

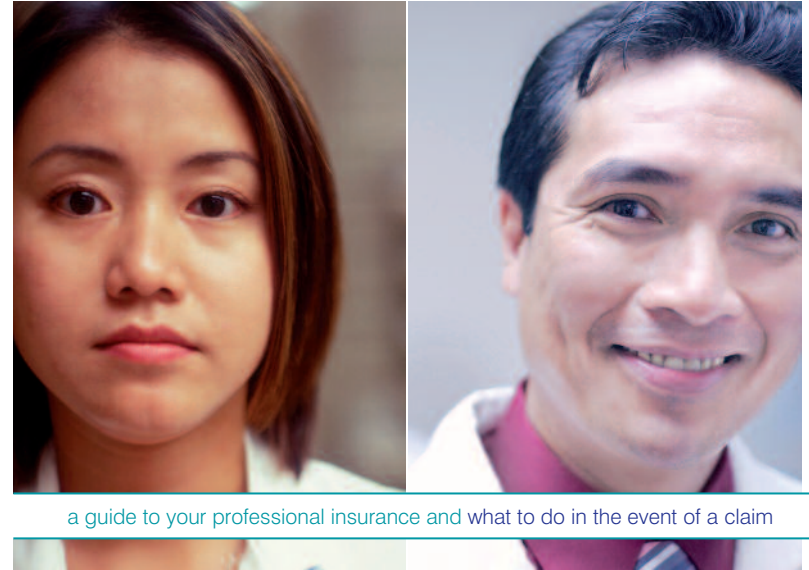
# who's **defending your** reputation?



The PDA is a non-profit making organisation, funded primarily by a grant from the PIA Foundation.



Working alongside the PIA, the unique combination of a defence association, backed by solid insurance protection, means that your interests will be always kept at the forefront by an organisation that is dedicated to 'defending your reputation'.



a guide to your professional insurance and what to do in the event of a claim

...we are

## your insurance

policy wording

| **defending your reputation** |



| **defending your reputation** |



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## INTRODUCTION

The reason why the PDA provides significantly wider benefits for pharmacists than would any straightforward pharmacist professional indemnity insurer is because at least 70% of the incidents that are handled by PDA on behalf of members are not actually covered by insurance, but are provided as a Defence Association benefit.



## > we are dedicated to defending **your** reputation

However, the most costly issues are covered by insurance, particularly in the areas of Professional Indemnity (PI), Public Liability (PL) and Legal Defence Costs (LDC) matters. This booklet explains details of the insurance arrangements that are in place to protect PDA members.

All insurance arrangements made on behalf of PDA members are made by the Pharmacy Insurance Agency (PIA), a company that has specialised in arranging insurance schemes for pharmacists since 1990. The PIA is authorised and regulated by the Financial Services Authority in respect of insurance. The insurance enables PDA members to enjoy Legal Defence Costs protection up to the limit as shown on the insurance certificate for each incident and also to provide a range of legal advisory and other services. In the case of civil claims, where a patient has been harmed through the error of a pharmacist, the insurance enables full PDA members to enjoy legal costs and compensation payments (Professional Indemnity) to patients and third parties in the event of an error which causes harm up to the limits as shown on the certificate of insurance.

Protection is also provided in the event of an accident caused by a member which causes physical harm to a patient or other third party (Public Liability) up to the limits shown on the certificate of insurance.



Although many of the additional services provided by PDA may not be underwritten by insurance, it is nevertheless true to say that insurance is essential to the service provided. This policy wording booklet refers to important insurance policy details which form the basis of the insurance contract.

➤ **Members are urged to read the details carefully as they include important policy terms and conditions issued by the underwriters.**

## TWO LEVELS OF MEMBERSHIP: STANDARD AND FULL <

### Standard Membership

The services underwritten by insurance in this membership category are provided by an insurance scheme called Legal Defence Costs insurance. The insurance is underwritten primarily by a company called BRIT Insurance Limited. The insurance cover for Standard Membership will provide each member with protection and legal representation up to the limit shown on the certificate of insurance in the areas of;

- |                                     |                                      |
|-------------------------------------|--------------------------------------|
| 1. Prosecution defence              | 3. Employment disciplinary action    |
| 2. Professional disciplinary action | 4. A range of additional protections |

### Full Membership

The services underwritten by insurance in this membership category are provided by three insurance schemes;

- Legal Defence Costs insurance (providing benefits as described above)
- Professional Indemnity (PI) insurance
- Public Liability (PL) insurance

The PI and PL insurance is underwritten by certain underwriters at Lloyds'. These insurances will provide each member with protection, legal representation and any compensation payments in the event that an error or omission leads to the injury or harm of a patient or other third party, or if a physical accident has been caused by a member which results in harm caused to a third party or his property, up to the limits shown on the insurance certificate. Individually held insurance enables members to control their defence in any such eventualities.

