

IMPORTANT NOTICE:

DOES YOUR MALPRACTICE PROVIDER COVER YOU FOR INDEMNITY CLAUSES THAT YOU SIGN?

Some doctors sign contracts (eg, to join a group practice or third-party administrator scheme, to be a **visiting consultant** to an institution, etc) that include an indemnity clause, where the doctor indemnifies the other party against consequences arising from the doctor's own actions. Two real examples of such clauses are listed below. Sometimes, a doctor may even renew his contract without realising that such an indemnity clause has been added into the old contract, or that the original clause has been expanded in scope.

SMA reminds all doctors so doing, to:

- a) Fully understand the indemnity clause they are signing and if necessary, seek legal advice on what you may be liable for when you sign;
- b) Note whether the clause is unidirectional, or provides reciprocal and equal indemnities (ie, you might feel that you should

also benefit from indemnity for any losses you incur as a result of the other party's acts and omissions);

- c) Understand that the clause may be very wide-ranging in scope (ie, extend beyond medical negligence/medical malpractice);
- d) Discuss with your provider of malpractice protection (eg, NTUC Income, Medical Protection Society or others) the extent of cover they will provide for your specific case. Don't automatically assume that they will cover you to the same extent that you had indemnified the other party, even for the medical negligence/medical malpractice component. For example, your provider may feel that they cannot support the indemnity clause you had signed if they consider it not to be fair and reasonable.

SMA hopes that it has been of service to Members by providing this reminder.

Examples of indemnity clauses:

- a) I hereby agree to indemnify the Hospital and _____ on a full indemnity basis, against all costs, fees and expenses (including costs of the Hospital's and/or _____'s solicitors and other professionals, where applicable and whether or not legal, arbitration or other proceedings are instituted) incurred by the Hospital and/or _____ in the event of a breach of any of the provisions herein, whether directly or indirectly by any act, omission, neglect or other default on my part.
- b) A **visiting consultant** may be asked "to defend, indemnify and hold the (restructured facility) harmless for any and all losses, claims, actions, proceedings, costs (including legal costs on an indemnity basis) and expenses arising from or in connection with any act or omission (including negligence) by the **visiting consultant**". ♦