyers for divorce in the 25-44 age group declined from 84% in 1974 to 72% in 1989. The decline in lawyer use appears to have occurred among those at all income levels except for those in the top 25% of the income scale.

D. Consumer Problems

Ten percent of adults in the 1989 survey reported having had at least one "serious" problem with a seller of goods or services, a landlord, or a creditor in the preceding three years. Thirty-six percent of those having such a problem consulted a lawyer in connection with it.

Yearly lawyer use rate for entire adult population for serious consumer problems:

1989: 12 per 1000 adults per year

Yearly lawyer use rate for adults having serious consumer problems:

1989: 360 per 1000 problem havers per year

The statistics for 1989 are not readily comparable with those from the 1974 survey. The reason is that, in the prior survey, the inquiry into consumer problems was far more detailed than was the case in 1989. It is likely that the earlier survey elicited affirmative responses to questions about incidence of certain types of consumer problems that respondents either overlooked or did not characterize as "serious" in the 1989 study. Forty-seven percent of respondents to the 1974 survey reported having had at least one consumer problem (as defined for them in 1974) in the period 1971-74--a somewhat higher proportion than 1989 and possibly an artifact of the different approaches used in the two surveys. On the other hand, only eleven percent consulted lawyers for consumer problems encountered in the three year period preceding the 1974 survey. Because of the uncertainty surrounding comparability of results from the two different periods, the following discussion will focus only on the 1989 situation.

Two-thirds of those with serious consumer problems in the period from 1986-89 did not consult a lawyer. The following table shows how consumers went about dealing with their most recent consumer problems.

Table 11. Distribution of persons with serious consumer problems by action taken (1986-89)

	N=147
Did nothing about the problem	13%
Dealt directly with adversary	24
Went to court (no lawyer)	3
Used other dispute resolution agency	6
Consulted a lawyer	36
Consulted other help source	2
Took other action	16
TOTAL	100%

Consumers 25-34 years old at the time of the survey were the most likely to report encountering serious consumer problems in the three years preceding the survey. Those 55 years of age and older were least likely to report such problems. On the other hand, those

under 35 years of age were least likely to consult lawyers about such matters (32% consulted lawyers) than those 35 or over (49% of those with problems).

Persons in the lowest 10% of household income were more likely than persons in any other income group to report serious consumer problems in the preceding three years.

Table 12. Proportion of each income group encountering serious consumer problems (1986-89)

Income at time of survey*	
Income Group I: (N=145)	16%
Income Group II: (N=227)	11
Income Group III: (N=222)	9
Income Group IV: (N=291)	7
Income Group V: (N=296)	11
All income groups	11%

*I-lowest 10% of income scale; II=10%-33%; III=33%-50%; IV=50%-75%; V=top 25%.

Those in the lowest two income groups, representing one-third of the population, were more likely to do nothing in the face of consumer difficulties than were those in the higher income groups: 28% of those in Income Groups I & II did nothing, compared to 14% of those in Income Groups III-V. On the other hand, those in the upper income groups were more likely to consult lawyers: 39% in Groups III-V consulted lawyers about consumer matters compared to 28% in Groups I & II.

E. Multiple Problems and Lawyer Use Across Problem Types

In the preceding sections, each problem type was examined separately. This section will examine the extent to which survey respondents encountered multiple problem types, the ranking of problem types in relation to use of lawyers' services, and variability among age and income groups with respect to these matters.

1. Multiple Incidence of Problems

Eighty percent of 1989 survey respondents reported having ever encountered at least one of the four problems described above and 28% reported at least one such problem in the three years preceding the survey.[9] Most reported having confronted only one problem in the last three years. And, none reported having confronted all four problems during that period.

Table 13. Distribution of adults by number of problems encountered (1986-89)

	N=1500
One problem	28%
Two problems	7
Three problems	1
Four problems	0
No problems	65
TOTAL	100%

Those encountering only one problem were equally likely to have cited either home purchase or will. Consumer difficulties ranked third for those who encountered one problem only. Among those who reported two problems, the most frequently mentioned was home purchase, followed by will and consumer problem, respectively.

Table 14. Distribution of problems by number of problems encountered (1986-89)

Problem area	Problems identified by 413 persons mentioning one problem only N=413	Problems identified by 100 persons mentioning two problems N=202
Home purchase	35%	41%
Consumer	23	22
Divorce	5	8
Will	36	29
TOTAL	100%	100%

For those who reported having two problems, the most likely combination was home purchase and will followed by home purchase and consumer problem. Forty-six percent of individuals had home purchase combined with will and 30% had home purchase combined with consumer problem. No other combination (e.g., consumer and will) was identified by more than 8% of respondents.

