

Ms Anne Copeland  
Chair  
Nursing and Midwifery Board of Australia  
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MELBOURNE VIC 3001

Email: [nmbafeedback@ahpra.gov.au](mailto:nmbafeedback@ahpra.gov.au)

Dear Ms Copeland

**Re: Public consultation paper: Professional indemnity insurance arrangements for nurses and nurse practitioners**

Australian College of Nursing is pleased to provide the following feedback to the Nursing and Midwifery Board of Australia in relation to the public consultation paper on *Professional indemnity insurance arrangements for nurses and nurse practitioners* (the Guidelines)

On July 1, 2012, Royal College of Nursing, Australia and The College of Nursing unified to become the Australian College of Nursing (ACN). The unification of these two leading nursing organisations heralds a new direction and creates a single, stronger, more focused voice for the nursing profession.

**Overarching comments**

The Guidelines in their current form, and in conjunction with the *Professional indemnity insurance arrangements registration standard* (the Registration Standard), do not provide nurses and nurse practitioners with sufficient guidance on their obligations in relation to professional indemnity insurance (PII) matters. The Guidelines should seek to provide definitive and easy to follow advice to all nurses and nurse practitioners on what their PII requirements are.

Of particular concern is that there is no clear definition of what constitutes "appropriate professional indemnity insurance". The National Law defines appropriate professional indemnity insurance arrangements as those "...that comply with an approved registration standard for the health profession in which the practitioner is registered", however, the NMBA Registration Standard fails to define "appropriate" professional indemnity insurance arrangements. Rather, the registration standard details the requirements for such cover.

The draft Guidelines advise nurses to determine what is "appropriate" in relation to a number of variable factors listed in the guidelines related to their practice. Determining what is an "appropriate" level of cover should not be left to the discretion of the individual practitioner. Rather, it is incumbent upon the NMBA to specifically and clearly define what "appropriate professional indemnity insurance" means, in particular to determine at least a minimum level of professional indemnity insurance.

Overall, the Guidelines need to provide more detailed information and present that information in a simpler format to support nurses and nurse practitioners understand what kind of cover they need and what level of cover that should be.

### Specific comments

ACN offers the following specific comments in relation to the public consultation paper on the *Professional indemnity insurance arrangements for nurses and nurse practitioners*.

- The chart provided on page 3 lacks clarity as to its purpose. It could be more clearly presented as it neither presents sequential steps nor optional paths for the reader to follow.
- Regarding point 4 on page 5 of the Guideline, "advice from professional indemnity insurers, professional associations and industrial organisations, including advice regarding the history and volume of professional liability claims experience by other members of the profession, provided by a relevant professional association", it is the view of ACN that this point could be misleading. Nursing professional associations and industrial organisations within Australia do not collect, collate or store this information or necessarily have the expertise to provide appropriate advice. Additionally, ACN does not believe individuals will be able to garner the required information from nursing organisations to make adequate assessment of their insurance needs. Rather it is the role of insurance companies and brokers to determine and advise on insurance premiums and the role of the NMBA to articulate appropriate PII for nurses and nurse practitioners.
- Under the heading Run-off cover on page 5, it states that "Registered nurses and nurse practitioners are required by the National Board to maintain run-off cover for the whole time after they have ceased to practise privately to be protected against claims that may arise in the future". It is recommended that either a duration be stipulated that is in line with industry standards or that alternative wording be considered to ensure nurses understand they need run-off cover insurance from the day they stop working privately for the duration of their lives to remain protected.
- Under the heading Run-off cover scheme on page 5, the advice under *Employed registered nurses and nurse practitioners* should provide the necessary detail for a nurse to assess the adequacy of the PII arrangements with their employing organisation. The information should clearly state that nurses and nurse practitioners need to check that their employers provide Run-off cover and that the cover meets the expectations outlined as being "appropriate" by the NMBA. Individuals need clear guidance on how to gauge the appropriateness of the Run-off cover.
- ACN is advised that there is a high level of uncertainty, especially amongst nurse practitioners, in relation to PII. Concerns relating to litigation are common particularly for individuals considering private practice but also for nurses working in public and private health services. While the Guidelines provide the basic required information, there would be value in providing some additional information to better contextualise issues of concern for nurses. It is suggested that a set of Frequently Asked Questions and Answers be developed and included to improve the value of the Guidelines.

- To support nurses in understanding the nature of the cover under which they are practicing a sample of questions nurses can ask employers to determine their level of cover could be made available in the guidelines.
- The Guidelines could also be improved by providing additional guidance relating to what constitutes appropriate PII in different scenarios. While providing specific advice on levels of coverage may be impractical, some detail on minimum requirements and how to ensure and obtain them is recommended. This may be achieved through providing *Case Examples or Scenario Examples* to assist nurses in understanding the Guidelines and processes for selecting and obtaining PII.

ACN acknowledges that it is the nurse or nurse practitioners responsibility to understand the nature of the cover under which they are practicing. However, we believe that individuals will need support and easy to follow information to enable them to be fully informed. The draft Guidelines currently do not provide easy to follow "guidance" for nurses. ACN does not consider it appropriate for professional associations to be providing advice on the level of cover required to meet registration requirements, rather, this is the domain of the NMBA.

Please do not hesitate to contact me for further information or discussion in relation to this submission.

Yours sincerely



Debra Thoms FACN (DLF)  
 Chief Executive Officer  
 Australian College of Nursing

10/1/13