

6 May 2011

Ms Anne Copeland  
Chair Nursing and Midwifery Board of Australia  
G.P.O. Box 9958  
Melbourne VIC 3001

Dear Ms Copeland

The VMIA are grateful for the opportunity to provide feedback to this submission including the following documents:

- **Draft for professional indemnity insurance for midwives guideline**
- **Revision of professional indemnity insurance arrangements registration standard**
- **'Quantum of cover' for professional indemnity insurance for midwives guideline**

The following comments are now provided for consideration:

### **Guidelines**

The guidelines provide clarity in relation to professional indemnity insurance but only refer to midwives – VMIA consider that reference to nurses should also be included in these guidelines.

Whilst the Standard should remain general and not go into specific details, guidelines should include a specific section for employed practitioners and include clear definitions.

It is stated that 'professional indemnity insurance provides midwives with insurance for civil liability', civil liability should be defined as the interpretation can be very wide and have varying meanings with different insurers. The current VMIA medical indemnity policy is based on 'liability to pay' compensation being sought by a third party. Therefore there must be a claim for compensation received from a third party for the VMIA policy to respond.

Unlimited retroactive cover and run-off cover are not applicable under occurrence based cover and reference to this should be made under the appropriate headings and also included in any definitions. Perhaps a reference to State Indemnity can be included to cover all public employee arrangements.

### **Draft registration standard**

Requirements 3 – this needs to make reference to public healthcare, employed practitioners and cover provided under occurrence based policy wordings. If definitions are included in the standard, civil liability and occurrence based cover need to be defined.

Requirements – 5 & 6 – VMIA do not consider that different types of practice or the context under which that practice is undertaken will require different levels of cover. This includes the

need for self-assessment by the midwife. VMIA's intention is to provide adequate indemnity to all nurses and midwives' employed in the public sector.

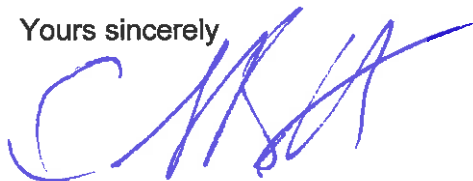
Definitions need to be updated to reflect irrelevance of run-off cover and retroactive cover in relation to occurrence based cover.

#### **Quantum of cover**

The VMIA only cover nurses and midwives' employed by and working within the public sector and indemnity must reflect the work and indeed the risk associated with this work. Approach 1 would be preferred as limits would reflect the risk and indeed the amount of cover of professional indemnity after consultation with the insurance industry. It is unlikely that the practitioner would be in a position to determine an adequate level of cover/limit of indemnity without a full appreciation of the overall industry experience.

The VMIA are happy to discuss any of the above points further and look forward to hearing from you in due course.

Yours sincerely



Claudio Battilana  
Chief Operating Officer