

Aon Singapore Medical Indemnity

Doctor's Handbook and Claims Protocol

Content

Singapore Medical Indemnity (SMI) is the new option for Singapore doctors seeking cover against malpractice claims. SMI combines the long-term peace of mind of occurrence-based cover with the coverage certainty provided by a written insurance policy describing exactly what you are covered for. Your SMI policy is underwritten by the Medical Professional Liability Company, on behalf of Lloyd’s Underwriters, London who carry a Standard and Poor’s rating of A+.

This Handbook provides details of the following:

About SMI and How to Apply	3
SMI Highlights	4
Selecting Your Limit	5
Special Notice for Obstetricians	5
Claim Reporting Requirements	6
Claim Notification Process	6
Claim Management Protocol	7
Support and Resources	8
FAQs	9
Appendix 1 – Occurrence and Claims-Made Protection	10

About SMI

SMI is a Medical Malpractice Insurance policy underwritten by the Medical Professional Liability Company, on behalf of Lloyd's Underwriters, London. For SMI, the Medical Professional Liability Company has formed a strategic partnership with MedPro International, a Berkshire Hathaway and leading global liability program, to provide Singapore doctors with the highest level of expertise and support.

As well as the core protection of cover against claims alleging medical negligence, SMI provides a wide range of supplementary protections and access to resources that will ensure that you are not only covered against the risks associated with practising medicine in Singapore, but also well-informed about those risks.

The SMI programme protects the reputation and personal well-being for doctors in Singapore.

How to apply?

To obtain a quotation for SMI protection, please log on to our website at aonsmi.com. From there you will be directed to the insurer's online portal where you can obtain a quotation and confirmation of cover. Should you prefer to apply for cover manually, please contact the Aon SMI service team who will be able to assist.



SMI Highlights

01

Occurrence-based Cover

SMI provides cover on an occurrence basis, meaning that you are covered for any incident that occurs (or occurred) while the policy is (or was) in force, regardless of when the incident is reported or when it becomes a claim.

02

Medical Malpractice Insurance

SMI's core benefit is protection against claims brought against you alleging malpractice arising from medical treatment provided during the period of cover. SMI covers your defence costs, plus any settlements or awards.

03

Good Samaritan Acts

SMI provides worldwide cover for claims arising from good samaritan acts.

04

24-hour Legal Helpline

SMI provides a free 24-hour access to lawyers for doctors who wish to discuss a claims-related matter

05

Criminal Acts

SMI covers the cost of defending a criminal charge arising from your professional practice, until such time as guilt is determined.

06

Libel and Slander

SMI covers the cost of defending an allegation of libel or slander arising from your professional practice, until such time as libel or slander is determined.

07

Breach of Confidentiality

SMI covers the cost of defending an allegation of breach of confidentiality arising from your professional practice, until such time as a breach is determined.

08

SMC and Disciplinary Challenges

SMI covers the costs of legal representation at any SMC hearing or investigation, or any other investigation or disciplinary hearing related to your professional practice.

09

Coroner's Inquests

SMI provides cover for the costs of preparing statements for the Coroner and, where necessary, legal representation at an Inquest

10

Public Liability

SMI covers your liability for death, bodily injury, or property damage not related to medical treatment arising as a result of your negligence at your clinic.

Please note that these descriptions of Aon Singapore Medical Indemnity are intended as a brief summary only.

For full details of the protection provided, please refer to your policy document or contact the Aon service team.

Selecting your Limit of Indemnity

The most important decision that you need to make when you take out SMI protection is the choice of Limit of Indemnity. Like any insurance policy, SMI provides doctors with the option of choosing from a range of limits that will apply in the aggregate to all claims arising from treatment provided during the one-year policy period. SMI provides choices of limit ranging from S\$5 million to S\$15 million in the aggregate. When selecting your SMI limit of indemnity, please consider the following:

- The nature of your practice. Some specialties, including obstetrics, orthopaedics and neurosurgery have a higher risk of large malpractice claims due to the nature of treatment or the age of the patients.
- The number of patients you see. The SMI limit of indemnity is an aggregate limit, which means that the limit is shared amongst all claims arising from treatment given during the 12-month policy period. The possibility of the limit being required to cover more than one claim should be taken into account.
- The impact of inflation. While most malpractice claims in Singapore need to be brought within three years of the date of discovery, in some cases it is possible for claims to be brought many years after the date of treatment. The limit of indemnity that you select therefore needs to account for the possibility that a claim made in the future may be a higher value claim than it is today.

