

# NZNO Indemnity Insurance: Frequently Asked Questions, 2016

This document is divided into major themes:

1. General
2. Midwifery
3. Nursing
4. Student nurse/midwife
5. Complementary medicine
6. Aesthetic medicine
7. Setting up in business/self employed
8. Health workers: non – nursing/midwifery

## 1. General

### **Please note:**

This cover applies to all NZNO members however only medico-legal matters are covered under your indemnity insurance and only in relation to your practice. This insurance does not cover your business.

If you need NZNO assistance with an employment matter, please seek advice from your NZNO organiser.

### **1.1 How do I know I have indemnity insurance?**

- > You have indemnity insurance cover in relation to your practice if you are a financial member of NZNO, whether your membership is as a nurse, midwife, a health care assistant, or any other category.

### **1.2 What does NZNO indemnity insurance offer me?**

- > Legal advice, advocacy, and legal representation (if required) in relation to professional practice;
- > Cover for claims related to professional practice such as Nursing Council and Midwifery Council proceedings, Coroners' inquests and Health and Disability Commissioner investigations;

### **Please note:**

Having indemnity cover does not necessarily guarantee you will have a successful outcome when defending allegations about your practice. The legal team will work with you to help ensure the best possible outcome.

### **1.3 What does the NZNO indemnity insurance cover provide?**

- > \$500,000 per claim, to a maximum of \$1 million per annum;
- > \$200,000 criminal defence costs in relation to professional practice;
- > Access to a lawyer for any legal representation or advice required in relation to professional practice;
- > Costs of and incidental to any investigation or relevant hearing, including any fines imposed;
- > Access to a competency review adviser for any competence representation or advice in relation to competency matters.

#### **1.4 What if my employer has indemnity insurance?**

- > The website brochure outlines what NZNO's indemnity insurance provides. It is your responsibility as an employee to compare your employer's indemnity insurance with that provided by NZNO;
- > One of the main problems with not having separate indemnity insurance is the potential for conflict of interest. A conflict of interest can occur when the issue for the employer is different from the issue for the member. A large number of notifications to the Nursing Council of New Zealand come from employers. NZNO recommends members have separate legal representation from that of their employer.

#### **1.5 Can I join NZNO for indemnity insurance after an incident occurs?**

- > No, NZNO indemnity insurance does not cover incidents that occurred before you joined NZNO. Cover is provided for any incident that occurs while you are a financial member;

##### **Please note:**

If you are investigated for an incident after you have ceased being an NZNO member, but the incident occurred while you were a member, you remain indemnified for that incident. In this situation you will need to contact NZNO and ask to speak to a member of the legal team to discuss reinstating membership while you are being represented.

#### **1.6 How does the indemnity insurance process work in the event of a claim?**

- > After being advised of your involvement with an investigation or notification ring the NZNO Membership Support Centre (MSC) on the toll free number 0800 28 38 48 and advise them that you need assistance. They will then contact the lawyer for your area who will get in contact with you. The lawyer will advise the insurer.

#### **1.7 Do I have to pay anything to activate my indemnity insurance?**

- > No, you do not have to pay anything as your membership fee covers your eligibility for indemnity insurance.

#### **1.8 Where can I obtain a copy of the NZNO indemnity insurance policy?**

- > The main points are covered in the NZNO indemnity pamphlet "Professional Indemnity Insurance for all members of NZNO" (2011 version). Contact NZNO if you require a copy.

## **2. Midwifery**

#### **2.1 Does NZNO indemnity insurance cover me if I practise as an independent midwife?**

- > Yes, NZNO indemnity insurance covers midwifery practice in both public and private (or independent) settings;
- > It is recommended you contact NZNO membership staff, if you change your role to become a lead maternity carer.

## **3. Nursing**

#### **3.1 If I work outside my scope of practice, will NZNO indemnity insurance cover me?**

- > NZNO provides indemnity insurance for issues relating to professional practice. It will cover you for legal services to deal with any investigation, defence and settlement of any matter to which this insurance applies;
- > If you think you may potentially be acting outside your scope of practice or extending a nursing role, please contact the Membership Support Centre (MSC)

(0800 28 38 48) who will refer the issue to a professional nursing adviser. They can advise whether more discussion is required.

**3.2 I am a registered nurse who has become a nurse practitioner candidate (i.e. training to be a nurse practitioner). Do I need to contact NZNO to discuss my indemnity insurance?**

- > It is not essential to contact NZNO for indemnity purposes but it is useful to notify membership staff when your role or employer changes, as this means your membership records and contact details can be updated.

**3.3 I am now a nurse practitioner. Do I need to notify NZNO of this new title for indemnity insurance purposes?**

- > No, it is not necessary to do so, but it is recommended you contact membership staff for the same reason as outlined in section 3.2.

