

Indemnity Insurance Updates



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 President



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Many members of MMA have approached me (and other Council members) in confusion. They want to know what is happening to MMA's medical indemnity schemes. The cause of confusion is the many letters sent out by AON Insurance Brokers to members presenting AON's version of events. I would like to try and allay the legitimate concerns of members.

First of all, I would like to inform you that the Council decided last year that the MOU with AON would not be renewed when it expired on 31 December 2015. We informed AON of this at the end of September 2015. As a corollary to this decision, MMA appointed Jardine Lloyd Thompson (JLT) to manage a new medical indemnity scheme for doctors. The new scheme will be known as Medical Practitioners' Indemnity (MPI). In order to avoid confusion, please note that **MPI is in no way related to MPI-Generali, which is an insurance company that used to be known as Multi-Purpose Insurance. MMA has no relations with MPI-Generali.**

Whilst the MOU is clear AON did not like this decision, and MMA agreed to meet AON without prejudice to let them air their grievances. Several without prejudice discussions were held, including conference calls. In the last call, AON wanted its position put before the Council – a request that I agreed

to. AON themselves acknowledged they expected we would take a week to respond and it was clear in everyone's mind that we would respond in a week, after the Council met.

However, within a day or two of the conversation, AON served a notice of arbitration on MMA. At the emergency Council meeting held on the 13th of December, the Council discussed and deliberated on various options to oppose AON's actions. However, this discussion was rendered moot the next day or two when AON served an originating summons in the High Court naming both the MMA and JLT. Accordingly, we have no choice but to proceed to defend our rights and those of doctors generally both in court **and** to oppose the commencement of the "arbitration".

Since the matter is now *sub judice*, I will make no further comments on it. We will have to wait at least until the beginning of March to know how things will work out.

However, I would like to address some issues that members have raised. These relate mainly to continuity of cover, which is always a matter in the forefront of every practitioner's mind in these litigious times. We at MMA are very conscious of the importance of making sure that every doctor is adequately insured at all times.

For this reason, we have **always** told members whose cover expired before the 31st of December last year to renew with AON. However, after that date, doctors are free to choose with whom they wish to be insured, as a new scheme would be offered to Doctors by JLT. Needless to say, on MMA's part, the MOU with AON expired on 31 December 2015 and MMA no longer endorses any scheme managed by AON.

Before the arbitration attempt by AON and High Court summons by AON interrupted matters, we had reached quite a clear understanding with JLT about what the scheme would offer doctors. The features include:-

- a) **Firstly, members who take up Insurance Coverage under MPI will receive full retrospective cover, the conditions and details of which you can ask JLT to explain before signing on under the MPI Scheme.**
- b) **Secondly, however, as I understand it claims which you were aware of while you were insured under the Malaysian Medical Indemnity MMI scheme will have to continue to be handled and managed by AON.** Your AON policies should reflect this. If you fall under this category, I would advise you to **please email any such awareness or claims to AON** so that you have notified in writing and have an acknowledgement, as I have been told by some members that when they ring and inform AON about problems they do not get any acknowledgement in writing. Should you not get any reply to letters or emails I would suggest you send a letter by recorded post to make sure your claim is registered.
- c) **Thirdly, you will receive full run-off cover if you have been with MMI and/or MPI for a total of five years.** Full run-off cover means that if you retire from practice, are unable to practice due to disability or pass away, you (or your estate) do not need to continue buying insurance. You will be covered for claims made against you after you stop practicing. If you have been a member for less than 3 years you can get the runoff cover by paying a one-off premium, and if you have been a member for three to five years you will have to pay 50% of that premium. If you require any further clarification or information, please check with JLT.
- d) **Fourthly, you will have a panel of lawyers to whom you can go for advice.** Many members have said that this is lacking in the early stages of a claim in the old scheme, and we know that this can cause anxiety. For MPI you need simply give JLT a call and their team will advise you or if needed, they will put you in touch with a lawyer to assist you.
- e) **Finally, under the MPI scheme, coverage is also extended for healthcare treatment during the course of a clinical trial, and also payment for loss and defence expenses resulting from Medical Data Protection Claims.**

I hope that this will provide some much needed clarification to members on the current situation. Please do not hesitate to contact MMA if you have any queries on matters related to indemnity insurance. No doubt the transition will be a little stressful, but we hope being able to have your questions answered clearly via email or phone calls will make things a little better.



# Congratulations

The MMA congratulates the following member:

**Prof Dato' Dr Selvaraj Subramaniam**  
*(Life Member MMA, Terengganu)*

On the award of  
*Darjah Kebesaran Jiwa Mahkota Kelantan (DJMK)*

**By Duli Yang Maha Mulia Sultan Muhammad**

On the occasion of  
**Royal Highness' 46th Birthday**



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## GENERAL PRACTITIONERS REQUIRED IN PERTH

- Ideally located at shopping centre. Location **great for families**. Good schools, shopping centres, recreational and much more.
- Located close to CBD
- Friendly and supportive team.
- Computerised clinical software
- 65% – 70% billing.
- Visa sponsorship available for the right candidates

### Requirements

- Doctors with FRACGP
- Good knowledge & attitude for a GP

Please contact Ganesh on **+61466210369**  
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