Those 25-44 years of age at the time of the survey were the most likely to have had at least one problem in the last three years. Moreover, they were also the most likely to have two or more problems.

Table 15. Distribution of each age group by number of problems encountered (1986-89)

	Age in 1989					
	18-24 N=215	25-34 N=331	35-44 N=319	45-54 N=216	55-64 N=210	65+ N=189
One problem	23%	31%	30%	25%	22%	30%
Two problems	3	10	10	7	4	2
Three problems	0	1	1	1	0	0
Four problems	0	0	0	0	0	0
No problems	74	58	60	66	73	68
TOTAL	100%	100%	100%	100%	100%	100%

The specific problems that individuals were most likely to report were highly related to age. Consumer problems ranked first among the youngest age group and dropped in rank in succeeding age groups. Home purchase ranked highest among the 25-44 age group and wills ranked highest among those 45 and over. The following table shows the ranking of problems for each age group. The ranking for each group is based on the total number of problems mentioned by that group.

Table 16. Ranking of problems by frequency of occurrence in each age group (1986-89)

1st=most frequent 4th=least frequent N=total problems

Rank	Age in 1989					
	18-24 years		25-34 years		35-44 years	
1st	Consumer	46%	Home buy	43%	Home buy	45%
2nd	Home buy	31	Consumer	33	Will	25
3rd	Will	14	Will	19	Consumer	20
4th	Divorce	9	Divorce	5	Divorce	10
TOTAL		100%		100%		100%
		N=64		N=180		N=165

Rank	45-54 years		55-64 years		65 +	
1st	Will	39%	Will	60%	Will	81%
2nd	Home buy	33	Home buy	34	Home buy	14
3rd	Consumer	19	Consumer	6	Consumer	5
4th	Divorce	9	Divorce	0	Divorce	0
TOTAL		100%		100%		100%
		N=94		N=65		N=64

Persons in the lowest income group and those in the top two income groups were most likely to have confronted at least one problem.

Table 17. Distribution of each income group by number of problems encountered (1986-89)

	Income in 1989*				
	Lowest Grp I N=147	Grp II N=230	Grp III N=224	Grp IV N=293	Highest Grp V N=304
One problem	30%	23%	25%	30%	32%
Two problems	5	7	5	6	11
Three problems	1	1	1	0	1
Four problems	0	0	0	0	0
No problems	65	70	68	64	57
TOTAL	100%	100%	100%	100%	100%

*I-lowest 10% of income scale; II=10%-33%; III=33%-50%; IV=50%-75%; V=top 25%.

The most frequently mentioned problem by persons in the lowest income groups was consumer. Consumer difficulties ranked third for all other income groups. Although divorce ranked last for all income groups, divorce comprised a larger share of total problems encountered by the lowest income group than was the case for other income groups.

Table 18. Ranking of problems by frequency of occurrence in each income group (1986-89)

1st=most frequent 4th=least frequent N=total problems

	Income in 1989*					
Rank	Groups I & II		Groups III & IV		Group V	
1st	Consumer	33%	Home buy	43%	Home buy	42%
2nd	Will	31	Will	32	Will	35
3rd	Home buy	27	Consumer	19	Consumer	19
4th	Divorce	10	Divorce	6	Divorce	5
TOTAL		100%		100%		100%
		N=147		N=211		N=172

*I & II=lowest 33%; III & IV=33%-75%; V=top 25%

2. Lawyer Use Across Problems

Almost two-thirds of those who had at least one problem consulted lawyers. However, those with one problem only were less likely to have consulted a lawyer. While 55% of those with only one problem consulted lawyers, 83% of those with two or more problems consulted a lawyer for at least one of their problems. However, less than half (40%) of those with two problems consulted a lawyer for both.

Younger persons were less likely to consult lawyers. In fact, as shown by the following table, lawyer use was strongly related to age.

Table 19. Proportion of problem havers in each age group consulting lawyers for at least one problem (1986-89)

Age in 1989	Percent of problem havers in specified age group using lawyers (1986-89)
18-24 (N=56)	48%
25-34 (N=140)	53%
35-44 (N=139)	57%
45-54 (N=73)	64%
55-64 (N=56)	75%
65+ (N=56)	84%

Income was also related to lawyer use. As shown by the following table, persons of most limited means were least likely to seek lawyers' help for their problems.

