



## FAQs: Professional indemnity insurance

10 December 2015

### **Why must the Podiatry Board of Australia have a Professional Indemnity Insurance (PII) arrangements registration standard?**

The National Law requires the Podiatry Board of Australia to develop a registration standard about the requirements for Professional Indemnity Insurance (PII) arrangements for registered podiatrists and podiatric surgeons. Requiring practitioners to have appropriate indemnity insurance arrangements is a part of how the National Scheme protects the public.

### **Who needs to be covered by professional indemnity insurance?**

All registered podiatrists and podiatric surgeons who are practising must be covered by their own or third party PII arrangements that meet the Board's *PII arrangements registration standard*.

You need to take make sure that you have professional indemnity arrangements in place which provide adequate and appropriate cover for all aspects of your practice. The arrangements must meet the requirements of the Board's *PII arrangements registration standard* and may be provided:

- through your private or public sector employer
- as part of membership of a professional body, trade union or defence organisation
- through a contract of insurance obtained by you directly from an insurer, or
- a combination of the above.

### **How much cover do I need?**

If you are taking out your own professional indemnity insurance you should ensure that you take out adequate and appropriate insurance or professional indemnity cover that meets the requirements of the Board's *PII arrangements registration standard*. Your PII arrangements must provide cover appropriate to the nature, context and risks of your professional practice.

What might be appropriate cover for one registered health practitioner may be not be appropriate for another. You need to make sure that you consider the risks which may arise from your own practice and make sure that your PII arrangements provide adequate cover appropriate to those risks.

You must provide your insurer or indemnifier with accurate and up-to-date information about the scope and nature of your practice. You need to be able to demonstrate that you fully disclosed your scope of practice and to justify your decisions about PII if asked to do so.

### **I am registered but not practising. Do I need PII?**

If you are registered but not practising for part of the registration period (e.g. if you take a 6 month leave of absence), you do not need to hold PII arrangements for that period. However, when you decide to cease practice you must take out appropriate run-off cover for matters that would otherwise be uncovered arising from your previous practice as a registered health practitioner.

If you are not practising you may not need to be registered, or may wish to apply for non-practising registration.



### **What happens if my PII arrangements change?**

You must not practise unless appropriate professional indemnity insurance arrangements are in force in relation to your practice.

If at any point when you are registered you no longer have appropriate PII arrangements in place for your professional practice, you need to inform the Board in writing within 7 days.

Failing to notify the Board within 7 days that appropriate PII arrangements are no longer in place for your professional practice is behaviour for which health, conduct or performance action may be taken under the National Law.

However, you do not need to tell the Board about routine changes, such as a change of provider or not having an arrangement in place because you are no longer practising.

### **How does the Board monitor that practitioners have PII arrangements in place?**

When you apply for registration you must declare that you will not practise the profession unless you have professional indemnity insurance arrangements in place that meet the Board's PII arrangements registration standard (PII standard). This is a requirement under the National Law.

Every year when you renew your registration you are required to make a declaration that during the preceding period of registration, you practised the profession in accordance with the requirements of the Board's PII standard, and that you will not practise the profession unless you have professional indemnity insurance arrangements in place that meet the PII standard.

Every year the Board conducts an audit of PII compliance on a random selection of registered podiatrists and podiatric surgeons. If a practitioner does not have appropriate PII arrangements in place the Board may take action under the National Law.

### **What PII documentation do I need to retain?**

The Board may, at any time, require you to provide evidence that you have appropriate professional indemnity insurance arrangements in place.

If you hold private insurance in your own name, you must retain documentary evidence of your insurance for at least five years

If you are covered by a third party insurance arrangement, you are not required to obtain documentary evidence of the insurance policy unless the Board requests it. However, there may be circumstances when you are required to seek the documentation from that third party. If requested by the Board, you must provide a certified copy of the certificate of currency or a letter from the third party declaring that you are covered

### **What about Public liability insurance?**

The Board's PII Registration Standard addresses professional indemnity insurance. However, podiatrists should also be aware of the importance of public liability insurance to cover injuries to patients or clients or members of the public on their premises.