



PROTECTING JUNIOR DOCTORS THROUGH GROUP COVER

Recent issues of *SMA News* covered two indemnity models that doctors can choose from as individuals, namely occurrence-based and claims-made cover. In recent weeks, three-way communication between the SMA, doctors and MOH Holdings (MOHH) demonstrated the need to briefly discuss a third model: group indemnity. Knowing how this may differ from individual cover is very important to doctors currently covered under such an arrangement. As most of them will be under the MOHH Junior Doctors' Medical Malpractice Insurance Programme and this is the group indemnity plan of greatest current interest, I have used points gleaned from the above-mentioned communications to illustrate this short summary.

WHY GROUP INDEMNITY?

What is group indemnity? It is a good way for an employer-organisation to address vicarious liability. After all, "it is the employer who bears ultimate

responsibility for the actions of the employee doctors during the period of employment and after they resign or retire" (see article on page 24). In essence, it means that the employer is liable for whatever damages resulting from a doctor's treatments, which he himself cannot pay. For self-protection, an employer will therefore do one of the following: (i) refuse to employ any doctor who does not have his own individual protection, (ii) buy protection for individual employees, or (iii) arrange for group protection designed to cover claims brought against either the employer or employee.

GROUP INDEMNITY VS INDIVIDUAL PROTECTION

How does group indemnity differ from individual protection? I have listed some points and illustrated them with quotes from communication surrounding the MOHH programme mentioned above:

- a. **Group indemnity is usually purpose built.** "[It] is not some [commercial off-the-shelf] (COTS) product. Aon had designed and brokered this programme for MOHH..."
- b. **It is likely to have been designed based more on employer's (rather than employee) requirements.** "... based on our [ie, MOHH's] specific requirements as an institution purchasing insurance coverage for our employees."
- c. **Its terms of cover are individualised to these requirements rather than generic.** "It is therefore wrong to put together information taken from Aon's general website and pass it off as the terms of the MOHH programme."
- d. **Its coverage may include or exclude specific aspects of work.** These may be important (or not) to specific individuals.

The cover offered by the MOHH programme includes at least: clinical negligence, Singapore Medical Council enquiries, disciplinary procedures, guidance for preparation for inquests, and Good Samaritan Acts (except in the US and Canada). However, it probably excludes locum work outside MOHH. Other group indemnity arrangements may offer either more or less and it is critical that the doctor being covered reads the “fine print”.

- e. **It may, or may not, cover the doctor after he leaves this employer.** The MOHH programme specifically continues to cover the doctor after leaving “... provided that such adverse events are reported and notified during the period of employment... For adverse events that were not reported, cover will be discretionary on a case-by-case basis.”
- f. **Such cover may be only for a limited duration, or may meet the doctor’s full needs for tail cover.** The MOHH programme in effect provides full tail cover, ie, “[it] includes tail cover for whatever duration based on the relevant statutes of limitations... regardless of subsequent employment status of our doctors...”; “... we structure our insurance programme such that individual run-off cover is not required, as future renewals of the policy by MOHH will include run-off cover for claims from past acts and for former employees.”
- g. **Such tail cover may continue undisturbed even if the employer changes insurers in the future.** For example, even if MOHH changes insurers in the future, the employee is assured that “... avoiding gaps in cover is a simple matter of ensuring that the policy terms and conditions of the former policy are mirrored in the new one.”

Note: The above quotes and examples are based on the author’s understanding of emails and other communications between SMA (and doctors) with MOHH. It is used only to illustrate the characteristics of a group policy which

an employee should be aware of. If any of these details have been wrongly understood, the author apologises and requests for MOHH’s clarification and correction for print in SMA News.

ITEMS TO CONSIDER

I emphasise that **other group indemnity plans may differ significantly from the MOHH programme illustrated above.** If you are covered by your employer’s group indemnity plan, SMA strongly urges you to:

- a. **Realise that group indemnity is different from personal indemnity.** Even if both are administered by the same insurer, you cannot assume that what is on the website will apply to both personal and group indemnity alike. You must clearly understand what you are covered for, and what not, under your group’s plan. While most doctors may feel that their group plan meets their current and future needs, others may wish for different characteristics in their cover.
- b. **If you feel you need something not offered by your group’s plan (eg, occurrence-based cover), you must know that presently, neither the Medical Protection Society nor NTUC Income will accept you for their individual malpractice indemnity plans while you are covered by a group plan.** You therefore need to clearly confirm that one of them will cover you before you enquire if you can opt out of your (free) group plan to buy individual (self-paid) cover.
- c. **You must have a clear understanding on whether you will still have tail cover after stopping employment with the group.** You must also know who will provide this (ie, the insurer or the employer, as the assurance that this entity will be around when you need help in years to come may differ). You need to evaluate the likelihood of the group existing in its current form and continuing to buy insurance that includes tail cover for you and other employees who have left, annually for the next 24

years. If there is any reason for doubt, when you leave and seek individual cover, you must ask your new indemnity provider for tail cover — ie, tell them that you need cover for treatments in the past (when you were covered under this group’s claims-made scheme) that may give rise to future claims. *(Note: at present, SMA is not aware of any indemnity provider who offers such tail cover when you join as an individual.)*

This may sound like a lot of work, but it is unavoidable. After all, if you do not take steps to secure your future, nobody else will do it for you. Safety in the future truly starts with the actions and choices you make today (within the limits allowed by your employer). ♦

PROFILE



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