Table 20. Proportion of problem havers in each income group consulting lawyers for at least one problem (1986-89)

Income in 1989*	Percent of problem havers in specified income group using lawyers (1986-89)
Group I [Lowest] (N=51)	41%
Group II (N=70)	61%
Group III (N=71)	55%
Group IV (N=73)	67%
Group V [Highest] (N=56)	66%

*I-lowest 10% of income scale; II=10%-33%; III=33%-50%; IV=50%-75%; V=top 25%.

The ranking of lawyer use by problem type was the same across all income groups. That is to say, in all income groups, lawyers were more likely to be consulted for will preparation than for consumer problems. However, as shown by the following table, those with most limited means were less likely to consult a lawyer for any one problem type than those at higher income levels.

Table 21. Ranking of problems for each income group by proportion of problems taken to lawyers (1986-89)

1st=most frequent 3rd=least frequent N=total problems

	Income in 1989*		
Rank	Groups I & II	Groups III & IV	Group V
1st	Will (N=40) 76%	Will (N=61) 91%	Will (N=57) 90%
2nd	Home buy (N=45) 30	Home buy (N=90) 44	Home buy (N=71) 46
3rd	Consumer (N=48) 27	Consumer (N=41) 37	Consumer (N=29) 38

*I & II=lowest 33%; III & IV=33%-75%; V=top 25%

III. Considerations in Using Lawyers' Services

This section examines reasons why individuals do not consult lawyers, how lawyers are chosen, and methods of paying for lawyers' services.

A. Reasons for Not Consulting Lawyers

In both the 1974 and 1989 surveys, respondents were asked whether they had considered consulting a lawyer on a personal, family matter but had not done so. Of those responding to the question, 9% of the 1989 survey group indicated they had considered consulting a lawyer at some time during the three years preceding the survey while 14% of the 1974 survey group had done so in the three year period preceding the 1974 survey.

While the proportion of those considering, but not consulting lawyers, had declined marginally at about the same rate for all age groups between 1974 and 1989 the decline varied among the lower and upper income groups, moderating the discrepancies that existed among income groups in 1974.

Table 22. Proportion of each income group who considered but did not use lawyers <u>within 3 years</u> of survey

	Percent of total persons in income group specified	
Income at time of survey*	1974 Survey	1989 Survey
Group I [lowest]	11%	8%
Group II	10	9
Group III	15	10
Group IV	18	9
Group V [highest]	14	8
All income groups	14%	9%

*I-lowest 10% of income scale; II=10%-33%; III=33%-50%; IV=50%-75%; V=top 25%.

When asked about the nature of the problem under consideration, consumer problems, marital difficulties, and real estate matters were the single most frequently mentioned problems. These three together made up over one-half of all problems mentioned.

Table 2?. Distribution of problems that individuals considered but did not take to lawyers (1986-89)

	N=94
Consumer problems	18%
Marital problems	18
Real estate problems	16
Will	9
Estate admin. & probate	6
Problem with employer	4
Personal injury	3
All others	26
TOTAL	100%

The "All others" category includes an array of problems, like traffic citations, problems with governmental agencies, each of which made up less than 2% of problems encountered in 1986-89. The one exception was damage to respondent's property and personal injury claims against respondent, particularly those arising out of automobile accidents. The proportion of problems not taken to lawyers that are represented by these types of matters is not known for the 1989 survey. They are included in the category of "All others" shown in the above table. In all probability they represent well over 2% of problems not taken to lawyers. In the 1974 survey, such matters made up about 8% of problems not taken to lawyers.

Twenty-nine percent of respondents reported that they had not consulted a lawyer because they had found some other way to solve the difficulty. The second most frequently given reason was the cost involved in taking the matter to an attorney or pursuing the matter through legal processes.

Table 24. Distribution of reasons given for not consulting lawyers (1986-89)

	N=91
Solved other way	29%
Cost	22
Decided not to pursue further	15
Procrastination	12
Finding the right lawyer	6
Problems ought to be solved without lawyer	3
Didn't think attorney would be of any help	3
Didn't know why lawyers not consulted	4
Other reasons	6
TOTAL	100%

The reasons given are not mutually exclusive. Concern about cost or selecting the "right" lawyer may well have influenced decisions not to pursue the matter further or solving the matter in some other way.

