

AMRANZ Explanation Document Professional Indemnity Insurance

Wednesday 24th September 2008 (first release)

CLAIM EXAMPLE

A patient of ABC Hospital, suffers injuries as a result of Dr Tom (a medical practitioner) who is an employee of ABC Hospital

- The patient sues ABC Hospital
- Dr Tom and ABC Hospital are found to be negligent.
- Dr Tom was placed to ABC Hospital by XYZ Recruitment
- ABC Hospital sues XYZ Recruitment due to breach of duty in the recruitment process.

SCENARIO 1

- XYZ Recruitment were able to prove that they undertook all the correct recruitment processes and were found not be in breach of their duty.
- Would the AMRANZ Members Professional Indemnity Policy provide defence costs? **YES**
(Subject to the particular circumstances of each matter and terms and conditions of the Policy)

SCENARIO 2

- XYZ Recruitment was sued by ABC Hospital and a claim was made seeking contributory negligence.
- XYZ Recruitment were not able to prove that they undertook all the correct recruitment processes and were found to be in breach of their duty to the hospital.
- Would the AMRANZ Members Professional Indemnity Policy provide defence costs? **YES**
(Subject to the particular circumstances of each matter and terms and conditions of the Policy)
- Would the AMRANZ Members Professional Indemnity Policy pay indemnity? **YES**
(Subject to the particular circumstances of each matter and terms and conditions of the Policy)

You should seek confirmation that the cover provided by your policy is sufficient to protect you in the event of a claim.

For an obligation free review of your current insurance arrangements or for any insurance advice please contact one of our recruitment insurance experts, recruit@oamps.com.au 03 9412 1212.

Mark Laudrum
Manager Specialty Schemes Branch
Mark.laudrum@oamps.com.au
Tel: 03 9412 1154
Mob: 0425 221 773

Wednesday 24th September 2008.