Please refer to the discussion set out in Appendix 1 to this handbook for further details. Should you require any assistance in selecting an appropriate limit of indemnity please contact the Aon SMI service team members.

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Special Notice for Obstetricians

For Obstetricians seeking protection under SMI, some special requirements apply. Cover is only available to Obstetricians where all obstetric treatments performed in a hospital setting are carried out at one or more of the following hospitals:

- Mount Elizabeth Orchard Hospital
- Mount Elizabeth Novena Hospital
- Gleneagles Hospital
- Parkway East Hospital

SMI will provide cover to Obstetricians for treatment not involving hospitalisation carried out anywhere in Singapore, including in the Obstetrician's own clinic or the patient's home. For Obstetricians who carry out some or all of their hospitalisations at other hospitals, SMI does not provide an adequate protection and should not be taken up.

Should you have any questions in relation to the protection provided by SMI please contact the Aon SMI service team.

Claim Reporting Requirements

Your SMI policy document contains the following condition in respect of claims.

It is a condition precedent to the right of the Insured to be indemnified under this Policy that notice of any Claim shall be given to the Insurer as soon as practicable upon the Insured becoming aware thereof. A breach of this condition precedent will entitle the Insurers to decline all indemnity to the Insured in respect of any Claim.

For the purposes of the SMI policy, a Claim means:

- Any suit or proceedings served upon or issued against the Insured
- Oral or written demand for money or services communicated to the Insured as compensation for damages.
- Oral or written communication from or on behalf of a patient and/or a request to the Insured by or on behalf of a patient for medical records or copies of medical records to investigate or contemplate a Claim against the Insured arising out of the provision of Professional Services.

It is therefore necessary to provide notification of these matters to insurers before cover can be confirmed. Any legal or other costs incurred prior to making notification may not be covered. Should you be in any doubt as to whether a particular matter is notifiable, please contact the Aon SMI service team.

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Claim Notification Process

Notification of claims under SMI is made via ClaimPro, an online system for the reporting of claims, circumstances and incidents. This system provides a platform for the notification of all matters to insurers.

In order to access the ClaimPro system and notify a claim, please click on the Report a Claim link on the Aon SMI webpage at aonsmi.com. The link will connect you to the ClaimPro system which will enable you to notify the claim, circumstance or incident.

Should you wish to discuss any matter with a lawyer prior to notification please call the 24-hour Free legal Helpline on 800-120-6238. However, please note that discussions with lawyers or other local advisers do not constitute a claim notification until they have been entered by the doctor onto the ClaimPro system.

Should you experience any difficulty in accessing the system or registering a claim, or if you would prefer to make a notification by telephone, please contact the Aon SMI service team.

Claims Management Protocol

Within 48-hours of reporting a claim or circumstance in the ClaimPro system you will be contacted by an Aon SMI service team representative who will provide advice on how the notified matter should be managed. Depending on the nature of the notification, this could range from a simple agreement to monitor any further developments through to the immediate appointment of lawyers to conduct the defence of a legal claim.

It is critical that you should not respond to any demand, offer any settlement, or issue any apology or statement in relation to a claim circumstance or event prior approval from the Aon SMI service team or the insurers.



Support and Resources

Aon Singapore has prepared a range of resources to support doctors who choose SMI protection as follows:

Aon SMI Service Team

The Aon SMI service team is available during business hours to provide advice on any claims-related matter. The team members and their contact details are as follows:

Aon Singapore Pte Ltd
2 Shenton Way
#26-01 SGX Centre 1
Singapore 068804

t +65 6313 7108
smi@aon.com

24-hour Free Legal Helpline

For any doctor who chooses SMI protection and wishes to consult with a lawyer in relation to any claim-related issue, a 24-hour free helpline has been established. The toll-free-phone number is: 800-120-6238

Education and Training

Aon will be arranging a regular series of seminars and training events on claims reporting, clinical risk management and other relevant topics. Details of these events will be forwarded by email throughout the year.

Risk Management Resources

The Aon SMI website contains a substantial collection of risk management resources for doctors. For more information, please refer to the resources section at aonsmi.com.

FAQ

When was the SMI scheme launched?

SMI was launched in June, 2016.

Why did Aon decide to launch SMI?

In recent years Aon has received many requests from Singapore doctors for an alternative protection against malpractice claims. SMI is our response to the need for a malpractice protection that combines occurrence-based cover with the certainty of an insurance contract.

How is SMI arranged?

