

# Professional Indemnity Insurance

## Healthy Practices

**APNA has produced a suite of resources to help general practices employ nurses and optimise their role in the general practice setting. Fulfilling these aims will help build Healthy Practices that deliver positive outcomes for their communities through nursing skills and expertise.**

Nurses and midwives must not practise unless they have appropriate professional indemnity insurance cover.

The Nursing and Midwifery Board of Australia has a registration standard for professional indemnity. The requirements for the standard include:

- Nurses and midwives, whether employed or self-employed, require professional indemnity insurance that covers the full scope of their practice unless exempted under the National Law.
- When applying for registration or renewal of registration, they must declare that they will not practise in their profession unless they have such insurance.
- Different types of practice require different levels of professional indemnity insurance cover, according to the level of risk. This may involve civil liability cover, unlimited retroactive cover and run-off cover.
- It is the responsibility of nurses and midwives to understand the cover under which they are practising.
- Self-employed nurses and midwives are required to have run-off cover, except those midwives practising privately who are exempt under the National Law.
- Nurses and midwives who hold insurance cover in their own name are required to retain documentary evidence of their insurance arrangements and provide it to the Board on request.
- Self-employed midwives must provide full disclosure of their level of professional indemnity insurance to their clients.

**“... many nurses seek their own professional indemnity insurance to protect themselves from legal exposure ...”**

If a patient is harmed, or is allegedly harmed, as a result of the negligent acts or omissions of a nurse working in general practice, the employer’s legal responsibility depends in part on whether the nurse is an employee of the practice or an independent contractor.

Employers are legally responsible for an employee’s negligence, based on the principle of vicarious liability. Under that principle, the employer is legally liable for negligence that arises from or occurs in the scope and course of the employment relationship. However, the principle of vicarious liability does not absolve the nurse working in general practice from responsibility or remove their legal exposure. Therefore, many nurses seek their own professional indemnity insurance to protect themselves from legal exposure, provide access to advice when needed and travel with them from practice to practice.

Information on professional indemnity insurance for nurses is available from:

- Australian Primary Health Care Nurses Association, which has a professional indemnity package specifically designed for nurses in general practice: [apna.asn.au](http://apna.asn.au)
- Australian Nursing and Midwifery Federation: [anmf.org.au](http://anmf.org.au)
- Australian College of Nursing: [acn.edu.au](http://acn.edu.au)
- AHPRA (Australian Health Practitioners Regulation Agency) professional indemnity insurance arrangements for enrolled nurses, registered nurses and nurse practitioners: [nursingmidwiferyboard.gov.au/Codes-Guidelines-Statements](http://nursingmidwiferyboard.gov.au/Codes-Guidelines-Statements)

[www.apna.asn.au](http://www.apna.asn.au) [www.healthypractices.apna.asn.au](http://www.healthypractices.apna.asn.au)

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APNA acknowledges and thanks the Australian Primary Health Network for use of this material.

This resource is funded by the Australian Government Department of Health.

# Nurses are a healthy investment.

APNA provides general practice support and advisory services to help you employ and optimise the nursing role in your practice. Healthy practices, strengthening communities.

**Find out more at**  
**[healthypractices.apna.asn.au](http://healthypractices.apna.asn.au)**

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