
Professional Indemnity Insurance for Doctors

Salient Feature

This insurance covers legal liability arising from errors and omissions on the part of Registered Medical Practitioners while rendering professional service.

Scope of Cover

The policy indemnifies any act committed by the insured, who shall be a Registered Medical Practitioner, giving rise to any legal liability to Third Parties. The insured includes the policyholder and his qualified assistants or employees as named in the proposal form.

It applies to claims arising out of bodily injury and/or death of any patient caused by or alleged to have been caused by error, omission or negligence in professional service rendered or which should have been rendered by the insured or qualified assistants named in the schedule or any nurse or technician employed by the insured.

- a) Legal liability as fixed by courts in India to pay compensation.
- b) Defence costs and expenses. This means all costs, fees and expenses incurred with the prior consent of the insurer in the investigation, defence or settlement of any claim made against the insured, provided the claim falls within the ambit of the policy.

The amount of payment under (a) and (b) will not exceed the amount insured for in the policy under the limit of Any One Accident (AOA) in respect of any or all claims made against the insured arising out of Any One Accident.

Exclusions

- a. Third party public liability.
- b. Fines, penalties, punitive or exemplary damages.
- c. Any loss of financial nature like loss of goodwill, loss of market etc.
- d. Liability, if any, assumed by agreement and which would not have attached if not for the agreement.

Special Benefits

1. Retroactive Benefit

This means that the insured will be covered for any professional act or omission occurring during the period of insurance, which means the first date of the first policy, provided that the policy is renewed without interruption and is in force when the claim arising out of the act or omission is made in writing against the insured during the policy period. Policy period means the period incepting from the date and hour mentioned in the policy schedule and terminating at midnight on the expiry date indicated in the policy schedule.

2. Notification Extension Clause

If the insured notifies during the policy period any specific event or circumstance which the insurer accepts may give rise to a claim, then the acceptance of such notification means that the insurer will deal with the claim as if it has been made during the policy period.

3. Extended Claim Reporting Clause

In the event of non-renewal or cancellation of the policy, the Insurer will allow a time limit up to 90 days, provided another policy does not exist, for notification of claims for accidents which had taken place during the period of insurance.

Meaning of AOA : AOY

AOA means Any One Accident, which may include one or more, or a series of claims arising out of the same cause or error or omission relating to professional service. AOY means Any One Year. The Insured can choose an indemnity limit which can be in the ratio 1 :1, :2,1:3,1:4 of AOA : AOY and the premium will be charged on AOY limit.

Main Exclusions

1. Liability arising from any criminal act or act in violation of any law or ordinance.
2. Services rendered under the influence of intoxicants or narcotics.
3. Dental treatment under general anaesthesia except in a hospital.
4. The use of drugs for weight reduction.
5. Plastic surgery except for repair of scar being the result of previous surgery, or in connection with burns or other traumatic injury.
6. AIDS related conditions.
7. Due to intentional non-compliance of statutory provisions.
8. Personal injuries such as libel, false arrest, defamation, mental injury, shock etc.
9. Genetic injuries caused by x-ray and radioactive substances.
10. Caused by intentional disregard of technical or administrative management of the need to take ail care to prevent claims.
11. Liability to employees/apprentices/contractors/genera! third party public

Important Conditions

1. Early written notice of any claim to the insurer. Sending of any claim, writ, summons or process and ail documents to the Insurer.
2. No admission offer promise or payment to be made without the consent of the Insurer.
3. The Insurer has the right to take over and conduct in the name of the Insured, the defence/settlement of the claim.
4. The Insured shall give all such information and assistance as the company may reasonably require.
5. No short period policy is permitted i.e. all policies will be for 12 months.

Indicative Premium Rate

Varies between 0.30 per thousand rupees and 3.00 per thousand rupees depending upon (a) Category of Doctor and (b) AOA : AOY ratio chosen.