

09/220



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Dear Ms Copeland

The AMA has reviewed the *Draft for professional indemnity insurance for midwives guideline*, the *Revision for professional indemnity insurance arrangements registration standard* and the '*Quantum of cover*' for professional indemnity insurance for midwives guideline.

The AMA supports the Board's proposed requirements for professional indemnity for midwives. We note that the Federal Government's support package has ensured adequate levels of insurance and run-off cover for midwives, and this is reflected in the Board's consultation documents.

We would like to provide further comment on three discrete issues.

### **Collaborative care agreements**

Given the *Health Insurance Act 1973* requires midwives to enter into collaborative care arrangements with medical practitioners in order to attract Medicare benefits for their services, the Board's guidelines should explicitly refer to this as a requirement for insurance for private practising midwives. It may also be appropriate to advise midwives that obstetricians with whom they seek collaborative care agreements will need full disclosure of their insurance arrangements.

### **Home births**

The AMA supports the Federal Government's decision not to extend its support package for professional indemnity insurance for midwives to cover home birth, and its continued exemption from the requirements for professional indemnity insurance for other health care.

Given the end of two year exemption period will soon be upon us, the AMA urges the Board to undertake early consultation on its proposed requirements for insurance for home births after that period. The continued collection of data via the Victorian Perinatal Data Collection will be critical to informing policy development in respect of home births and the relevant professional standards.

In the meantime, we note there has been further confirmation of the increased risk of perinatal mortality of planned home birth even within organised systems of home birth care. The 13th Report of the Perinatal and Infant Mortality Committee of Western Australia for Deaths in the Triennium 2005–07 (published December 2010) concluded that outcomes were generally improving but:

*Such reassurance could not be found in review of some of the cases of home birth. Of the 658 planned home births in the period, the Committee reviewed seven deaths, six of which occurred at term or post-term gestational ages. From the information available, three of these deaths were considered to be possibly avoidable. The perinatal death rate for term home births was 3.9 times higher than for hospital term births. It is with concern that the Committee notes this rate is not declining. During the first two reporting periods, the Committee observed the perinatal death rate for term home births to be approximately three times that for term hospital births, and this finding led the Committee to recommend an independent review...[and subsequent recommendation] that an independent audit be conducted of the implementation of the recommendations of the Review.*

The Board will need to consider the mechanisms to link insurance to appropriate risk management and minimisation in its recommendations for insurance for home births.

### **Quantum of cover**

As a general principle, the quantum of cover for midwives should be equal to that of obstetricians. The Medical Board of Australia registration standards for professional indemnity insurance require medical practitioners to have "appropriate insurance arrangements to cover their scope of practice" and professional insurance must "cover the costs and expenses of defending a legal claim, as well as any damages payable".

Quantum of cover for midwives should be determined in the same way that it is for medical practitioners providing obstetric services i.e. according to their scope of practice and the level of risk of that practice.

### **Regulatory oversight of insurance arrangements**

Since the introduction of the Medicare collaborative care arrangements, the AMA has engaged in extensive consultation with nursing groups on various aspects to provide clarity and guidance to medical practitioners and nurses and midwives about how the arrangements should work in practice.

One clear outcome of those consultations is that it is extremely difficult to obtain details of professional indemnity insurance cover for nurse practitioners.

Professional indemnity insurance for nurse practitioners and midwives should subject to the same regulatory oversight that currently applies to professional indemnity insurance for medical practitioners. This will ensure that independently practicing

health professionals can be confident that care provided in collaboration with other categories of health professionals is covered by comprehensive and adequate insurance arrangements.

If the Board wants further information on any of the points raised in this submission please contact Belinda Highmore on (02) 6270 5439 or by email to [bhighmore@ama.com.au](mailto:bhighmore@ama.com.au).

Yours sincerely

A handwritten signature in black ink, appearing to read 'A. Pesce', written in a cursive style.

Dr Andrew Pesce  
President

6 May 2011

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