LIABILITY INSURANCE PROTECTION FOR MEMBERS OF PHYSIOTHERAPY NEW ZEALAND

CLARIFYING YOUR INSURANCE BENEFITS

Physiotherapy New Zealand is committed to providing genuine, ongoing value insurance to its members to meet their exposure to liability risks associated with practising as a physiotherapist in New Zealand.

Through our risk advisers Aon New Zealand, we can offer members a liability insurance package to cover member’s individual liability through a single policy that provides protection for professional liability (referred to as professional indemnity insurance), product and personal injury liability and fines and penalties.

Members’ Liability Insurance

**Professional Indemnity** (PI) provides each member with their own transportable protection designed to defend against allegations of professional negligence, acts, errors or omissions in the course of practising (or as a student) in the profession of a physiotherapist. Cover includes legal costs and expenses, settlements and court awards, and other associated costs that may arise out of an official investigation or enquiry.

Claims can come from upset clients who feel they have suffered additional expense or stress and/or consider your performance was below professional standards. Sometimes complaints can come from the families, particularly when children are involved.

Sometimes, clients or their families are simply unhappy with the way they have been treated or feel their expectations have not been met.

These situations can result in complaints being made directly against you or via Physiotherapy Board or sometimes directly to a higher authority such as the Health and Disability Commissioner.

Other sources of claims arise from alleged breach of confidentiality or privacy, defamation, loss or destruction of documents in your care, investigations into an incident by Physiotherapy Board or through an Accident Compensation Inquiry.

Often these types of claims do not result in large settlements or compensation payments and can be dealt with, without any Court action or the need for a formal inquiry, but these do need to be handled appropriately and often quickly. Your liability insurance policy also gives you access to specialists who assist in managing these types of scenarios and can provide you with support and advice.

**Fines and Penalties** cover provides indemnity for fines or penalties that may be awarded against you by a Tribunal, Board or other regulatory body that has jurisdiction to investigate you and award fines.

**Property and Personal Injury Liability** relates to your liability to others arising out of the ownership, occupation or use of property for the purpose of your profession.

Your Legal liability arising from any claim in respect of any act, error or omission committed or omitted whilst using the internet, electronic mail, intranet or worldwide web or providing internet services for the purpose of the conduct of your business for infringement of intellectual property rights; defamation, unauthorised use of internet related materials. Sub-limited to $250,000.

As with any contract, the liability insurance policy is a contract with terms and conditions that have to be adhered to. Aon can provide you with advice and assistance around understanding your policy obligations.

**Limits of Indemnity:**

- $500,000 any one claim and $1,000,000 in the aggregate.
- Higher Limits of Indemnity can be purchased on request, subject to completion of relevant documentation.

**Policy Excess:** Nil

For further information about the insurance cover, Elizabeth Ngan at Aon, Tel: (04) 819 4084

Aon New Zealand
Features and Restrictions

Features
- Own transportable liability protection, designed to defend against allegations of professional negligence including legal costs and expenses, settlements and Court awards.
- Reduced subscriptions for student members
- Includes your employees (provided they are not physiotherapists) who assist you with your role as a Physiotherapist
- You are covered for your past activities provided you were a member of Physiotherapy New Zealand at the time. The only provision is that any existing claims or known circumstances that you were aware of before the insurance policy was taken, are excluded.

Restrictions
Claims could be excluded if they arise from any deliberate or reckless breach of civil, statutory or professional duty.

Other exclusions include
- Known claims or circumstances that exist prior to the insurance policy
- Asbestos, terrorism or war
- Trading debts, insolvency
- Fraud or dishonesty
- Personal injury to employees
- Claims that fall outside the retroactive date
- Claims or inquiries not brought against you as the individual physiotherapist but against a trading entity or company name that you may work under.

Additional Optional Liability Insurance – Trading Entities and Company Names

Whilst this individual member’s insurance does not extend to any trading entity or business name that you may operate under, this cover is available as an additional policy and Aon can arrange a quotation for you by contacting Elizabeth Ngan on 04 819 40 84 or email a request to elizabeth.ngan@aon.com

Aon have negotiated a liability insurance option to compliment your individual liability cover.

This insurance covers claims that are made against the entity name (rather than an individual member practitioner) and includes enquiries and investigations into the practice standards of the entity, claims for breach of Fair Trading Act. Like the individual policy, cover is also provided for defence costs.

Who Provides the Insurance

The cover is managed by insurance advisers Aon who work with the association to provide you with comprehensive affordable insurance in the specialist area of professional liability, and is underwritten by Vero Liability Insurance Limited. Under the Insurance (Prudential Supervision) Act 2010, Vero Liability Insurance Limited carries a financial strength rating of A+ (Strong) as rated by Standard and Poor’s and has been given a Stable outlook.
Important Notices

Please read these notices carefully. It is an outline of some important conditions that apply to the insurance policies

“Claims Made” Nature of Liability Insurance
All of these insurance covers are issued on a “claims made” basis. This means there must be a current insurance policy in place at the time a claim is made against you when notified to your insurer. This is regardless of when the actual or alleged act, error or omission that triggers a claim, complaint or inquiry occurred. There is no cover for known claims or circumstances prior to the inception of insurance. It is important that you notify your insurers immediately in writing of any claim or circumstance that may give rise to a claim.

