



Aboriginal and Torres Strait
Islander health practice
Chinese medicine
Chiropractic
Dental
Medical
Medical radiation practice
Nursing and Midwifery
Occupational therapy
Optometry
Osteopathy
Pharmacy
Physiotherapy
Podiatry
Psychology

Australian Health Practitioner Regulation Agency

Consultation report: Professional Indemnity Insurance (PII)

30 October 2015

1. Introduction

The National Law¹ requires National Boards to develop registration standards about the requirements for professional indemnity insurance (PII) for registered health practitioners.

Ten National Boards have now reviewed their PII arrangements, as part of a planned review of the five core registration standards². These National Boards have agreed to use standard requirements, definitions and evidence provisions. As a result, there is a high level of consistency across the revised registration standards with a few minor variances. All National Boards have retained third party arrangements (e.g. cover by an employer, union, or professional association). A profession-specific approach to some requirements has been taken by the Medical Board and the Pharmacy Board but the common requirements have been used wherever possible.

The Psychology Board of Australia did not participate in this review as its current standard came into effect in June 2012 following an earlier review. It has now commenced a review of the 2012 standard.

2. Consultation

National Boards undertook an eight-week public consultation process between May and July 2014, following on from a preliminary consultation round with key stakeholders in January 2014 to ensure public exposure to proposed changes – a requirement under the National Law. The Commonwealth Office of Best Practice Regulation (OBPR) was also consulted during preliminary consultation in order to assess the potential for any significant regulatory impacts. The OBPR determined that a regulation impact statement was not required.

Public consultation documents are published under the *News* tab of each National Board website. Submissions (except those made in confidence) have also now been published.

The table below lists the number of responses that each National Board received during the public consultation on its revised PII registration standard.

¹ The *National Health Practitioner Regulation Law* as in force in each state and territory.

² Continuing professional development, Professional Indemnity Insurance, Criminal history, English language skills and Recency of practice.

National Board	No. of responses	National Board	No. of responses
Chiropractic	6	Optometry	2
Dental	11	Osteopathy	4
Medical radiation practice	4	Pharmacy	11
Medicine	23	Physiotherapy	7
Nursing and midwifery	5	Podiatry	9

The revisions proposed by National Boards focused on improving clarity and workability of the current PII standards and were broadly supported by respondents. A high level of consistency has been achieved across the revised standards through cross-board collaboration. National Boards also received feedback from the Australian Health Ministers' Advisory Council Health Workforce Principal Committee, which helped to inform the revised standards.

3. Issues

A number of the PII registration standards under review specified a minimum amount of cover (varying from \$5M to \$20M) and required retroactive and run-off cover. Based on expert advice and following consultation with insurers and other key stakeholders, the revised standards include common requirements and definitions of retroactive and run-off cover.

Rather than set a minimum amount of cover, the revised standards generally take a more contemporary and flexible approach that requires registrants taking out their own insurance to do an objective self-assessment, informed by advice provided by insurance providers to ensure they have adequate and appropriate insurance or professional indemnity cover for their practice. The Pharmacy Board's revised PII standard continues to set a minimum amount of cover at the same level as is currently required (\$20M), which reflects the industry standard in the pharmacy profession.

The Medical Radiation Practice Board of Australia has revised its PII arrangements guidelines to improve clarity and workability and to complement the revised registration standard. Additional information will be developed to support the revised standards, such as a PII guide to registrants that includes frequently asked questions. All additional guidance will be published and take effect at the same time as the registration standards to assist a smooth transition.

4. Conclusion

The National Boards consider that the revised PII arrangements registration standards improve the overall clarity and workability of current requirements with minimal but relevant and appropriate profession-specific variation, and will continue to ensure high levels of public protection.