

## **Professional Liability Insurance Frequently Asked Questions**

Provided by Encon and LloydSadd

### **I have left the profession permanently and I am no longer licensed, will the policy still provide coverage?**

The program contains a broad definition of insured, which provides coverage for all active members and former members while acting within the scope of practice. This means that once you leave the profession, the policy will still respond to claims that may be made against you while you were active in your role.

### **What is Professional Liability Insurance and do I need it?**

Yes. Professional Liability Insurance also known as Errors and Omissions or Medical Malpractice protects you from incidents arising from your work as a Licensed Practical Nurse in Canada. This policy protects you from third-party claims arising from actual or alleged “negligence caused by the failure to render professional services”. It includes coverage for legal defense costs and potential indemnification payments.

### **What types of claims/complaints are filed against Licensed Practical Nurses?**

The type of complaints can be many and varied and can even be unfounded. Professional liability responds to complaints and lawsuits in order to protect you from costly legal expenses and potential indemnity payments. Some of the complaints include professional misconduct, alleged sexual abuse, improper behavior or rudeness, and allegations of humiliation.

### **Is there need for me to carry my own coverage if my employer provides coverage?**

It is difficult to fully know or understand your employer’s coverage so this policy provides reassurance that coverage will be available for incidents that may arise. In addition, if you do any contract work or are self-employed, **individual coverage is required**.

### **I am working outside of the country for a short period, will the policy respond?**

The intent of the policy is to provide coverage for Licensed Practical Nurses working and living in Canada. If you engage in work outside of Canada, for example a Humanitarian Project, coverage can be extended on a World-Wide basis. It is critical that you contact your College or Association and advise them of the duration and location of your work. This coverage is not intended to provide full coverage for Licensed Practical Nurses working on a full-time contract outside of Canada. For example, a 1 year work contract in a California hospital. In this scenario, the liability insurance should be provided by your employer and licensing granted in the jurisdiction.

### **I have treated juveniles in the course of my practice. Are there any special considerations?**

All provinces/territories in Canada have a “statute of limitations” period during which a claim or complaint can be filed. In the case of the treatment of juveniles, however, this statute begins once they reach the “age of majority” in the province they lived in when you treated them. You need to **maintain professional liability coverage** for this entire period of time.

### **What is the Difference between Professional Liability insurance and Commercial General Liability Insurance?**

Professional Liability Coverage is to protect you from errors or omissions when providing professional health care services.

Commercial General Liability provides insurance to cover liability for injuries or property damage sustained by members of the public. It covers accidents occurring on your premises or away from your premises as a result of business operations. For example, a patient slips and falls on your sidewalk due to ice build-up.

### **What steps should be taken in the event of a complaint or claim?**

There are numerous situations that may give rise to a claim and should be reported immediately. Most Professional Liability insurers use the test of what is “reasonable” to determine if you are meeting the claims reporting conditions of the policy. Please report any of the following situations:

- If a suit is brought, a copy of the Statement of Claim, summons or other legal process.
- If no suit but a demand letter from a clients’ solicitor, a copy of the letter, the details surrounding receipt of the letter and a copy of your reply if one was sent.
- Any written notice with allegations of professional malpractice.
- Any verbal complaints or oral threats from clients.
- Any circumstance you become aware of where a third party may hold you responsible for your actions.

Your report should contain copies of all written documents as well as names of potential claimants, specific date and nature of alleged wrongful act, the alleged injury or damage and the details of how you became aware of the circumstances. Documentation is critical in helping resolve disputes and claims.

### **How to Report**

The policy requires written notice to be reported directly to Encon Insurance Managers or to Lloyd Sadd Insurance Brokers Ltd. Please confirm the claim information has been received.

### **When should you report?**

The policy requires that you report as soon as practicable after being made aware of a claim. Prompt notification is required and essential in order to provide members with early advice and to ensure that their rights and interests are properly protected. Delay in notification could prejudice the insurer’s position and impair their ability to defend you.

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