B. Selecting a Lawyer

Friends and relatives who were not lawyers remain the major source of information for individuals in selecting a lawyer. The second most frequently mentioned resource is a friend or relative who is a lawyer. Together, advertisements and information provided in yellow pages made up the third most frequently used resource--but ranked far below friends and relatives.

Table 25. Distribution of lawyer users by information sources (1986-89)

Information Source	N=382
Friend or relative (not lawyer)	54%
Lawyer friend or relative	21
Advertisement	5
Yellow pages	4
Referred by prior lawyer	4
Employer	2
Group or prepaid legal service	1
Union	1
Lawyer Referral Service	1
Other ways	7
TOTAL	100%

The majority of persons in every age group turned to friends and relatives to advise on lawyer selection. However, persons 35 and over were more likely to rely on friends and relatives who were lawyers than were the under 35 age group. And, while 11% of persons under 55 years used advertisements and yellow pages as a referral source, those 55 and over relied almost exclusively on relatives and friends.

Table 26. Distribution of lawyer users in each age group by information sources (1986-89)

	Age in 1989		
Information Source	18-34 N=132	35-54 N=159	55+ N=89
Friend or relative (not lawyer)	61%	46%	59%
Lawyer friend or relative	12	23	30
Advertisement	6	5	2
Yellow pages	5	5	0
Referred by prior lawyer	2	6	2
Employer	3	1	3
Group or prepaid legal service	1	3	0
Union	1	1	1
Lawyer Referral Service	1	1	1
Other way	8	9	1
TOTAL	100%	100%	100%

All three income groups relied primarily on friends and relatives. However, the highest income group were more likely than others to seek a recommendation from a friend or relative who was a lawyer. Fourteen percent of middle income persons used advertisements and yellow pages for information compared to 4% of low income and 8% of high income persons.

Table 27. Distribution of each income group by information sources used to select lawyers (1986-89)

Information Source	Income Group in 1989* Lowest N=77	Middle N=138	Highest N=99
Friend or relative (not lawyer)	64%	53%	46%
Lawyer friend or relative	17	19	27
Advertisement	3	6	2
Yellow pages	1	8	6
Referred by prior lawyer	1	4	5
Employer	4	1	2
Group or prepaid legal service	2	0	3
Union	1	1	1
Lawyer Referral Service	0	1	0
Other way	6	7	8
TOTAL	100%	100%	100%

*Lowest=Bottom 33% of income scale; Middle=33%-75%; Highest=Top 25%

Although other information sources are used by a small segment of persons who consult lawyers, the overwhelming majority continue to rely primarily on their own networks of friends and relatives to inform their lawyer selection.

C. Paying for Lawyers' Services

One half of the persons who consulted lawyers during 1986-89 reported that they paid for the lawyers' services out of current income.

Table 28. Distribution of lawyer users by how lawyer was paid (1986-89)

	N=398
Paid out of current income	51%
Paid by credit card or loan	2
Paid out of recovery or settlement	12
Paid by group or prepaid insurance	3
Paid other way	8
Free legal service program	2
Lawyer decided not to charge	22
TOTAL	100%

The "Other ways" mentioned by respondents included payment made by a third party such as the co-plaintiff or co-defendant, insurance company, adversary, or relative. The proportions of cases in which lawyers decided not to charge (22%) was the same as in 1974. Although the 1989 survey did not inquire further into why lawyers decided not to charge a fee, the 1974 survey, which did so inquire, indicates that in many cases the lawyer was a friend or relative and the lawyer's services consisted of advice only. The 1974 survey also indicated that consumer problems, difficulties with employer and with governmental agencies were the types of cases in which lawyers were most likely to have refrained from charging a fee.

Table 29. Distribution of lawyer users in each income group by how lawyer was paid (1986-89)

	Income Group in 1989*		
Information Source	Lowest N=78	Middle N=144	Highest N=96
Paid out of client's current income	37%	49%	64%
Paid by client's credit card or loan	5	1	1
Paid out of recovery or settlement	14	13	4
Paid by group or prepaid insurance	2	2	7
Paid other way	10	6	5
Free legal service program	6	2	1
Lawyer decided not to charge	25	26	18
TOTAL	100%	100%	100%

*Lowest=Bottom 33% of income scale; Middle=33%-75%; Highest=Top 25%

Lawyer users in the lowest income group were least likely to pay for lawyers' services out of current income but most likely to use credit. One interpretation of this statistic is that there is available to persons of limited means an adequate array of legal services for which they are not required to pay. A second interpretation is that many low income persons who cannot pay for lawyers' services out of income simply do not seek legal help. Statistics provided in previous sections of this report suggests the latter may be the case: In general, low income persons are less likely than any other group to consult lawyers when legal problems are encountered.

