

Guidelines on Professional Indemnity Insurance

Endorsed by Annual Conference 2016

Nurses and midwives practising in NSW must have professional indemnity insurance (PII) arrangements in place in line with requirements of national registration and in accordance with their registration and practise environment.

The Nursing and Midwifery Board of Australia (NMBA) details the requirements for nurses and midwives based on national registration law in a document titled Registration standard: Professional indemnity insurance arrangements¹.

Nurses and midwives must be aware of the state-based criteria in place and must ensure their PII cover is applicable to the jurisdiction in which they practise.

Nurses and Midwives working in NSW covered by PII of their employer

In NSW, the majority of nurses and midwives are covered through the PII of their employer. Those nurses and midwives who are employees of the public sector are covered by the PII of their employer and the *Employees Liability Act 1991*² abolishes the common law right of employers to seek to recover damages from an employee for who the employer has been held vicariously liable. Similarly, cover is provided to employees by their employers in the private and not-for-profit sectors.

Nurses and midwives should seek confirmation of their PII cover from their employer.

NSW Nurses and Midwives' Association provides PII to members

The Association provides PII to nurses and midwives as part of their membership to the Association³. Members must be financial at the time of the incident.

This PII includes cover for civil liability as well as covering inquiry costs for Coronial Inquiries, Health Care Complaints Commission (HCCC) and Professional Standards Committee. (This is a general summary only and all claims will be subject to the issued PII Insurance policy terms and conditions.)

It does not cover homebirth activities whether as an employee or as a private practitioner, or nurses or midwives whose main income is derived from independent or private nursing and midwifery work. In these circumstances the individual practitioner should seek their own insurance cover.

Where a civil claim arises, the employer is liable and their insurances will apply.

Financial members undertaking supervised practice will be covered under this insurance scheme.

Members should ensure they are familiar with the details of this PII cover and how it applies to their particular circumstances.



Nurses and Midwives working in NSW who may require their own PII cover

Nurses and midwives who are self employed or privately practising must ensure they meet PII requirements, and may need to purchase PII on their own behalf.

Nurses and midwives in different types of practice will require different levels of PII cover. Privately practising nurses and midwives should ensure they obtain PII cover that is appropriate to their area of practice and provides the necessary level of cover.

Privately practising or self-employed midwives have access to specific insurance products, which are detailed in the NMBA Guidelines Professional Indemnity Arrangements for Midwives⁴. However, as there are no PII products available to cover intra-partum care during homebirth, an exemption has been put in place. The requirements for PII in relation to this exemption are explained in detail in the NMBA document. Midwives in private practise must ensure they comply with these requirements.

Nurses and Midwives working outside of NSW

Nurses and midwives practising in NSW and intending to commence work in other states must ensure they meet PII arrangements in that state prior to starting work.

The NSWNMA PII cover will provide cover for members working on short term contracts interstate. Members should take steps to confirm this prior to commencing the work. Members intending to work long-term or permanently in another state should contact the ANMF Branch in that state prior to commencing work to find out PII requirements and ensure the PII cover is in place.

Members who intend to work across more than one state simultaneously must be aware that membership to NSWNMA does not ensure professional and industrial coverage when working in another state. Members must contact NSWNMA and the other state's branch to discuss options to maintain cross-border membership, as well as to ensure the appropriate PII cover is in place.

Members who are unsure of their PII cover should contact the NSWNMA to discuss further.

Notes:

1. <http://www.nursingmidwiferyboard.gov.au/Registration-Standards.aspx>
2. <http://www.legislation.nsw.gov.au/fullhtml/inforce/act+4+1991+FIRST+0+N>
3. Professional Indemnity Insurance for Members,
<http://www.nswnma.asn.au/professional-indemnity-insurance/>
4. <http://www.nursingmidwiferyboard.gov.au/Registration-Standards.aspx>