Full membership with its potent combination of these three types of insurance will provide members with a very wide ranging and comprehensive level of protection in the areas of;

- |                                   |  |
|-----------------------------------|--|
| 1. Prosecution defence            | 4. Professional disciplinary action      |
| 2. Employment disciplinary action | 5. And a range of additional protections |
| 3. Civil liability claims         |  |

Almost 98% of all members join as Full members. <

If you have chosen Standard membership then only the Legal Defence Costs insurance part of this booklet is applicable. If you have chosen Full membership then both sections of this booklet (Legal Defence Costs AND Professional Indemnity plus Public Liability insurance) will be applicable. Furthermore, as a Full member the limit of protection under the Legal Defence Costs aspects of your policy will be higher than that for Standard membership. In both cases all the non-insured defence association benefits are provided.

### IMPORTANT: IF AN INCIDENT OCCURS <

Should an incident occur regarding any matter described in this booklet, you will need to give immediate notification by telephoning the PDA on 0121 694 7007. This is imperative because experience shows that delays in notification will often seriously compromise the possibilities of a robust defence. Your membership will provide for the services of a solicitor or the most appropriate solution in any particular instance.

## LEGAL DEFENCE COSTS INSURANCE

(Limit of cover as specified on your certificate of insurance. Please note; limit of cover is higher for Full members in most areas of specific cover)

### Applicable to both Standard and Full members

#### Basis of cover

Any claims under the Legal Defence Costs section of the policy will have had to be made (i.e. the insurers will have had to be notified in writing) during the term of the policy and the incident which caused the claim to be made will have had to have occurred after the retroactive date (which is shown on your certificate of insurance). The retroactive date is the date which you came to take out your policy for the very first time and have not since had any breaks in policy cover.

Legal disputes can be difficult to resolve, but prompt professional advice can often resolve the problem and prevent it from needlessly going any further. If a problem goes to law, expensive legal costs will accrue, not only if the case is lost, but often in successful

cases too. In this respect, this section of the policy provides for substantial defence costs up to the limits described on your insurance certificate per insured incident. Cover is also provided for appeals as long as you tell us within the time limits allowed that you want to appeal. A call to the 24-hour legal advice service (0121 694 7017 as found on your PDA membership card) provides immediate expert advice on legal matters.

## SPECIFIC COVER - LEGAL DEFENCE COSTS INSURANCE

### PROSECUTION DEFENCE

Defence of the member from any criminal prosecution brought against a member as a result of their activities as a pharmacist. This will involve prosecutions brought in a criminal court and will include appeals against Improvement Notices brought under the Health & Safety at Work Act or the Food Safety Act.

**Please note;** Cover does not extend to prosecutions by the Inland Revenue and any prosecutions to do with unlawful violence or dishonesty if a guilty plea is made, or if the prospects of an innocent plea are worse than 50%.

### PROFESSIONAL HEARINGS

At some stage during your professional career it may become necessary for you to face an enquiry which examines your conduct as a pharmacist. This section of the policy provides for Legal Defence Costs and expenses in:

- a) Any one of the RPSGB statutory committee hearings
- b) Any one of the Pharmaceutical General Council statutory committee hearings
- c) An NHS tribunal
- d) A coroner's inquest or fatal injury inquiry
- e) An RPSGB Council members conduct panel hearing (or Royal College successor)
- f) Protection extends to undertaking an appeal against any impositions that may be incurred as a result of any of the above. This is (Subject to the terms of the Policy and where appropriate) and must have more than 50% prospect of success.

### EMPLOYMENT DISPUTES (EMPLOYMENT TRIBUNAL)

You may be surprised to learn that disputes with employers represent more than 50% of all the Legal Defence Costs issues that we deal with. Applicable to all employed pharmacists, protection is provided in situations where a dispute arises over a contract of employment or a breach of employment related legislation, which leads to an Employment Tribunal.

### CIVIL DEFENCE

Defence of the member from any civil proceedings in respect of:-

- Discrimination on the grounds of sex, race, disability, age, religious belief or political opinion
- Health & Safety at Work Act 1974 (in respect of Statutory Notices served there under)
- Data Protection Act 1998 – including an appeal by you against an application for registration.