Footnotes

1. Curran, Barbara A. The Legal Needs of the Public: The Final Report of a National Survey. (Chicago: American Bar Foundation, 1977). Also see Final Report of the Special Committee to Survey Needs. (Chicago: American Bar Association, 1978).

2. The 1989 project is a part of the American Bar Foundation Liaison Research Services Program directed by Joanne Martin. The project director was Barbara A. Curran who was also the project director of the 1974 survey. The questions were administered in telephone interviews by Cambridge Report, Inc., to a sample of 1500 persons designed to be representative of all adults (persons 18 years of age or over) residing in households. The questions were included in the February, 1989 Omnibus public opinion survey conducted by Cambridge Reports. Cambridge Reports is a national survey organization. It conducts eight Omnibus surveys per year, each based on national samples of 1500 adults each. An "Omnibus" survey is one which includes a battery of questions from each of several organizations.

A sample of adults living in households is different from a sample of households. The Bureau of Census reports that, as of March, 1988, there were 91,067,000 households in the U.S. and 177,676,000 adults (persons age 18 and older) living in those households. The aggregate of adults plus persons under 18 years of age living in households at that time was 241,155,000. Persons living in households are made up of the total resident U.S. population minus the civilian institutional population and minus armed forces living without families on post in the United States. The universe represented by the 1500 sample for the 1989 survey is the 177,676,000 adults (as adjusted to February, 1989) living in households. The following shows the age distributions of adults living in households as reported by the Census Bureau and for the survey sample. Census figures are from Bureau of the Census, Current Population Reports, Series P-60, No. 162, (Issued 1989).

Age Distributions of Adults Living in Households

Age in years	Census Bureau March, 1988 N=177,676,000	1989 Survey N=1500
18-24	15%	14%
25-34	24	22
35-44	20	21
45-54	13	14
55-64	12	14
65 and older	16	13
No information		1
Total	100%	100%*

*Percentages do not add up to 100% because of rounding.

3. A copy of the questions used in the 1989 survey are appended at the end of this report. The questionnaire used in the 1974 survey was 97 pages in length and is reproduced in the Final Report of that survey cited in note 1 above. Questions selected for the 1989 survey were worded, as far as practicable, the same as the comparable question in the 1974 survey.

4. Both surveys limited the inquiry to personal, family matters and expressly excluded

matters related to respondents' business--although matters related to respondents' own employment were included. In each survey, respondents were asked about their use of lawyers up to the tine of the survey. The general questions about lawyer use were not limited to consultations for the specific legai problems discussed in section II of this report, but rather for any and all personal, non-business legal problems. Thus, statistics relating to general lawyer use cover all problems of whatever kind taken to lawyers by survey respondents.

5. Bureau of the Census, Current Population Reports, Series P-60, NO. 162, (Issued 1989). Bureau of the Census, Current Population Reports, Series P-60, NO. 97, (Issued 1976).

6. Size of household for income purposes includes all persons in the household--adults and children.

1989 Survey: Composition of Income Groups I-V.

	Income Group I	Income Group II	Income Group III
Household size			
1 person	< $ 8000	$ 8000-11999	$12000-19999
2 person	< 12000	12000-19999	20000-29999
3 person	< 15000	15000-24999	25000-29999
4 person	< 15000	15000-24999	25000-34999
5 or more	< 15000	15000-24999	25000-34999

	Income Group IV	Income Group V
Household size		
1 person	$20000-29999	$30000 or more
2 person	30000-49999	50000 or more
3 person	30000-49999	50000 or more
4 person	35000-49999	50000 or more
5 or more	35000-49999	50000 or more

1974 Survey: Composition of Income Groups I-V.

	Income Group I	Income Group II	Income Group III
Household size			
1 person	< $ 2000	$ 2000-2999	$ 3000-6199
2 person	< 3000	3000-6999	7000-9299
3 person	< 5800	5800-8999	9000-12499
4 person	< 6600	6600-10999	11000-14399
5 or more	< 6700	6700-9999	10000-14499

	Income Group IV	Income Group V
Household size		
1 person	$ 6200-8999	$ 9000 or more
2 person	9300-17749	17750 or more
3 person	12500-19499	19500 or more
4 person	14400-19999	20000 or more
5 or more	15000-19999	20000 or more

7. It should be noted that the yearly rate for home purchase is based on the number of persons making a home purchase. It is not a rate for number of home purchases because it is not adjusted for joint purchases of property.

