

## Helping you understand your policy

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BUSINESS WITHOUT BARRIERS™  
*Incorporating OAMPS Insurance Brokers*

# Contents

Click on the headings to take you directly to your question.

What is 'Combined Liability'?	3
What does the policy cover?	3
Who can be covered?	3
What are the 'Limits of Liability'?	4
What's the difference between 'Occurrence based' cover and 'Claims Made' cover?	4
I want to be covered for the time before I had this policy. Is this possible?	4
What are 'Legal Expenses'?	5
We don't just practice, we also teach. Are we covered for teaching?	5



## What is 'Combined Liability'?

This policy combines three types of liability insurance - professional indemnity (also known as malpractice), products liability and general public liability - and tailors them to meet the needs of practitioners involved in the alternative/ complementary medicine and natural therapies profession. Arthur J. Gallagher extensive experience in this field has led us to develop this specialised combined policy.

## What does the policy cover?

The policy covers your legal responsibility to pay damages and legal expenses arising from personal injury to a third party, or damage to their property, arising from your business or occupation as listed on your policy.

This includes:

- liability arising from breaches of your professional duties including advice, treatment, diagnosis, prescribing and dispensing;
- liabilities arising from actions of your employees whilst carrying out their duties;
- unintentional libel or slander being a breach of professional duties; and
- your liabilities as a tenant of rented premises.

There are three distinct sections of the combined policy that cover different 'risks' associated with your practice:

1. Professional Indemnity covers your legal liability to pay compensation for personal injury to third parties or damage to their property, and financial loss arising out of any act, error or omission:

- in the provision of professional advice;
- in the provision of professional treatment; and
- in the provision of any other professional service which may be rendered in the course of the business and for which you are properly qualified.

2. General Public Liability covers your general legal liability attaching as a result of carrying on the business. Examples of the type of liability include matters such as:

- defective furniture, such as a table or chair collapsing and causing injury;
- a threadbare carpet causing someone to slip on the stairs;
- or fire damage to leased premises for which the Practitioner may be responsible under the Lease or at Common Law.

## Who can be covered?

In the policy wording, you will see many references to the 'Insured'. The definition of the 'Insured' includes

You;

Your employees including administrative staff and up to four multi-practitioners practicing modalities approved under the scheme.

Contractors (as distinct from employees) are not eligible and need to make their own insurance arrangements.



## What are the 'Limits of Liability'?

There are several optional Limits of Liability (i.e. the amount up to which the Insurer will cover the costs) available for you to choose from as detailed in the following table. 'Modalities' refers to the different types of alternative medicine employed by the practitioner/s or business. Some carry greater risks and therefore have higher premium costs.

Different Limits apply to the different sections of the policy:

The Limit applicable to Public Liability applies in full to each and every claim you may have during the year, irrespective of the number of claims.

The Limit applicable to Professional Indemnity also applies to each claim, but is restricted to the Limit of Liability in total for all claims during any one policy year. However, Insurers have agreed to provide one Automatic Reinstatement of the Policy Limit during any one year at no additional cost.

Legal expenses, subject to the Insurers approval, incurred in defence of a claim against you are paid in addition to the Limit of Liability.

All the modalities you practice which are accredited by your Association other than Spinal Manipulation will be covered under your policy and itemised on your Policy Schedule. Additional modalities can be included on verification of qualifications and their acceptance by the Insurer.

## What's the difference between 'Occurrence based' cover and 'Claims Made' cover?

The combined policy is the 'occurrence' based type. This means that you are covered for any incidents that occurred while the policy was in force, even if the claim is not made until some years after the event.

Most of the alternative policies available are written on a 'Claims Made' basis. This means they will only cover you for claims actually made during the currency of the policy. Therefore if you cease practicing you still need cover to allow for claims which might not be lodged until some years later. 'Run Off' cover is available under some of the alternative policies, however, it is not automatic in many cases, and sometimes additional premiums are charged. As the combined policy is 'Occurrence' based you don't need to worry about your policy coverage if you leave the business.

## I want to be covered for the time before I had this policy. Is this possible?

You have the option of extending your policy to include Retrospective Cover. A Retrospective Extension is available to provide cover for liabilities arising from events that occurred prior to the commencement of this policy, and during the term you were previously insured. This is subject to you not being aware of any circumstances which may give rise to a claim when you take out this policy.



## What are 'Legal Expenses'?

Under the main Sections of the Policy, you are covered for legal costs in defence of a claim against you. However, if you need legal assistance to defend or prosecute an action necessary to maintain your Right to Practice, Trade Practices Act dispute, Employment Contract disputes, you have the option of extending your policy to include additional legal expenses.

If you take this option the Insurer will pay up to \$25,000 for legal expenses payable by you. The Insurer maintains the right to approve and direct the case. The Excess applicable to this Extension is \$500.

## We don't just practice, we also teach. Are we covered for teaching?

This policy has been primarily developed to cover individual qualified practitioners. If teaching is a greater part of your business, and you are teaching students to become qualified practitioners, then an assessment may be required to evaluate your qualifications, course accreditation with Associations, etc. You may need to pay an additional premium to be covered for teaching. The additional premiums for teaching are:

Less than 10% of your normal working hours:	No additional charge
11% to 30% of your normal working hours:	15% loading applies
31% to 50% of your normal working hours:	25% loading applies
Over 50% of your normal working hours:	35% loading applies