### ADDITIONAL PROTECTION

As well as the above, the following additional services are also provided to PDA members by virtue of their Legal Defence Costs insurance;

#### 24-HOUR LEGAL ADVICE

Members will seek Legal Advice in broadly two main areas;

**a) Advice specific to pharmacy law or practice where the advice of a solicitor may not be the ideal solution. This pharmacy specific advice will be provided by PDA in three ways;**

- Via the Question and Answer section of the Advice Centre on the PDA website which can be accessed 24 hours a day - [www.the-pda.org](http://www.the-pda.org)
- By emailing a request to the PDA using the website links, this facility is used when your Question and its Answer does not already appear in the Advice Centre. A response will be e-mailed back to you within one working day and will also be added to the Advice Centre archive for the benefit of other members.
- In very urgent situations by calling PDA during office hours on 0121 694 7000

**b) Legal advice of a more general nature**

This will be provided by lawyers who are available on a 24 hour basis to provide informed legal advice. Please note, the 24 hour on-call lawyers are not pharmacy experts and should only be contacted regarding general legal matters and not pharmacy related ones. You may find it beneficial to contact the PDA during office hours on employment and locum contract issues as these frequently have professional implications.

**The general legal advice can be accessed 24 hours a day on 0121 694 7017.**

The relevant telephone numbers can also be found on your PDA membership card.

## MOTOR DISPUTES

Defence of a member from a criminal prosecution relating to ownership or use of a vehicle.

## PERSONAL INJURY

Should you sustain bodily injury in any way, whether at work or not, it may be possible for damages to be pursued on your behalf against those responsible. Before accepting such a claim the insurers must be satisfied that the estimate of legal costs to be incurred are proportional to the likely award.

## CONTRACT DISPUTES ASSISTANCE

This section of the policy provides legal assistance in the event that you enter into a contract during the period of cover and then into a contractual dispute where the amount in dispute exceeds £250. You will be responsible for the first £500 of any claim where the amount in dispute is over £5000. Cover is provided if the dispute is over one or more of the following:

- The buying, hiring or lease of any goods or services for the private use of the member.
- The sale of any personal goods.

Examples include purchase of new carpets which are badly fitted, a stereo system that does not work properly or a foreign holiday that is ruined due to hotel refurbishment and a tour operator refuses to compensate.

## PERSONAL TAXATION DISPUTES

You may be selected by the Inland Revenue for a full enquiry or an aspect enquiry into your personal tax affairs concerning either your salaried or your self-employed income.

This section of the policy will cover accountant's fees incurred in negotiating on your behalf and representing you in respect of a full enquiry or an aspect enquiry by the Inland Revenue. Please note the limit of indemnity in respect of aspect enquiries is £1000 and you will have to pay the first £100.

## JURY SERVICE

Should you be called to serve on a jury and your salary is not recoverable from an employer or from the courts, then up to £100 per day will be indemnified.

## TAX/ADVICE SERVICE

Confidential personal taxation service provided by qualified staff is available to all members.

## WHAT DO I DO IF I HAVE A PROBLEM OR A CLAIM?

In the event of a claim or a problem you can find full instructions on page 20.

## CONDITIONS RELATING TO YOUR LEGAL DEFENCE COSTS INSURANCE

### Applicable to both Standard and Full members

1. In the case of an incident, which leads to a claim, notification to the insurers must be made initially by telephone (as described on page 20), but ultimately notification will be required in writing. Such written details must contain supporting evidence and any other information as the insurer may request.
2. Control of a Claim - The insurer shall have direct access to any appointed solicitor at all times and is entitled to full co-operation to include the inspection of any correspondence or documentation upon request.

### GENERAL EXCLUSIONS - The insurer shall not be liable for: -

1. Any matter which arose before the start of your membership.
2. Any costs and expenses incurred before the insurer's written acceptance of a claim.
3. Any fines, penalties or damages imposed.
4. Any claim to do with defamation or malicious falsehood which may damage your reputation.
5. Any contract dispute related directly to your business, profession or employment (unless related to your contract of employment for your work as an employee).
6. Any Inland Revenue full or aspect enquiry that involves dishonesty, alleged criminal offences or deals with issues in respect of IR35 legislation.

### NOTE:

These conditions and exclusions aim to broadly cover the most relevant points. There are additional terms and conditions in your Policy which have not been covered in this booklet but appear in full in the master policy - copies are available from the PDA upon request.

## PROFESSIONAL INDEMNITY INSURANCE (P.I.)

(Limit of cover as specified on your certificate of insurance)

### APPLICABLE TO FULL MEMBERS ONLY

#### Basis of cover

Any claim made under this section of the policy must be related to an incident which occurred during the term of the policy.

Members will be able to make a claim (i.e. by notifying the insurers in writing) **during** the term of the policy. Under certain conditions members will be entitled to make their claim **after** the expiry of their policy. Such conditional arrangements are in place for members who make a formal declaration that they will not undertake pharmacy related activities following the lapsing or suspension of their policy. If they do so then the extended cover arrangements will not apply. Cover will be extended uninterrupted if the member returns to practice and re-accepts their current policy arrangement. This form of cover is particularly suitable for retired members and those taking planned maternity or career breaks or for members who suspend their practise for health reasons.

