



New Brunswick Association of Respiratory Therapists

Title: Professional Liability Insurance
Number: NBART R-005
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Rule

As per Bill 51 - An Act Respecting Respiratory Therapists 11(1), no Respiratory Therapists shall engage in the private practice of respiratory therapy without first providing the Registrar with proof of valid professional liability insurance in the minimum amount required by the by-laws and providing proof of renewal of such insurance each year thereafter.

Liability insurance protects both Respiratory Therapists and the public they serve. Liability insurance enables a patient/client to have adequate financial compensation should harm occur as a result of an error, omission or negligent act, and liability insurance protects the Respiratory Therapist by providing legal and financial support should a patient/client make a claim against them. Members may obtain their liability insurance from any source, including their employer, a professional association, or directly from an insurance company.

The NBART requires that active and active with restrictions members engaged in the practice of respiratory therapy carry minimum liability insurance as follows:

- a) The minimum coverage shall be no less than \$2,000,000 per occurrence;
- b) The aggregate coverage shall be no less than \$5,000,000;
- c) The member must be personally insured under the insurance policy.

At a minimum, coverage should also include conduct or omissions within the scope of practice of respiratory therapy as The insurance coverage should only have standard exclusion clauses that do not materially detract from comprehensive professional liability coverage, for example, criminal or deliberate acts.

For inactive members, or for active members who are not currently engaged in the practice of respiratory therapy, the amount of coverage required by the NBART is set at "zero" providing that the member meets the definition of "inactive" as outlined in NBART Inactive Status policy (NBART-001) dated February 15, 2010. Inactive members must acquire professional liability insurance and provide proof of such policy to the NBART as per this policy prior to practicing respiratory therapy in New Brunswick. Student liability is the responsibility of the education institution in which the student is enrolled. Facilities providing Respiratory Therapy education programs in New Brunswick will be required to submit a copy of the insurance policy under which their enrolled students are covered to practice as students in clinical placements throughout the province.

Examples of available coverage for Respiratory Therapists

- Employer (hospital, home care company, educational program): If you are covered by your employer's professional liability insurance plan in the amounts and coverage set out in the policy then you are not obliged to obtain additional liability insurance coverage, although you may wish to. Members should note

that it is not sufficient for the employer's policy just to cover the employer or the facility. This means that you must ensure that your employer's insurance policy covers not just the organization, but you as an individual as well. The policy does not have to list you individually by name but must specify that it covers the "employees" of the organization as "added insured's". A member who performs any respiratory therapy services, even on a part time or temporary basis, outside of the employing organization must obtain additional professional liability insurance coverage.

- Canadian Society of Respiratory Therapists (CSRT): Details are available from the CSRT at www.csrt.com.
- Private insurance providers: Consult your insurance broker.

The majority of Members will likely have insurance coverage of at least 2 million dollars with their employer. However, Members should determine if these amounts are sufficient according to their specific circumstances. The NBART recommends that all Respiratory Therapists review their liability insurance coverage from time to time. In determining if you have sufficient coverage consider the following :

- Does your plan cover reimbursement of legal or criminal defence expenses?
- Will your plan provide for the cost of legal representation in the event you are subpoenaed to appear as a witness?
- What type of coverage does your policy provide e.g., Malpractice, Errors & Omissions, and Legal Expenses?
- What is the liability aggregate limit?
- Do you have an "occurrence" type of policy (covers claims that occur after the policy has lapsed) or "claims made" policy (only covers you for claims made during the term of the policy)?
- If you have a "claims made" policy (which is the most common form of liability insurance today) you should ensure that you have enduring coverage (often called "tail insurance") to protect against any claims made after you leave or the particular insurance policy ends.
- Is there a deductible, if so how much?
- What are the "exclusions" under the policy? Such exclusions should be standard provisions that do not materially detract from comprehensive professional liability coverage (for example, criminal or deliberate acts).
- If you are covered by an employee insurance plan, you should check your coverage and make sure you are an "additional insured" under the policy. You may wish to request a letter from the employer confirming coverage. In addition, if you practise outside of your employment you will need to obtain additional insurance to cover those services.
- Finally, you may want to consider if you should purchase additional individual coverage through one of the professional associations.