



Medical malpractice civil liability  
insurance for healthcare establishments

# Who is the policy for?

The medical field is a complex, challenging and specialised industry where a simple act, error or omission can be enough to spark a claim against you. This is where Vero can help.

As insurance specialists, we understand the unique risks faced by the medical industry and have designed a medical malpractice insurance policy for healthcare establishments.

**The policy is designed for healthcare establishments, practices and clinics including:**

- ▼ acupuncturists
- ▼ chiropodists
- ▼ day surgeries
- ▼ dieticians
- ▼ imaging and diagnostic clinics
- ▼ IVF clinics
- ▼ medical centres
- ▼ naturopaths
- ▼ opticians
- ▼ optometrists
- ▼ osteopaths
- ▼ pathology labs
- ▼ physiotherapists
- ▼ podiatrists
- ▼ psychologists
- ▼ radiographers
- ▼ sonographers
- ▼ nursing homes and retirement villages.

Note: Hospitals may also be eligible for cover, however, self employed-doctors and chiropractors are not eligible.

**Your exposures**

Vero understands the professional liability exposures faced by healthcare establishments and has designed this medical malpractice insurance policy with these in mind.

The exposures include:

- ▼ medical malpractice
- ▼ administrative errors and omissions
- ▼ Medicare fraud by employees
- ▼ disclosure of patient records in breach of privacy legislation
- ▼ adverse publicity causing damage to your reputation
- ▼ prosecutions under OH&S and environmental law as well as other compensatory civil penalties
- ▼ molestation of patients
- ▼ inquiries into the conduct of the healthcare services.

**Malpractice v Liability**

Circumstances surrounding a claim may arise where there is a dispute as to whether a malpractice or a liability policy should respond. For example, where a patient is injured as a result of an equipment malfunction, is that malpractice or liability?

Vero recognises that malpractice and liability insurance policies go hand in hand and complications may arise where the policies are held with separate insurers. That's why Vero offers specialist Profin and Liability underwriters who can work together to provide you with market leading coverage at competitive premiums. Speak to your Profin underwriter about a Liability quote from Vero.

Keeping your insurance with Vero is the smart way to protect your healthcare service from claims.

## Policy features

Civil Liability insuring clause	covers claims against you arising out of the healthcare services you provide. Includes: <ul style="list-style-type: none"> <li>▼ contractual liability</li> <li>▼ breach of professional duty</li> <li>▼ breaches of consumer protection legislation</li> <li>▼ libel/slander</li> <li>▼ infringement of intellectual property rights.</li> </ul>
Who we cover	Provides cover for your establishment, practice or clinic, as well as: <ul style="list-style-type: none"> <li>▼ past and present employees (includes trainee, casual, part-time, seasonal and temporary personnel),</li> <li>▼ past and present sole practitioners, partners and directors,</li> <li>▼ estates, heirs, legal representatives or legal assigns</li> <li>▼ past and present students, volunteers, committee members and council members,</li> <li>▼ spouses of the insured under the spousal liability extension,</li> <li>▼ newly created or acquired subsidiaries (for up to 60 days)</li> </ul>
What we cover	Damages, claimants costs and expenses, and your legal defence costs.
Policy limit	You are covered up to the limit of indemnity for any one claim and up to the maximum aggregate limit of indemnity for all claims. The maximum aggregate limit of indemnity is usually twice the limit of indemnity, effectively giving one reinstatement of the limit.  Your legal costs are paid in addition to the limit (for some risks the limit is costs inclusive).
Privacy Complaints	covers claims against you if you inadvertently breach privacy laws, such as laws relating to patient records.
Molestation defence costs and inquiry costs	defence costs and inquiry costs up to the policy limit if there is a claim alleging molestation by your employee or principal
Inquiry costs	costs for your attendance at inquiries into your professional conduct
Public relations expenses	the cost of hiring a public relations firm to prevent or limit the adverse effects of negative publicity
Employee & principal dishonesty/ Medicare benefits fraud	covers claims against you that arise out of fraud by your employees or principals including Medicare benefits fraud
Good Samaritan acts	covers your liability where you or one of your employees render or fails to render first aid and assistance in an emergency situation or accident
Contractors and consultants	covers your legal liability for the acts of contractors and consultants
Legal consultation	Up to 2 hours legal advice from our nominated legal adviser on matters related to the risks insured (but not including advice about the scope of cover under the policy or claims or complaints about us).
Compensation for court attendance	\$250 per person per day up to a maximum of \$10,000 for all persons per claim
Statutory liability	defence costs at proceedings brought under OH&S or environmental law and, to the extent permitted by law, fines imposed under OH&S or environmental law or other compensatory civil penalties.
Lost documents	Cost of replacing or restoring lost or damaged documents.
Sixty day reporting period	Gives you 60 days after expiry in which to notify claims.
Extended reporting period	Up to 365 day extended reporting period for claims based on acts or omissions committed prior to the expiry of the period of insurance, to give you coverage if the policy is not renewed or replaced. 100% additional premium applies.
Principal's previous business optional extension	covers claims arising from the principal's previous business (for the same healthcare services as insured under the policy).
Fidelity optional extension	covers loss of money or goods belonging to you or held in trust by you due to employee fraud or dishonesty