Cover under this part of the policy gives protection in situations where an error or omission has been committed whilst at work as a pharmacist where this has resulted in: - Bodily injury, mental injury, illness, disease or death. This is called Medical Malpractice. Examples of situations where Medical Malpractice can occur include: - Errors or omissions in prescription interpretation, dosage or strength, dispensing / labelling / delivery, dilution / formulation/ preparation, counterprescribing, the running of clinics, advising patients and other Healthcare professionals. Providing consultancy services to G.P. practices, hospices or others, working under PGDS's or supervising the work of others. Independent and supplementary prescribing and acting as a responsible pharmacist (as defined in the 2006 Health Act).

Cover is also extended to good samaritan acts, eg, offering first aid assistance at a motor accident or performing resuscitation on a member of the public by virtue of being present either 'by chance' or due to being requested to assist as a result of being a pharmacist.

Additionally, cover is provided in the event that it is alleged that you have committed libel or slander or that you have breached a confidentiality.

In the case of the Business Consultancy policy only, cover is extended beyond the traditional Medical Malpractice protection, described above, to situations where your error or omission leads to a Commercial Liability. This can occur when an error or omission

results in commercial damage or loss to the recipient of the consultancy service being provided. Although each specific case would need to be considered on its own unique merits, a general example might include a consultant advising a community pharmacy client in matters relating to a major shop refit. The proprietor is led to believe by the consultant that at a cost of refit X a consequent increase of turnover Y will result. In the end, after the completion of the refit the turnover actually drops and this is because the consultant omitted to undertake proper market research prior to making the recommendation. In this situation the proprietor may seek compensation from the consultant involved.

#### What are you actually covered for?

The modern pharmacist's activities are very wide ranging and it has become increasingly difficult to describe a pharmaceutical function. In this respect and subject to you taking out a policy relevant to your practice, cover under the P.I. section of your policy is extended to include any activity performed which involves you, so long as it would ultimately cause no difficulties should it be considered by the Law and Ethics Committee of the RPSGB. As a pharmacist covered under the P.I. section of the policy, protection is provided against liability to pay sums or compensation arising from any claim or claims made during the period of the insurance. Cover under this section of the policy is extended to the provision of legal defence costs and any expenses resulting from the investigation or settlement of claims.

## PUBLIC LIABILITY INSURANCE (P.L.)

(Limit of cover as specified on your certificate of insurance)

### APPLICABLE TO FULL MEMBERS ONLY

#### Basis of cover

Any claim made under this section of the policy must be related to an incident which occurred during the term of the policy and must be reported to insurers during the period of cover.

Cover under this part of the policy gives protection in situations where an accident has been unintentionally caused by the insured member which has caused physical harm to a third party or his property, this is called public liability protection.

As a pharmacist covered under the P.L. section of the policy, protection is provided against liability to pay sums or compensation arising from any claim or claims made during the period of the insurance. Cover under this section of the policy is extended to the provision of legal defence costs and any expenses resulting from the investigation or settlement of claims.

## CATEGORY OF COVER

Because different pharmacy activities carry with them different levels of risk, it is important that you take out the level of P.I. insurance which is relevant to the type of work that you are involved in as otherwise you may end up with insufficient cover.

➤ **There are a number of policies which are designed to provide adequate protection in most situations:**

### PHARMACY STUDENT

The pharmacy student Policy will provide Medical Malpractice cover for Pharmacy undergraduates who may be working as part of their undergraduate experience. This would involve formal organised placement work which is part of the formal undergraduate course and also any vocational or gap year activity which may be undertaken in a paid or voluntary capacity. Cover is provided irrespective of which branch of the profession they are working in.

**Please note;** cover under the pharmacy student scheme extends to roles undertaken by a pharmacy student which would ultimately be deemed to be acceptable by the Law and Ethics Committee of the RPSGB.

### PRE- REGISTRATION GRADUATE

The Pre-reg Policy will provide Medical Malpractice cover for Pre-registration Graduates working as employees and undertaking their formal Pre-reg training experience. Cover is provided irrespective of which branch of the profession they are working in.

**Please note;** cover under the Pre-registration Graduate scheme extends to roles undertaken by a Pre-reg which would ultimately be deemed to be acceptable by the Law and Ethics Committee of the RPSGB.

### NEWLY AND FIRST YEAR QUALIFIED

The Newly and First Year Qualified Policies will provide Medical Malpractice cover for pharmacists whether they are employed or self employed and will provide cover irrespective of which branch of the profession they are working in (apart from Primary Care, Business Consultant and Qualified Person). The cover under this scheme has been provided under a special preferential arrangement with underwriters and only provides cover for an initial period after qualification.