8. Bureau of the Census, Current Population Reports, Series P-60, NO. 162, (Issued 1989). Bureau of the Census, Current Population Reports, Series P-60, NO. 97, (Issued 1976).

9. Respondents reported on the most recent problem in each of the four problem categories. The statistics on problem incidence and lawyer use are based on the most recent problem reported. It is therefore possible that the total incidence in the 3 years preceding the survey for any problem type is somewhat understated for consumer problems, but less so for the other three problem types.

These next questions describe matters you may have dealt with.

____1. Have you ever purchased a home or other real property? (If "yes") What year was your most recent purchase made? [RECORD EXACT YEAR] [INCLUDE ONLY PURCHASES MADE FOR FAMILY OR PERSONAL PURPOSES, NOT BUSINESS-RELATED PURCHASES]
1. No--[SKIP TO Q. #3]
2. (Not sure/can't remember/refused)--[SKIP TO Q. #3]
3. Yes,_____

____2. (If "yes" to q. #1) In making this most recent purchase, did you have your own personal lawyer advise or help with the transfer of this property to your name? For example, did you have your own personal lawyer examine the deed for you, or review mortgage documents or other papers for you before you signed them?
1. Yes 2. (Not sure/can't remember/refused) 3. No

____3. Have you ever had a serious disagreement or difficulty with a landlord, or with a seller of goods or services, or with a creditor? (If "yes") What year was your most recent problem of this type? [RECORD EXACT YEAR] [INCLUDE ONLY PERSONAL PROBLEMS, NOT THOSE THAT ARE BUSINESS-RELATED]
1. No--[SKIP TO Q. #6]
2. (Not sure/can't remember/refused)--[SKIP TO Q. #6]
3. Yes,_____

____4. (If "yes" to q. #3) What did you do about the most recent
____5. of these problems, including seeking a lawyer's or someone else's advice or help in resolving this problem? [INTERVIEWER: PROBE FOR TWO RESPONSES; RECORD COMPLETELY]

____6. Have you ever been divorced? (If "yes") In what year were you divorced? [RECORD EXACT YEAR OF FINAL DIVORCE] [IF DIVORCED MORE THAN ONCE, MOST RECENT DIVORCE]
1. No--[SKIP TO Q. #8]
2. (Not sure/can't remember/ refused)--[SKIP TO Q. #8]
3. Yes,_____

____7. (If "yes" to q. #6) Which one of the following applies to your divorce? [READ RESPONSES]
1. You and your spouse each had your own lawyer
2. You had a lawyer advise or represent you but your spouse did not
3. Your spouse had a lawyer but you did not
4. Neither you nor your spouse had a lawyer
5. You and your spouse had the same lawyer
6. You had a lawyer but dont know or can't remember whether your spouse had a lawyer
7. You did not have a lawyer and dont know or can't remember whether your spouse had a lawyer
8. (Other)
9. (Don't know/can't remember/refused)

____8. Do you presently have a will? (If "yes") What year was your most recent will prepared? [RECORD YEAR EXACTLY]
1. No--[SKIP TO Q.10]
2. (Not sure/can't remember/refused)--[SKIP TO Q. #10]
3. Yes,_____

____9. (If "yes" to q. #8) Did you have the advice or help of a lawyer in the preparation of this most recent will?
1. Yes 2. (Not sure/can't remember/refused) 3. No

____10. Have you ever consulted a lawyer on any kind of personal or family legal problem, or other personal or family matter for which you wanted a lawyer's advice or help? (If "yes") What was the most recent year? [RECORD YEAR EXACTLY] [INCLUDE CONSULTATIONS COVERED IN EARLIER QUESTIONS]
1. No--[SKIP TO Q. #17]
2 (Not sure/can't remember/refused)--[SKIP TO Q. #17]
3. Yes,_____

(If "yes" to q #10)
____11. Was this the first time you ever consulted a lawyer?
1. Yes 2. (Not sure/can't remember/refused) 3. No

____12, 13. Thinking about the most recent lawyer you consulted, how did this lawyer or firm come to your attention--did a friend tell you, did you see an advertisement on TV, or what? Any other ways? [IF RESPONDENT SAYS HE/SHE USED THIS LAWYER BEFORE, ASK HOW THIS LAWYER FIRST CAME TO RESPONDENT'S ATTENTION] [PROBE FOR TWO RESPONSES, RECORD COMPLETELY]

1. Friend told me
2. Saw advertisement on TV
3. (Other)--[Specify:

____14. Thinking about the most recent matter you took to this lawyer, did, or will, this lawyer charge you for the services?