## Real life claims

The following are examples of claims that have been made against medical establishments:

### Health clinic

Claim made against a health clinic after the clinic filed a report rather than providing it to the treating doctor.

Damages – \$165,000

Legal Costs – \$17,000

### Day Surgery

Claim made against a day surgery as a result of a burn sustained by a patient to their eye during a procedure administered by an employee. A resident ophthalmic surgeon on site examined the patient as soon as possible but remedial action was unsuccessful.

Damages – \$200,000

Legal costs – \$40,000

### Physiotherapy clinic

Claim made against a physiotherapy clinic for inappropriate treatment of a patient with back pain.

Damages – \$55,000

Legal Costs – \$14,000

### Massage Therapist

Claim made against a massage therapist after a patient suffered fractures to their spine following a remedial massage.

Damages – \$100,000

Legal costs – \$25,000

### Radiology clinic

Claim made against a radiology clinic after a patient sustained injuries after falling from a table.

Damages – \$135,000

Legal Costs – \$85,000

### 'But I didn't do anything wrong...'

A complaint to the registration board against a psychologist alleging molestation. Even though the psychologist was found not to have acted inappropriately and no further action was taken, representation costs still amounted to \$35,000.

## Vero Profin

Vero Profin's experience and expertise gives us a greater understanding of the risks you face – allowing us to deliver superior risk solutions and reliable and professional service. Vero Profin's team of underwriters work with brokers to design insurance packages to meet the needs of most professional services. Our capability and expertise allows us to specialise in professional, managerial and financial risk insurance products including:

- ▼ professional indemnity insurance,
- ▼ medical malpractice insurance,
- ▼ directors' and officers' liability insurance,
- ▼ employment practice liability insurance,
- ▼ superannuation fund trustees liability insurance,
- ▼ association liability insurance, and
- ▼ management liability insurance.

## Claims service

Should you need to make a claim, you can expect fast and easy lodgement with the support of our dedicated Vero Profin claims team. We work with policyholders and brokers in seeking fair and timely claims resolutions and take pride in a common-sense approach to claims management.

### How can I find out more?

To find out more about medical malpractice civil liability insurance for healthcare establishments or other Vero Profin products, contact your broker or visit [www.vero.com.au](http://www.vero.com.au)

Note: This brochure provides information about some of the main features and benefits of the Vero Medical Malpractice Civil Liability Insurance Policy reference V7363 05/11. It provides a summary of cover only and does not constitute advice in relation to the policy. You should still refer to the policy to identify the full terms, conditions and limitations on cover. The policy can be accessed on our website [www.vero.com.au](http://www.vero.com.au). The cover offered to you may vary from that described. This brochure is current as at 16 May 2011, but is subject to change if the policy changes.