

# Podiatrists Board of Victoria

## Guidelines for Mandatory Professional Indemnity Insurance

Requirements for professional indemnity insurance for podiatrists are set out in the *Health Professions Registration Act 2005* (the Act) as follows:

### Section 3 Definition

**"professional indemnity insurance"** includes insurance against civil liability in connection with the provision of podiatry services by a registered podiatrist and an agreement or arrangement for discretionary indemnity in respect of that liability;

### Section 6 General Registration

- s.6 (2) The Board may refuse to grant registration to an applicant on any one or more of the following grounds—
- (h) that, in the opinion of the Board, the podiatrist does not have adequate arrangements for professional indemnity insurance that meet the minimum terms and conditions set out in the guidelines of the Board;
- s.13 Without limiting the Board's powers under sub-section (3), it may impose a condition—
- (a) that—
    - (i) the podiatrist must hold professional indemnity insurance; or
    - (ii) the podiatry services provided by the podiatrist must be covered by professional indemnity insurance; or
    - (iii) the podiatrist must be specified or referred to in professional indemnity insurance, whether by name or otherwise, as a person to whom the professional indemnity insurance extends even though the podiatrist is not a party to the professional indemnity insurance; and
  - (b) that the professional indemnity insurance must meet the minimum terms and conditions set out in the guidelines of the Board.
- s.13 (2) If the applicant's arrangements satisfy the minimum terms and conditions set out in the guidelines of the Board, the Board must not—
- (a) refuse to grant registration on the basis that the podiatrist's arrangements for professional indemnity insurance are in the form of insurance or a discretionary indemnity; or
  - (b) impose a condition on the registration of a podiatrist to require that the podiatrist's arrangements for professional indemnity insurance must be in the form of insurance or a discretionary indemnity.

Section 118 (1) (h) of the Act gives the Board the power to issue and publish guidelines about the minimum terms and conditions for professional indemnity insurance.

The Board has developed the following guidelines to ensure that, at all times whilst practising as a podiatrist, podiatrists are covered by at least the minimum terms and conditions of professional indemnity insurance determined by the Board.

These guidelines apply to ALL podiatrists registered in the general registration category.

### **Guideline 1: Undertakings Prior to Registration**

All applicants for registration are required to provide the Board with the following undertakings before registration will be granted:

- a. at all times during practice, the applicant will abide by the Board's '**Guidelines for Mandatory Professional Indemnity Insurance**'; and
- b. that the applicant further certifies that he/she will not commence practice as a podiatrist until his/her professional indemnity insurance is in place; and
- c. at all times during practice, the applicant will be covered by an approved level of professional indemnity insurance.

### **Guideline 2: Risk & Practitioner Responsibility**

Podiatrists must, in consultation with their insurer/insurance broker, identify the risk exposure associated with their practice, and outcomes linked to long term care factors and ensure that they have cover which at least meets the minimum limit of indemnity specified by the Board.

Podiatrists intending to cease to practise or change insurance provider should also obtain their own advice about how much run off cover they require to ensure they are covered for claims brought against them many years later, i.e. how they are affected by the relevant legal limitation periods within which their former clients may sue them.

It is the responsibility of the podiatrist to examine the insurance policy to ensure that the cover obtained provides appropriate protection for risks arising from their provision of podiatry services;

### **Guideline 3: Approved Level of Cover**

All Podiatrists are required to:

- be covered by a policy for professional indemnity insurance which at least provides for the minimum level of cover prior to commencing practice as a podiatrist; and
- maintain an "approved" level of cover at all times during practice.

#### **"Approved" Level of Cover**

Currently, the Board has determined that the approved level of cover (i.e. the minimum sum insured limit of professional indemnity insurance required by the Board) is:

*no less than \$5 million cover for any single claim (i.e. for each claim) that may be made against the podiatrist.*

The Board reserves the right to vary the approved level of cover at registration renewal. Registrants must be covered by their own professional indemnity insurance policy.

### **Guideline 4: Currency of Insurance**

All registrants must ensure that their professional indemnity insurance is current for their entire period of registration.

On application for renewal of registration, the applicant will be required to certify that they have individual professional indemnity insurance in their name which at least meets the minimum limit of indemnity specified by the Board.

On the request of the Board, the practitioner must provide, within 14 days, the full policy wording to enable the Board to determine whether an applicant has professional indemnity insurance that satisfies the Board's requirements.

### **Guideline 5: Run off cover**

All podiatrists must ensure appropriate provision for a minimum of seven years run off cover should they cease to practise or change insurance provider. Some policies have run-off cover incorporated and podiatrists must ensure they meet the requirements for access to the run-off cover at the time they cease practice. In other cases podiatrists may need to maintain ongoing insurance.