Aon Singapore acts as an independent insurance broker on behalf of Singapore doctors who wish to take up cover. SMI is underwritten by the Medical Professional Liability Company, on behalf of Lloyd's Underwriters, London who carry a Standard and Poor's rating of A+.

Who is covered under SMI?

Each SMI policy covers the individual doctor for claims arising from medical practice anywhere in Singapore.

What is covered under SMI?

The key protection is for claims brought against doctors alleging negligence in the provision of medical treatment. In such cases SMI will cover the cost of appointing legal counsel to defend claims, the amount of any settlements, and court awards of judgments and costs. A copy of the SMI policy wording is available for your review in the Resources section of the Aon SMI website, at aonsmi.com.

Does SMI extend to SMC Investigations and Hearings?

Yes. Protection for the costs of dealing with any SMC complaints against you including legal representation at a Singapore Medical Council Disciplinary Tribunal hearing arising from treatment provided by a doctor is included under SMI.

Can SMI cover me outside Singapore?

The standard protection provided by SMI is for medical care provided in Singapore. Should you require cover for offshore work please contact the Aon SMI service team to discuss.

What happens when I retire or cease practice?

SMI provides protection on an occurrence basis. This means that you continue to be covered into the future for claims arising from treatment provided whilst you were covered

by SMI. For further details, please see the discussion on occurrence and claims-made protection in the Resources section of our website at aonsmi.com.

How do I make a notification?

Notification of both claims and potential claims under your SMI policy may be made through the ClaimPro on-line reporting system. In order to access the system, please access the Aon SMI webpage at aonsmi.com and select the Report A Claim tab. A manual providing instruction on how to use the ClaimPro system is also provided in the Resources section of the website.

What happens after I notify?

Within 48 hours of making a notification, an Aon SMI representative will contact you to discuss your notification and agree the next steps. Aon will then guide you throughout the claim process to the final resolution of the claim.

Will lawyers be appointed to defend me?

Yes, where required, MPLC has a panel of SMI-approved law firms, all of whom have substantial experience in managing malpractice claims.

Can I contact a lawyer directly?

SMI provides access to a 24-hour legal support service for Singapore doctors and dentists. Please refer to our website for details.

Will I need to bear any costs myself?

No. There is no deductible under SMI, so doctors and dentists are not required to contribute anything to the cost of investigating, defending or settling claims.

How can I obtain a certificate confirming that I am covered?

Should you require a certificate to provide evidence that you are protected by a Medical Malpractice Insurance policy, please contact the Aon SMI service team, whose details are set out above.

Who do I contact for more information?

Contact details for the Aon SMI service team are set out above. Should you have any questions in relation to the information contained in this handbook or any other aspect of SMI protection, please do not hesitate to contact the Aon SMI service team members.

Appendix 1 – Occurrence and Claims-Made Protection

In 2015 the Medical Protection Society (MPS) announced they were making important changes to the Medical Malpractice protection offered to obstetrician members in Singapore. MPS was replacing the traditionally offered “occurrence” based solution with a “claims-made” solution. At short notice, obstetricians in Singapore were forced to consider the type of protection that they carry against medical malpractice claims, and were immediately faced with an array of unfamiliar concepts and terminology; claims-made, claims-occurring, occurrence basis, run-off cover, nose cover etc. In the inevitable confusion that followed, letters were written to newspapers, Government officials were lobbied and some even referred to a looming “indemnity crisis”. In this article we address issues that surround claims-made and occurrence protection to provide Singapore doctors knowledge that will help them make informed choices.

In order to understand the nature of occurrence and claims-made protection, we need to consider the sequence of events that leads to medical malpractice claims. There are two important dates; the date when the patient was treated and the date when the patient brought their claim against the doctor. These two dates may occur close to one another or very many years after the treatment took place. Given that a doctor may have changed between different insurance or indemnity providers in the intervening period, it is necessary to determine which protection will respond; the protection that was in place on the date of the treatment or the protection that was in place on the date that the claim was brought?

The answer to this seemingly innocuous question reveals the key difference between occurrence and claims-made protection. Under occurrence protection, it is the policy in place at the time of the treatment that responds. Under claims-made protection, it is the policy in place at the time the claim is brought against the doctor that responds. Simple enough, but the implications can be material.

First let us consider the case where a medical malpractice claim is brought against a doctor with occurrence-based protection. The doctor will need to determine the date or dates of the treatment and then identify who was their provider of indemnity or insurance at the relevant time. So long as the insurer or indemnifier is still operating, the doctor will be able to lodge their malpractice claim which will then

be managed in accordance with the insurance policy terms and conditions, or in the case of a discretionary mutual at the discretion of the mutual.

