

From: [John McCormick](#)
To: [NMBA Consultations](#)
Subject: Professional indemnity insurance
Date: Monday, 28 March 2011 11:20:12 PM

Dear Sirs,

I have read the draft Guidelines on Professional Indemnity Insurance for nurses and midwives. I do not understand why the board does not give guidelines for the amount of insurance cover required, but states that the individual nurse or midwife should decide what the appropriate level of cover is. Unfortunately most nurses and midwives are not experts in the sphere of insurance, including myself (and I have ten years experience in the finance industry before entering nursing) and have no idea how to calculate the necessary level of insurance. How can natural justice be served when an individual is held to a standard that is not disclosed until after that individual is (possibly) charged with breaching the standards?

I have never spoken to, or even know of, any nurse who has been personally sued. How should I know what level of insurance is required? Should I rely on the advice of an insurance salesperson, who earns a commission based on how much premium I pay? Personally I have no idea what level of personal indemnity insurance I need. The current requirement of the Nursing and Midwifery Board of Australia is that I am required to have such insurance, but there is no amount stated in that requirement.

Currently I have Personal indemnity insurance through my union (Australian Nursing Federation, Vic branch), as a member of the Royal College of Nursing, Australia, and through my employer, Southern Health in Victoria (who will not cover me if they think I have broken their policies or procedures, despite the fact that I have never been told what these policies and procedures are by my employers, although I have discovered some of them in an ad hoc way. My employer has never shown me a copy of these policies and procedures, let alone given me time to actually read them). Is the board thinking of producing a standard for senior nursing managers of healthcare networks, and how they hold their staff responsible?

If the board feels that different nurses and midwives need different levels of professional indemnity cover, then the board needs to give direction on what those levels are. How is advising that practitioners should decide on their individual level of cover (then deciding to discipline them if that level is insufficient) any different from telling drivers that they should decide what their individual speed limit should be on any given road? Then prosecuting them for driving too fast.

The board surely cannot publish a standard on insurance cover without giving precise amounts of what that cover should be. A nurse or midwife is held accountable in their practice according to what is held to be best practice in the literature (in their field of practice). I am not aware of any literature on what best practice is in regards to professional indemnity insurance. In this case the board should surely advise what standard they are looking for (and to which they will hold practitioners accountable).

As nursing and midwifery are evidence based professions, the standards to which nurses and midwives are held should also be evidence based. Is the board aware of any evidence in this matter, either in Australia, or elsewhere in the world? If so would they please make this evidence public so that individuals, like myself, can take this

into account in their submissions, and preferably before the closing date for submissions. I have been unable to find any evidence on this matter, regarding nurses indemnity insurance. Apart from mentions that nurses and midwives in Australia are required to have such insurance.

I look forward to reading the board's response to the many submissions that they will receive.

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