Non Transferable Insurance
The insurance provided to individuals is not transferable. The subscription charges are for an annual twelve month insurance period and are minimum charges – no refunds or credits are given for short term insurance policies.

Common Due Date
The insurance policy has a common due date for all members of 1 March. For existing members, your renewal should be finalised before the 1 March expiry to ensure no gaps in cover.

Utmost Good Faith
The duty of Utmost Good Faith is implied in every contract of insurance that you enter into. The duty requires you, the insurer, the broker and any other parties to the insurance contract to act openly and honestly with each other at all times. A breach of the duty of Utmost Good Faith could lead to a policy or a claim being voided by the insurer.

Your Duty of Disclosure
When you apply for a policy of insurance you have a duty to the insurer, to provide complete and accurate material information. Material information are any facts that the insurer may rely on to decide whether or not to offer you insurance, and if so, on what terms they will offer. This may include providing information that has not been asked for directly in the proposal or declaration form. The duty of disclosure applies at the inception of a policy, renewal of a policy or as soon as you become aware of any material facts. It also applies when you are providing claims information. Failure to comply with the duty of disclosure may lead to the insurer reducing the amount they pay in the event of a claim, avoiding a claim, or voiding a policy from the renewal/inception date.

What If I work overseas?
This insurance is for New Zealand Territory only. If you leave New Zealand to take up a permanent position abroad, then you will need to arrange insurance in that country. Students on short term placement overseas can get extended cover under this insurance, however, we must notify the insurer to have their agreement prior to commencement of the off-shore placement.

Owning and work under an incorporated company
The professional Liability Insurance offered through the Society provides cover to individual members only. Where you own an incorporated practice, cover for the practice will require additional liability insurance. This additional cover is a companion to your individual liability policy and can be arranged by contacting the insurance adviser at Aon.

Who Should I Talk To?
Physiotherapy New Zealand facilitates the insurance programme with Aon.

If you would like to obtain an application form or if you are already an existing policy holder and would like to make changes to your cover then please contact Lucy Hickman, Physiotherapy New Zealand, (04) 801 6500 or Elizabeth Ngan, Aon (04) 819 4084 or Free-phone 0800-266-276

If you have any specific questions about policy cover, or would like to find out about some liability insurance for your company, please contact: Elizabeth at Aon.
Important Notices

What is a Claim?
The common thread of what must be notified is “a set of circumstances that you become aware of, and it is reasonable that the possibility exists that a claim may be made against you.
The above covers a wide spectrum of situations from a verbal intimation that further action is intended to be taken, a complaint to your association or to the more obvious formal letter of demand or a writ or summons served on you. The question to ask oneself is – “given the circumstance, am I positive that no claim will be made against me?” If the answer is “no, I am not positive” then you must notify the insurer.
As some policies do differ on what constitutes a circumstance to be notified, please refer to Aon for guidance.

What Do I Do in the Event of a Claim?
It is extremely important that you seek the advice of your insurance advisers immediately any complaint is made or threatened against you.
Contact the personnel detailed below, who will provide you with the appropriate advice.

<table>
<thead>
<tr>
<th>Gaynor Roberts</th>
<th><a href="mailto:gaynor.roberts@aon.com">gaynor.roberts@aon.com</a></th>
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<tr>
<td>Ph:</td>
<td>(04) 819 4092</td>
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<tr>
<td>Fax:</td>
<td>(04) 819 4106</td>
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<tr>
<td>Aon New Zealand PO Box 2517 WELLINGTON</td>
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General Claim Procedure
When a notification is made to us, we may request that you provide a chronology of events leading up to the claim, copies of any correspondence relevant to the claim and where applicable, a draft response to the complainant.

Insurers may require the appointment of legal counsel to report on any indemnity issues and otherwise assist you in the defence of the claim. Such assistance will be on a “reservation of rights” basis until indemnity under the policy can be determined. We will consult with you regarding the appointment of counsel to ensure that you are comfortable with them representing your interests in defence of the claim.

Key Claims Conditions
Do not admit liability.
Do not enter into correspondence or discussion with the claimant without insurers consent and input.
Do not incur legal costs without the prior written approval of insurers.
Do not offer to settle the claim or pay compensation without the prior written approval of insurers.
Do co-operate with insurers in the defence of a claim.

DISCLAIMER
We make all reasonable efforts to ensure that the information published about the Liability Insurance for members is as accurate and up-to-date as possible. It is the responsibility of the policy holder to review the policy and understand the content.