If the cover is claims-made, the doctor will lodge the malpractice claim with their current provider at the time of the claim. Such a claim will again, depending on the type of protection, be managed either in accordance with the insurance policy terms and conditions or at the discretion of the mutual.

The mechanics of claims management for occurrence and claims-made protection are not significantly different.

One point to highlight is that where occurrence-based insurance protection is taken out, the impact of inflation can be significant. If a long period elapses between the time of the treatment and the time of the claim, medical or litigation inflation could lead to material increases in the settlement amount of a malpractice claim. Under an occurrence-based insurance protection, the claim will go back to the insurance policy that was in place at the time of the treatment and the amount of cover available will depend on the limit of indemnity chosen at that time.

For this reason, doctors who take out occurrence-based insurance protection need to make allowances for future inflation when selecting their limit of indemnity. Doctors who take out claims-made based protection have the opportunity to select insurance protection limits based on current day litigation trends.

An important difference between occurrence and claims-made protection comes to light when a doctor retires or ceases practising. For a doctor who has carried occurrence protection throughout his or her career there is no need to purchase further cover in retirement. Any claims brought against that doctor in retirement will be covered by the protection in place at the time of the treatment. The important proviso here is that the occurrence protection provider at the time of the treatment must still be in business at the time the claim is brought. By contrast, a doctor who has carried claims-made protection throughout their career must make arrangements to ensure continuing cover in retirement. This type of cover is known as run-off or tail cover, and is typically purchased in multi-year blocks.

So which of these two types of cover is better? The key to answering this question is to consider the doctor's employment status. The majority of doctors practising in Singapore do so as employees of either the public sector institutions or the larger private healthcare providers. For employee doctors, the primary defence against medical malpractice claims is not insurance or indemnity from a medical defence fund, but the indemnity provided by their employer. It is the employer who is ultimately liable for the actions of their employees. In Singapore, employers of doctors currently adopt one of two strategies in order to protect themselves and employees against liabilities arising from the actions of their employee doctors:

- 1 Employers take out protection for each individual employee doctor. This protection acts as the first line of defence, shielding the employer from having to offer indemnity to the employee doctor.
- 2 Employers take out a group protection for claims brought against either the employer or its employees.

From the point of the employee doctor, it makes little difference whether the protection that their employer arranges is occurrence-based or claims-made. Individual protection is available on both occurrence and claims-made basis, whilst group protection is typically only offered on a claims-made basis. But in either case, it is the employer who bears ultimate responsibility for the actions of employee doctors both during the period of employment and after they resign or retire.

There is a difference for doctors acting as independent consultants in the private sector, or employed by a small clinic they have set up alone or in partnership with other doctors. In such cases there is no protection available in the form of indemnity from their employers and so a personal, occurrence-based protection will, if available, be selected by independent consultants due to the cover that it offers in retirement.

Finally, we need to consider the case where doctors' circumstances change during their career, requiring a move from one type of protection to another. Moving from an occurrence-based protection to a claims-made protection is straightforward. The occurrence-based protection will continue to cover future claims arising from date of treatment "prior" to the change of protection. The claims-made protection will provide cover for future claims arising from treatment "after" the change of protection.

Aon is opining on the theoretical distinction between claims-made and claims-occurring. It should be noted that there are situations with claims that can straddle the transition which can challenge and complicate this theoretical distinction.

Moving in the other direction, from claims-made to occurrence-based protection, is a little more complicated.

If a doctor moves from claims-made protection to occurrence-based protection, it will be necessary to take one of the following steps:

- 1 For employed doctors (and leaving to one side the legal question on sources of indemnity) to obtain a confirmation from their employer of ongoing availability of indemnity and insurance for future claims that might arise from treatments given during the time of their employment.
- 2 For independent doctors, to ask the new occurrence-based provider to cover treatments in the past that will give rise to future claims.

It is important that doctors make informed choices when selecting their provider. We recommend that advice is sought from a licensed insurance intermediary specializing in medical malpractice protection in Singapore so that cover is purchased which is appropriate for the doctor's specific circumstances and needs.

About Aon

Aon plc (NYSE:AON) is a leading global professional services firm providing a broad range of risk, retirement and health solutions. Our 50,000 colleagues in 120 countries empower results for clients by using proprietary data and analytics to deliver insights that reduce volatility and improve performance.

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