

3 Professional Indemnity Insurance Standard

Part of PACFA's regulatory duties is to ensure that each of our registrants is maintaining the best ethical practice by ensuring there are sufficient monetary funds should a client make a claim in respect of the professional services received.

This standard sets out PACFA's requirements for professional indemnity and public liability insurance cover for PACFA registrants, and for those applying for PACFA registration.

Does this standard apply to me?

This standard applies to all applicants for registration and all registered counsellors, psychotherapists and Indigenous Healing Practitioners.

When you apply for registration

When initially applying for registration, you must declare that you will purchase the PACFA Master Insurance Policy* as part of your application, or alternatively provide evidence of your current professional indemnity and public liability insurance. If you are in private practice this will involve the provision of a certified Certificate of Currency relating to your insurance, and if employed, you are required to provide a letter from your employer stating that you are covered by the employer's professional indemnity and public liability insurance.

While you hold registration

For the duration of your PACFA registration, you must hold current and adequate individual and/or employer's professional indemnity and public liability insurance cover:

1. for all aspects of your practice
2. in all locations where you practise
3. whether you are working in the private, non-government and/or public sector, and
4. whether you are practising full-time, part-time, are self-employed, employed, or in an unpaid or volunteer capacity, or any combination of these factors.

PACFA may, at any time, require you to provide evidence of your professional insurance.

* To apply for the PACFA Master Insurance Policy through Insurance House you must be an Individual PACFA member. Member Association registrants and registrants who are registered psychologists are not currently eligible for the discounted Master Insurance Policy but can arrange their own insurance cover with Insurance House.

At renewal of registration

You will be required to declare annually at renewal that you have professional indemnity insurance cover in place and agree to maintain continuous cover for the duration of your PACFA registration.

Audit of professional insurance records

An audit of your professional insurance records will be conducted on a rolling 3 yearly basis with all registrants being audited once every 3 years.

You will be notified in writing if you are selected for audit and will be required to submit evidence of your professional insurance for 1 or more of the years in the previous 3-year period.

When you cease practice

Professional indemnity claims aren't always made immediately after an insurable event. Consequently, when you decide to cease practice you must have, or take out, appropriate run-off cover in case a claim is made against you by a past client, or for matters arising from your previous practice that would otherwise not be covered.

Review

This registration standard will be reviewed at least every 3 years.

Next review date: March 2026

This standard is effective from March 2023.