**Please note;** cover under the Newly and First Year Qualified schemes, extends to roles

undertaken by a pharmacist which would ultimately be deemed to be acceptable by the Law and Ethics Committee of the RPSGB.

### HOSPITAL EMPLOYEE

The Hospital employee Policy will provide Medical Malpractice cover for pharmacists whilst they are working as employees in a hospital (also applicable to prison pharmacists). An extension facility exists which allows Hospital employee pharmacists to work as odd day locums in community pharmacy.

**Please note;** cover under the standard Hospital Employee scheme extends to roles undertaken by a pharmacist in a hospital which would ultimately be deemed to be acceptable by the Law and Ethics Committee of the RPSGB.

### COMMUNITY EMPLOYEE

The Community Employee Policy will provide Medical Malpractice cover for pharmacists that are working as employees of a community pharmacy, even if this means that they are working away from the pharmacy eg, domiciliary visit or residential home. An extension facility exists which allows Community employee pharmacists to work as odd day locums in other community pharmacies or in a hospital pharmacy department.

**Please note;** cover under the Community Employee scheme extends to roles undertaken by a pharmacist in community which would ultimately be deemed to be acceptable by the Law and Ethics Committee of the RPSGB.

### LOCUM

The Locum Policy will provide Medical Malpractice cover for pharmacists whether full or part-time, employed or self-employed and whether working in one or more branches of the profession. This policy provides a particularly broad level of cover.

**Please note;** cover under the Locum scheme extends to roles undertaken by a pharmacist which would ultimately be deemed to be acceptable by the Law and Ethics Committee of the RPSGB. (**IMPORTANT - See Point 4 on page 16**)

### PART-TIME

The Part-time Policy is identical in all respects to the Locum policy, but is only suitable for pharmacists that work an average of ten hours or less per week. The resultant insurance premium is considerably reduced.

**Please note;** cover under the Part-time scheme extends to roles undertaken by a pharmacist which would ultimately be deemed to be acceptable by the Law and Ethics Committee of the RPSGB.

## PRIMARY CARE PHARMACIST

The Primary Care pharmacist policy is suitable for primary care pharmacists working in a GP surgery or at the PCT undertaking a range of services such as PACT analysis, formulary development, writing or signing off PGD's, prescribing analysis and the running of some basic clinics. These primary care pharmacist services can be delivered in an employed or self-employed capacity. Cover applies for a full or part-time position. As well as providing the cover described, this policy takes as its basic foundation the cover provided by the Locum policy. As such, any locum work undertaken by a member (either in primary or secondary care) is automatically covered under this scheme.

**Please note;** cover under the Primary Care pharmacist scheme extends to roles undertaken by a pharmacist which would ultimately be deemed to be acceptable by the Law and Ethics Committee of the RPSGB.

## PHARMACIST SPECIALIST

The Pharmacist specialist policy is suitable for pharmacists involved in both primary and secondary care who are working at the more risky 'cutting edge' of pharmacy practice. Examples would include pharmacist prescribing (supplementary and independent), performing a QP role for clinical trials in hospital, operating a clinic which involved a significantly invasive procedure such as collecting 200mls of blood for analysis (not pin prick). This list is not exhaustive as many roles which will ultimately be covered by this category are not yet even performed by pharmacists. These Pharmacist Specialist services can be delivered in an employed or self employed capacity. Cover is provided if the activity has been described in an appropriate written protocol. Cover applies for a full or part-time position. As well as providing the specialist cover described, this policy takes as its basic foundation the cover provided by the Locum policy. As such, any locum work undertaken by a member (whether in primary or secondary care) is automatically covered under this scheme.

**Please note;** cover under the Pharmacist Specialist scheme extends to roles undertaken by a pharmacist which would ultimately be deemed to be acceptable by the Law and Ethics Committee of the RPSGB.

## BUSINESS CONSULTANT

Many pharmacists are now involved in providing a wide range of consultancy services usually to other pharmacists, healthcare practitioners, healthcare organisations or businesses. The consultancy service being offered may not limit itself to purely healthcare issues but may also deal with aspects of a more business, organisational or commercial nature. In these situations the consultant not only faces a Medical Malpractice risk but is also exposed to a Commercial Liability risk, especially if an error or omission results in erroneous advice being given. The Business Consultancy policy provides protection in both respects and is applicable whether the insured is employed or self employed, or working full or part-time. Applicants will be required to submit details of their consultancy work and other details to the insurers. These details will form the basis of the cover that will be provided.

