

MDO COMPARISON

Medical Professional Indemnity Insurance Contracts

The following questions were asked of the various Medical Defence Organisations in Australia. Their responses appear in the Comparative Table below. Please contact the individual MDOs for a copy of their individual contracts.

1 What is the capped amount of cover being offered in your contract?

UMP	MDA V	MPS TAS	MDA National	MDA SA	MIPS	QDM
From 1 July 03 \$20m limit for each claim and in the aggregate, with an option to purchase additional \$5m	\$20m for whole policy and in the aggregate.	\$25m for whole policy and in the aggregate.	An option to purchase a policy for aggregate cover of \$20m or \$25m. As a guide the premium for the higher limit is likely to be around 10% more.	\$20m for whole policy and in the aggregate	Not available to the AMA	Not Available

2 Are you offering any additional cover, or allowing the option of reinstatement cover in the event of two claims in one year?

UMP	MDA V	MPS TAS	MDA National	MDA SA	MIPS	QDM
An option to purchase additional \$5m cover and reinstatement is available at a	No longer required in light of 'Blue Sky' announcement. Cover also available for	No, because of unlikelihood of the cap being exceeded in Tasmania	\$25m cover is available.	Some optional extensions	Not available to the AMA	Not Available

cost.	unpaid volunteer work.					
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3 Are you offering cover for the cost of representation before disciplinary and complaints tribunals, registration boards, and courts in medical matters (eg for allegations against the doctor for sexual misconduct) and if so on what terms?

UMP	MDA V	MPS TAS	MDA National	MDA SA	MIPS	QDM
Yes, under Legal Services Expenses Insurance policy	Yes, under Legal Representation Cover up to \$300,000	Yes, under the medical indemnity insurance contract. Cover only for legal representation for complaints and disciplinary tribunals etc.	Yes. Limit of \$300,000 in aggregate. Will provide 'provisional indemnity' where deemed appropriate. The policy excludes representations arising out of alleged sexual harassment and misconduct or unlawful discrimination.	Yes. Limit of \$500,000 in aggregate where separate policy	Not available to the AMA	Not Available

4 Are you offering cover for employed doctors for liability their employer does not cover, or for any liability as to which their employer requires indemnification?

UMP	MDA V	MPS TAS	MDA National	MDA SA	MIPS	QDM
Yes	Yes. No cover offered in relation to	No cover offered for employed doctors.	The policy does not exclude indemnity because insured	No	Not available to the AMA	Not Available

	public patients in a public hospital.		is an employee but excludes cover where the insured has access to a prior indemnification arrangement and in relation to public patients in certain circumstances.			
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5 Are the negligent acts or omissions of the staff of an insured doctor covered?

UMP	MDA V	MPS TAS	MDA National	MDA SA	MIPS	QDM
Practice Manager or nurse: Yes Larger practices with staff outside traditional role: need to access need for additional policy	Yes, under ‘practice cover’ option – may be, but not always at additional premium cost	Yes.	Yes, for staff not medically qualified where the insured doctor is vicariously liable for the acts and omissions of staff working under the doctor’s supervision.	Yes, for staff where the insured is vicariously liable for the acts and omissions of staff working under the doctor’s supervision	Not available to the AMA	Not Available

6 What death, disablement and retirement (DDR) cover is offered?

a) On what terms and conditions and at what annual premium?

UMP	MDA V	MPS TAS	MDA National	MDA SA	MIPS	QDM
\$200 plus taxes for existing members who retire or leave practice by reason of disability.	\$300 plus m/ship fee of \$250 provided as an annual Claims Made policy for those who qualify. DDR automatically applies for 5 years if a member dies or has 20 years m/ship. Premium subsidised if member is disabled.	At nominal cost for doctors who had 'occurrence based' cover prior to 1 July - \$50 plus GST.	\$200 plus taxes annually renewable for 6 years at same terms and conditions as policies available to other insureds.	DDR will be offered on an annually renewable basis for a 10 years (if triggered in 2003/4). No additional premium.	Not available to the AMA but DDR must be offered in accordance with the law - likely to require an offer of annually renewable cover for a minimum of 6 years.	Not available to the AMA but DDR must be offered in accordance with the law - likely to require an offer of annually renewable cover for a minimum of 6 years.

b. Have you the right to increase premiums after the doctor retires?

UMP	MDA V	MPS TAS	MDA National	MDA SA	MIPS	QDM
Yes. Premiums reviewed annually but expected to remain at same level for	Yes. Premiums reviewed annually.	Not after the doctor retires.	Yes. Premiums reviewed annually.	No. Not if DDR benefit triggered 2003/4 for 10 yr. run-off	Presumably	Presumably

qualifying members						
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c. For how long does a doctor have to be a member to qualify for discounted or no annual premium?

UMP	MDA V	MPS TAS	MDA National	MDA SA	MIPS	QDM
All current members qualify. New members 15 years	Minimum period of 18 months. 20 years continuous m/ship required or other special circumstances for waiver of \$250 m/ship fee	All doctors whom at 30 June 03 were 'claims incurred' members of MPST.	15 years continuous membership	10 years continuous membership.	Not available to the AMA	Not available to the AMA

d. What age qualifies under your contract for retirement?

UMP	MDA V	MPS TAS	MDA National	MDA SA	MIPS	QDM
No age limit but must be <i>genuinely</i> retiring	55 years at date of permanent retirement (or younger by special request and approval).	60 years.	60 years. However, 15 years membership qualifies for runoff at nominal cost	55 years.	Not available to the AMA but the law is likely to require no more than 60 years.	Not available but the law is likely to require no more than 60 years.

e. What constitutes 'disablement' under your contract?

UMP	MDA V	MPS TAS	MDA National	MDA SA	MIPS	QDM
Permanent disability to the	Will consider each case on	As defined in the majority of	Where doctor is incapable of	As defined in Regulations,	Not available to the AMA	Not available to the AMA

extent that a doctor is unable to return to work.	merits at the time the application is made.	superannuation policies.	continuing in clinical practice			
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7 Do you offer your members run-off cover before they reach retirement age, and do you offer retroactive cover to new members?

UMP	MDA V	MPS TAS	MDA National	MDA SA	MIPS	QDM
Run-off & Retro cover: Yes. Run off can be purchased at any time prior to retirement.	Run-off and Retro cover can be purchased: Yes.	Offer of some Retro cover to members who join this year back to 1 January 2001. Those members who retire before 60 can purchase run-off cover.	Run-off and Retro cover: Yes Run-off can be purchased on an annually renewable basis.	Run-off and Retro cover can be purchased: Yes.	Not available to the AMA	Not available to the AMA

Errors and omissions excepted. This Table is provided as a Guide only from information made available to the AMA from the MDOs at the time and practitioners should make their own inquiries.

1 July 2003.