**3.4 I am an enrolled nurse (EN) working as a health care assistant. Am I liable for my EN practice? Do I need indemnity insurance?**

- > With or without a practising certificate, the Nursing Council of New Zealand can regulate your practice as an EN when employed as a health care assistant.
- > If you are a NZNO member when working in such a role, you will have indemnity insurance cover for your professional practice.

**3.5 I am a registered nurse (RN) working as a caregiver. Am I liable for my RN practice? Do I need indemnity insurance?**

- > See answer above for Question 3.4. The same principles apply.

**3.6 I am a nurse working, for example, as a counsellor. I believe I use my nursing knowledge within this role. Will NZNO provide me indemnity insurance?**

- > Counsellors who are employed in the voluntary or private health sectors come within NZNO's membership rule and will be covered by the indemnity insurance policy. However, if you are a self-employed counsellor you are not covered.

**3.7 I am a registered nurse or midwife whose primary place of employment is New Zealand. I am escorting a patient on a foreign airline to another country. Will NZNO indemnity insurance cover me?**

- > NZNO indemnity insurance covers escorts of patients to all countries except for the United States of America and Canada;  
**Please note:**  
You are covered if you are transporting a patient back to the USA or Canada. Cover will cease to exist once the patient has been handed over within 24 hours of landing.

**3.8 Does NZNO insurance cover me for voluntary work – either overseas or in New Zealand?**

- > Yes, NZNO indemnity insurance will cover you for voluntary work overseas (apart from the USA and Canada) for a period of up to 90 continuous days;
- > You are also covered for voluntary work you do within NZ such as providing first-aid at a motor-cross event.

**Please note:**

Regulated nurses who carry out voluntary roles need to understand they are accountable to the Nursing Council of New Zealand for acting within their scope of practice in such roles, for example, having the necessary skills and knowledge for spinal injury management at a motor-cross event.

### **3.9 Does NZNO indemnity insurance cover my practice as a research nurse (including clinical trial work)?**

- > NZNO indemnity insurance covers you where you are co-ordinating clinical research or other research, or you are conducting clinical or other research into nursing practice;
- > You are not covered if you are performing the role of Investigator in connection with a Phase 1, 2, 3, or 4 drug trial;
- > If you have specific questions about the type of research you are involved in, please contact the NZNO medico-legal team, through the MSC, to discuss.

## **4. Student Nurse/Midwife**

### **4.1 I am a student enrolled in a New Zealand nursing or midwifery undergraduate programme. I wish to do an overseas placement as part of this programme. Will NZNO indemnity insurance cover be available?**

- > Students on placements overseas are covered for a period of up to 90 continuous days; USA and Canada are not covered by NZNO indemnity insurance.

### **4.2 I am a student nurse or midwife. The polytechnic institute can provide me with indemnity insurance. Why do I need NZNO indemnity cover?**

- > As outlined in Section 2.1, it is the responsibility of students to compare NZNO indemnity insurance cover with that offered by their educational institute. There may also be a conflict of interest between the student and the institution, such as refusing to provide a certificate of character for registration, which would indicate that separate indemnity insurance is wise.

### **4.3 I am an overseas student nurse working temporarily in New Zealand. Will NZNO provide indemnity insurance for me?**

- > You are eligible to become an NZNO member if you are a student in New Zealand undertaking a nursing or midwifery programme prescribed by the Health Practitioners Competence Assurance Act with a view to registration;
- > If you are an NZNO member and an overseas student nurse, you will have indemnity insurance for the duration of your New Zealand study experience;
- > As an overseas student, you will need to be familiar with the Nursing Council of New Zealand policies that affect your practice in New Zealand, and you will need to be familiar with employer policies regarding student nurses.

### **4.4 I am a student nurse, working in the holidays as a health care assistant. Will NZNO provide indemnity insurance for this holiday work if I am a member?**

- > Yes, NZNO will provide indemnity insurance cover for:
  - Your practical work assignments
  - During nursing/health care holiday jobs, and
  - Doing part-time nursing/healthcare work as a student nurse.

#### **Please note:**

If you are a student but are also working as a health care/nursing assistant you will need to change the category of your membership to receive cover outside your course requirements. You may be eligible for a reduced fee subsidy. Contact the Membership team to find out.