As well as providing the specialist cover described, this policy takes as its basic foundation the cover provided by the Locum policy. As such, any locum work undertaken by a member is automatically covered under this scheme.

**Please note;** cover under the Business Consultant scheme extends to roles undertaken by a pharmacist which would ultimately be deemed to be acceptable by the Law and Ethics Committee of the RPSGB.

## INFORMATION RELATING TO YOUR PROFESSIONAL INDEMNITY INSURANCE

### 1. JOB CHANGES

If your work changes and you feel that your original level of membership may no longer provide you with the right level of protection then you will need to notify the PDA office and you will be advised of the best procedure to adopt. It may be necessary to upgrade your policy.

### 2. LOCUM P.I. SUPPLEMENT - HOSPITAL & COMMUNITY EMPLOYEES

If you have completed a Hospital or Community pharmacist application, you are covered only to work as an employee pharmacist in your chosen branch of pharmacy, be that on a full or part-time basis. You are not covered for odd day locum work however, pharmacists normally working as employees who occasionally undertake locum work on days off can have P.I. cover extended by the payment of a small additional premium. This will entitle them to the full cover as stated in the P.I. Section of the policy whilst working as locums,

as long as the total annual income from their locum work does not exceed the maximum allowable locum income as described on the application form.

### 3. LIMIT OF LIABILITY

The maximum amount payable in the event of any claim or multiple of claims, including all costs and expenses, is an amount shown on the certificate of insurance. There is no excess payable, unless this has been attached as a specific condition by underwriters. Cover is provided for work performed in the UK, Channel Islands and the Isle of Man.

### 4. PATIENT GROUP DIRECTIONS

Insurance cover for any involvement in writing and signing Patient Group Directions (PGDs) in primary care will be provided by the 'Primary Care Pharmacist Consultant' scheme. However, in secondary care the writing and signing of PGD's cover is automatically covered under the standard Hospital Scheme. All of the schemes listed above automatically extend cover to pharmacists involved in the supply of medicines under a Patient Group Direction (PGD).

### 5. PHARMACIST BACKUP

To support and underpin good practice and risk minimisation, an extensive website is available, free to all members, which deals with many aspects of Risk Management, Legal, Ethical and Practice queries and also with employment conflicts - [www.the-pda.org](http://www.the-pda.org)

Additionally, PDA office based pharmacists, lawyers and PDA advisory board members are available to all members for advice and general assistance. This is particularly relevant in the new areas of practice (eg, G.P. surgery work or the operation of clinics) where risks are higher and safe protocols are required. This service allows problems to be discussed and best practices to be considered.

## GENERAL INFORMATION

### IN CASE OF AN ERROR

It is fully recognised that, generally speaking, when it has been discovered that an error has been made, pharmacists are very adept and professional in addressing the problem, rectifying the mistake and reassuring the patient. It is important to note that PDA members should continue to attempt to minimise harm and concern to patients in this way. Broadly speaking, there are two types of situation that a member may encounter which may need to be handled accordingly.

#### 1. The Complainant

When considering the question of 'admission of liability' it should be noted that when dealing with a patient who is simply bringing an error to your attention, i.e. a COMPLAINANT, members should proceed to handle the situation as they always have - as has been described above.

Occasionally this may entail the admission that a mistake has been made. It is recognised that an open and honest approach at this stage often prevents an incident going any further. This approach when dealing with a COMPLAINANT would not effect the insurance should a subsequent claim be made.

#### 2. The Claimant

In a situation where a patient is, or has become a CLAIMANT as opposed to a complainant, members are instructed to follow the strict conditions outlined on the next page. Whilst it must be fully recognised that a patient is entitled to a full explanation and reassurances on future performance, in the instance of a CLAIMANT there should be no admission of liability or correspondence with the patient or other party without the prior approval of the underwriters. A CLAIMANT will be easily distinguishable through litigious behaviour, eg, talk of taking the matter further, solicitor's letter or other such activity. It is vital that immediately after such an encounter with a CLAIMANT and while still fresh in the memory, a full and comprehensive written record is made describing all that was said and done.



The PDA website [www.the-pda.org](http://www.the-pda.org) provides a suggested procedure to follow in the event that you are involved in an error incident.

## NOTIFYING THE INSURER

The importance of notifying the insurer in the event that something untoward occurs cannot be overstated. On numerous occasions PDA members have managed to get themselves embroiled in an incident about which they have not notified the PDA, perhaps thinking that it will simply result in no action taken against them. However, it often follows that this inactivity ultimately results in a needless written sanction from the RPSGB or even a direct involvement in a civil claim being made against them and only then did they contact the PDA for assistance. Such delays often make it very difficult for the PDA to provide a robust defence for the member. Many pharmacists either believe, or are led to believe that their employer is handling a matter on their behalf, whereas in reality, their interests are being seriously compromised.

