

Authority

This standard has been approved by the Australian Health Workforce Ministerial Council on 31 March 2010 pursuant to the *Health Practitioner Regulation National Law (2009)* (the National Law) with approval taking effect from 1 July 2010.

Summary

This standard sets out how the Board will apply section 38(1)(a) of the National Law, which requires that practitioners must not practise unless covered by appropriate professional indemnity insurance (PII).

The Board requires that practitioners maintain a minimum level of cover of not less than \$10 million for any single claim with appropriate run off cover that covers them for 7 years since they ceased practice.

Scope of application

This standard applies to all registered practitioners. It does not apply to students and practitioners who have nonpractising registration.

Requirements

1. Chiropractors must not practise unless they have appropriate PII cover at all times.
2. All practitioners will be required to make a declaration as to the adequacy of their PII arrangements in their renewal application each year. Details regarding name of insurer, policy number, level of cover, and expiry date will be required to be completed within the application for renewal form.
3. A practitioner will be required to make a declaration at renewal that:
 - a) they have not practised the profession during the preceding period of registration without having PII arrangements in place consistent with this standard [National Law s. 109(1)(2)(iv)]; and
 - b) if their registration is renewed, they will not practise the profession unless they have professional indemnity insurance arrangements in place consistent with this standard [National Law s. 109(1)(2)(v)].
4. The onus is on the practitioner to advise the Board if their PII is cancelled or there have been any changes to the terms and conditions of their insurance.
5. Practitioners may be required by the Board to provide evidence of appropriate PII cover [National Law s. 129(2)]
6. The insurance policy must include:

- a) a minimum of \$10 million in cover for any single claim
 - b) run-off cover following any period of practice
 - c) one reinstatement during the period of cover.
7. All chiropractic PII policies must have appropriate run-off cover that provides coverage for at least 7 years since a practitioner ceased practice.
 8. PII policies must cover the practitioner Australia-wide.
 9. Registrants may be covered by their employer's insurance. However, it must satisfy the minimum standard specified above. If any practice is undertaken outside of an employment relationship, the registrant must have individual PII in place (including when undertaking practical/clinical components of professional development activities).
 10. The Board will conduct periodic audits to determine compliance with this standard.
 11. Noncompliance with this standard is a breach of the National Law and will lead to disciplinary action.

Definitions

Professional indemnity insurance arrangements means arrangements that secure for the practitioner insurance against civil liability incurred by, or loss arising from, a claim that is made as a result of a negligent act, error or omission in the conduct of the practitioner. This type of insurance is available to practitioners and organisations across a range of industries and covers the costs and expenses of defending a legal claim, as well as any damages payable. Some government organisations, under policies of the owning government, are self-insured for the same range of matters

Run-off cover means insurance that protects a practitioner who has ceased a particular practice or business against claims that arise out of activities which occurred when he or she was conducting that practice or business. This type of cover may be included in a PII policy or may need to be purchased separately.

Review

This standard will commence on 1 July 2010. The Board will review this standard at least every three years.