## 5. Complementary Medicine

### 5.1 Does NZNO provide indemnity insurance for complementary medicine?

- > NZNO provides indemnity insurance for complementary medicine, if it is in addition to the individual's current nursing or midwifery role;
- > NZNO does not provide indemnity insurance, if the role of the nurse or midwife is primarily focused on complementary medicine;

**Please note:**

Complementary medicine includes reflexology, massage, acupuncture, and homeopathy. You can link to the following for information on the definition of complementary medicine:

[http://www.mcnz.org.nz/portals/0/guidance/comp\\_alternative.pdf](http://www.mcnz.org.nz/portals/0/guidance/comp_alternative.pdf)

## 6. Aesthetic Nursing

### 6.1 What is aesthetic nursing?

- > The aesthetic nurse performs cosmetic enhancing treatments including, but not limited to, cosmetic injectables such as Botulinum Toxin A, dermal fillers, laser and intense pulsed light therapy (IPL) treatments for various skin and health benefits (tattoo removal, hair removal, pigmentation, skin rejuvenation), micro-sclerotherapy (for treatment of superficial unsightly veins), and surgitron (removal of skin tags). (Aesthetic Nurses Group, NZNO);
- > The aesthetic nurse usually works in a collegial relationship within a team, or directly under the guidance of a medical practitioner, or the standing orders of a medical practitioner.

### 6.2 Does NZNO indemnity insurance cover nurses working in aesthetic nursing?

- > NZNO indemnity insurance is available for nurses working in aesthetic nursing who are acting under the direction and supervision of a medical professional. If it the nurse's own business, any employees will not be covered by this policy and nor will the business. The indemnity policy only covers the nurse's practice.

## 7. Setting Up In Business/Self Employed

### 7.1 Does NZNO provide indemnity insurance for private business activities in addition to professional practice?

- > No, NZNO does not provide indemnity insurance for business activities. It only provides cover for professional practice.
- > Options for business indemnity cover advice include;
  - contacting an accountant; or contacting the NZNO insurance broker, CROMBIE LOCKWOOD (NZ) Ltd, directly to discuss provision of business cover. The contact for the insurance broker is: Jac Heale, 04 381 8153, [jac.heale@crombielockwood.co.nz](mailto:jac.heale@crombielockwood.co.nz)

## 8. Health Workers: Non-Nursing/Midwifery

**8.1 I am a health worker. Can I join NZNO for indemnity insurance cover?** The NZNO constitution (Schedule One: 1 Membership of NZNO) states "*subject to other provisions in this constitution any person in New Zealand who qualifies*

*under one or more of the following shall be eligible to become a member of NZNO”.*

- 1.1.3 persons employed, engaged to become employed or seeking employment as a caregiver; health care assistant; hospital aide; nurse aide; a practice assistant; or an assistant to the nursing or midwifery team performing nursing tasks relating to patient care; or private sector occupational or physical therapy aide; or
- 1.1.4 persons qualified as a Karitane nurse; or
- 1.1.5 other health workers who are employed, engaged to become employed or seeking employment in the voluntary or private health sectors (that is, not by a government department or District Health Board) as a counsellor, educator, social worker, researcher, community health worker, smoking cessation adviser, diversional, occupational or recreational therapy aide, kaiwhina, anaesthetic technician, operating theatre assistant, sterile services employee, health promoter or medical laboratory employee; or
- 1.1.6 any workers employed in the private or voluntary health sector involved in clerical work, administration, reception, research, computer work, finance, accounts or accounting, dealing with cash, office work; or
- 1.1.7 health workers employed by the New Zealand Blood Service; other workers at the discretion of the Board; or

If you are within one of those categories then you can join NZNO and be covered by the indemnity insurance.

***Legal disclaimer:***

***The answers to these frequently asked questions about indemnity insurance do not in themselves constitute legal advice. They are general responses only. If a member has a specific question relating to an individual situation about indemnity, please contact NZNO for legal advice.***

**Date adopted:** April 2011

**Reviewed:** August 2016

**Review date:** 2015

**Correspondence to:** [nurses@nzno.org.nz](mailto:nurses@nzno.org.nz)

**Principal authors:** Charlotte Thompson (Professional Nursing Adviser) and Margaret Barnett-Davidson (Lawyer), Reviewed by Karen Rose (Lawyer)

**Mission statement**

NZNO is committed to the representation of members and the promotion of nursing and midwifery. NZNO embraces Te Tiriti o Waitangi and works to improve the health status of all peoples of Aotearoa/ New Zealand through participation in health and social policy development.

© 2013 This material is copyright to the New Zealand Nurses Organisation.

Apart from any fair dealing for the purpose of private study, research, criticism or review, as permitted under the Copyright Act, no part of this publication may be reproduced by any process, stored in a retrieval system or transmitted in any form without the written permission of the Chief Executive of the New Zealand Nurses Organisation (NZNO), PO Box 2128, Wellington 6140.

**NZNO Policy, Regulation & Legal FAQ:**

**NZNO Indemnity Insurance:**

**Frequently Asked Questions, 2016**

New Zealand Nurses Organisation PO Box 2128, Wellington [6140. www.nzno.org.nz](http://6140.www.nzno.org.nz)

Page 6 of 6