Clearly, not every single minor incident can be reported to PDA and therefore we recommend that any incidents which could potentially cause harm to a patient should be reported. Incidents that could not possibly result in any harm need not be. An example may include a patient who returns with the wrong medication having taken it for a week – this should be reported to the PDA. A patient who returns with the wrong medication for an exchange who has not taken any incorrect medication need not be reported, unless the patient is exhibiting claimant style characteristics (as described earlier).

Early contact with the PDA is an important condition of the insurance, which if breached, could cause problems in securing underwriter support. Early contact will often allow the PDA to apply its knowledge and experience to ensure that any sanctions against members, or problems that could result are kept to an absolute minimum or are avoided in their entirety. This can mean the difference between receiving a Fitness to Practice record with the regulator or being extricated from the matter altogether.

## CONDITIONS RELATING TO PROFESSIONAL INDEMNITY AND PUBLIC LIABILITY INSURANCE

### Applicable to Full members only

1. All information supplied on the application form must be accurate and truthful. Where any information which you have supplied at the application stage changes later in the year, then this must be brought to the attention of the PDA as soon as possible.
2. All reasonable precautions must be taken to prevent errors arising. Most importantly no activity should be undertaken unless steps have previously been put in place to ensure that the activity can be performed competently.

3. In the event of a claim or potential claim, there are certain obligations that must be complied with:-

- a) Notification of any event, which may give rise to a claim, must be given to PDA as soon as possible in writing.
- b) **YOU MUST NOT DISCLOSE TO ANY PERSON THE TERMS OF THIS POLICY, AND IN PARTICULAR YOU MUST NOT DISCUSS YOUR INSURANCE WITH ANY THIRD PARTY THAT MAY BE CONNECTED WITH A POTENTIAL CLAIM.**
- c) Every letter, claim, summons, writ or impending prosecution notice must be forwarded immediately to PDA.
- d) You must not admit liability for any claim, nor enter into any correspondence with a potential claimant or claimant without the prior written consent of the underwriters.
- e) You must attend any subsequent proceedings and assist the underwriters in the giving of evidence.
- f) You must not offer or promise payment or make any indemnity to the claimant without the written consent of the underwriters.

4. The underwriters may, at their discretion, take over and control your legal representation concerning any matter that may give rise to a claim and/or the defence and settlement of a claim.

5. The underwriters have the same rights as you of recovery of any outlay against any other person or organisation that may be deemed to be responsible (or part responsible) for any claim either before or after any settlement of any claim. This is called the 'Right of Subrogation'. You must provide any assistance necessary to assist the underwriters in taking any action against any third party so as to recover any such outlay.

## EXCLUSIONS

Please read carefully the exclusions section of the policy which appears on the reverse of the policy/membership certificate. Whilst it is felt that there are no points which should give cause for concern, you are nonetheless urged to read them carefully.

## WHAT TO DO IN THE EVENT OF A PROBLEM

Should you require any advice on a legal or professional matter or access to the tax advice line, then please telephone us on 0121 694 7017

Remember to quote your membership number as a reference, details of which can be found on your PDA membership card or your certificate of insurance.

## WHAT TO DO IN THE EVENT OF A CLAIM

### Regarding the Legal Defence Costs section of your insurance; <

Should you wish to make a claim under any of the remaining sections of your Legal Defence Costs Policy, then you will need to contact PDA on 0121 694 7007.

**Please quote your PDA membership number in all correspondence.**

You will be required to submit full details in writing of any matters related to your claim.

### Regarding the PI section of your insurance; <

This can be done in one of three ways;

1. By completing the incident report section on the PDA website [www.the-pda.org](http://www.the-pda.org) details of your incident will be automatically sent to PDA.
2. By completing the incident report form which accompanies the PDA members pack, mailing the completed form to PDA.
3. By contacting PDA on the incident report number 0121 694 7007, your incident will be logged and if you do not already have one, you will be mailed an incident report form for completion. You will need to return the completed form to PDA.

Once you have formally notified PDA of the incident in writing using any of the above methods, you will then be contacted by PDA personnel and advised of the exact procedure to be followed.

Your full PDA membership is underpinned by substantial Legal Defence Costs, Public Liability and Professional Indemnity Insurance (the limits are as described on your insurance certificate) allowing you to work with complete peace of mind, secure in the knowledge that we are defending your reputation.

## ADDITIONAL DEFENCE ASSOCIATION BENEFITS

### Applicable to both Standard and Full members

When you are considering the benefits of joining the PDA, or perhaps when you are comparing the benefits with those provided by another insurance provider, it is important for you to consider the additional 'Defence Association' benefits provided by virtue of PDA membership which are not insurance related. We are confident that no pharmacy insurer will be able to provide these benefits to individual pharmacists.