1. No--[SKIP TO Q. #16]
2. (Not sure/can't remember/refused)--[SKIP TO Q. #17]
3. Yes

____15. (If "yes" to q. #14) What is the major way you paid, or will pay, for this lawyer's services? [READ RESPONSES]

1. Current income or savings
2. Credit card or loan or time payments
3. Paid out of what lawyer collects
4. Paid out of benefits from group or prepaid legal services plan
5. (Other)
6. (Don't know/can't remember/refused)

____16. (If "no" to q. #14) What is the major reason you were not charged or won't be charged for this lawyer's services? [READ RESPONSES]

1. Lawyer decided not to charge for this matter
2. Lawyer was with a free legal service program such as Legal Aid, Public Defender, Military Legal Assistance, or a similar program
3. Lawyer's charge was taken care of by group or prepaid legal services plan
4. Lawyer's fee deducted from final judgment or settlement of case
5. Fee paid some other way
6. (Don't know)
7. (Can't remember, refused)

(Ask all respondents)

____17. Did you ever have a personal or family matter that you considered consulting a lawyer about, but did not do so? (If "yes") What was the most recent year this occured? [RECORD EXACT YEAR]
1. No--[SKIP TO Q. #20]
2. (Not sure/can't remember/refused)--[SKIP TO Q. #20]
3. Yes

(If "yes" to q. #17)

____18. What was was it that you wanted to consult a lawyer about this most recent time? [RECORD RESPONSE IN FULL; PROBE FOR DETAILS]

____19. What is the major reason why you didn't or havent consulted a lawyer about this matter? [RECORD COMPLETELY]

(Ask all respondents)

Now, Id like to ask you some questions for statistical purposes only.

____20. [OBSERVATION] Sex: 1. Female 2. Male

____21. What is your race?
1. White 2. Black
3. (Other) 4. (Refused)
4. (Refused)

____22. What was the last grade you completed in school?
1. Some grade school (1-8) 2. Some high school (9-11)
3. Graduated high school 4. Technical/vocational school
5. Some college 6. Graduated college
7. Graduate/professional school 8. (Don't know/refused)

____23. What is your age? [PLEASE RECORD IN PROPER CATEGORY]
1. 18-24 2. 25-34
3. 35-44 4. 45-54
5. 55-64 6. 65 or over
7. (Refused)

____24. Would you please tell me in which of the categories I read is your total household income--of everyone living in this house?

01. $0-7,999
02. $8-11,999
03. $12-14,999
04. $15-19,999
05. $20-24,999
06. $25-29,999
07. $30-34,999
08. $35-49,999
09. $50 and over
10. (Refused)
11. (Don't know)

____25. Are you married, single, divorced, or what? Do you have any children?

01. Married, children
02. Married, no children
03. Single
04. Single, children
05. Divorced, children
06. Divorced, no children
07. Widow or widower, children
08. Widow or widower, no children
09. Separated, children
10. Separated, no children
11. (Other)

____26. Including yourself, how many persons 18 years of age or older live in your household?

1. One
2. Two
3. Three
4. Four
5. Five
6. Six
7. Seven
8. Eight or more
9. (Don't know, refused)

____27. Including yourself, how many persons of all ages live in your household?

1. One
2. Two
3. Three
4. Four
5. Five
6. Six
7. Seven
8. Eight or more
9. (Don't know, refused)

____28. Is anyone in this household a member of, or covered under a prepaid or group legal service plan available through one of the following: [READ RESPONSES; RECORD ONLY FIRST RESPONSE IF MORE THAN ONE GIVEN]

1. No
2. (Not sure)
3. Yes, union
4. Yes, employer
5. Yes, bank credit card or department store credit card
6. Yes, credit union
7. Yes, (other source)
8. Yes, (Don't know/can't remember)