The PDA offers guidance and where appropriate, support, to assist members when they

encounter problem situations. To ensure that members do not get into difficulties in the first place, the PDA gets involved at the very start of an incident to prevent any unnecessary legal escalation. These additional services are provided over and above any insurance protection as described earlier in this booklet. The PDA will support members long before an incident becomes an insurable event. Most importantly of all, because the PDA is not linked in any way to an employer, or to an employer representative organisation, when supporting a PDA member it will always have the interests of the employee, hospital primary care or locum pharmacist at the forefront of its mind and not those of the employer.

The following additional services are not underwritten by insurance, but are provided by virtue of PDA membership;

- a. Supporting pharmacists who are in the early stages of problem situations.
- b. Developing a risk management agenda to prevent problems initially occurring.
- c. Influencing the National Agenda to support the interests of individual pharmacists.
- d. Providing pharmacists with access to expertise.

These benefits will be delivered through the following services:

### EMPLOYMENT AND PROFESSIONAL SUPPORT

Advice and support to members who are subjected to their employer's or the RPSGB's disciplinary processes. This will involve the provision of mentors to advise and support members throughout the entire process. In the most serious instances and where possible, this will involve the mentor attending a disciplinary meeting alongside the member. Moreover, the PDA will take action against employers who have treated members harshly or illegally. Already, in numerous situations, the PDA has managed to secure hundreds of thousands of pounds of compensation for PDA members in this way.

### LOCUM CONTRACT DISPUTE RESOLUTION

Supporting self-employed members by intervening in the event there is a dispute with an employer over non-payment of fees or expenses. The PDA will act on the members behalf and advise, free of charge, up to the point that court proceedings are inevitable. At this stage the PDA will advise the member as to whether the member should fund the action.

### DISCRETIONARY FINANCIAL SUPPORT

The substantial financial backing provided by insurance underwriting will assist members with a range of problems. However, occasionally, incidents will occur which are not insured. In situations where this is the case and where supporting a member will be to the common good of all PDA members, the PDA will aim to provide limited financial and other forms of support on a discretionary non-insured basis.

## PROBLEM SOLVING

Members requiring advice on professional, ethical, or legal issues relevant to their role as a pharmacist will have access to a wide range of expertise that resides in the office-based team of pharmacists and lawyers and also to the PDA Advisory Board.

### PLEASE NOTE

The PDA with reserve the right to withdraw from the membership services listed above if

- a) By acting contrary to the advice of our legal or pharmacist advisors
  - i. you have seriously disadvantaged your position or undermined the PDA's
  - ii. in our opinion the case, which would have otherwise been resolved, has escalated to a new level and, as a consequence of acting contrary to this advice it will potentially involve the PDA in significant extra costs or use of resources which would have otherwise been unnecessary.
- b) You are taking alternative or supplementary advice (qualified legal or otherwise) and you refuse to accept that PDA's advice should take precedent.  
It is everyone's right to seek alternative legal advice; it is inappropriate to instruct PDA advisors to act in a way that will compromise their advice based on the recommendations of others.

## PRO-ACTIVE LOBBYING

Influencing the relevant bodies to improve the working and professional environment for pharmacists, based on opinions of PDA members and a structured research agenda.

## TRAINING AND EDUCATION

Providing a programme of conferences, seminars and focus group meetings which provide opportunities to learn new skills and understand issues of importance to members. The PDA will deliver this independently, or with like-minded organisations.

## RISK MANAGEMENT

Developing an active Risk Management programme, the PDA helps members to make their practices more robust to improve patient safety.

## AN ACTIVE RESEARCH AGENDA

Commissioning fresh research, through formal links with research establishments, into areas important to employee, and self-employed pharmacists.

## ACCESS TO THE PDA INTERACTIVE WEBSITE

Many comprehensive services are designed to support members on [www.the-pda.org](http://www.the-pda.org)

Your full PDA membership is underpinned by Legal Defence Costs and Professional Indemnity Insurance as well as a wide range of additional Defence Association benefits, allowing you to work with complete peace of mind, secure in the knowledge that we are defending your reputation.

if you need to get in touch:



[www.the-pda.org](http://www.the-pda.org)

[enquiries@the-pda.org](mailto:enquiries@the-pda.org)



**0121 694 7000** for general enquiries

**0121 694 7007** to report an incident

**0121 694 7017** for 24 hour legal advice

The Pharmacists' Defence Association is an appointed representative of the Pharmacy Insurance Agency, which is authorised and regulated by the Financial Services Authority.