

Risks to members if they cancel their association membership and how it will impact their coverage.

Going On Leave & Wanting To Cancel Association Membership

When a professional liability policy is cancelled or not renewed, the coverage that was in place in the past is lost, resulting in an exposure to the member for any past incidents. Therefore, if a member goes on leave, it's best to maintain their membership and insurance policy in force to ensure continuous coverage for past and future incidents.

Switching To Employers Insurance

There is no guarantee that your employer's insurance will cover a claim or allegation against you. Often, claims are made by an employer about an employee, the employer terminates the employee, or the nurse is not working at the organization (i.e. if they have multiple jobs or volunteer in an accident). In this case, an employer's insurance policy will not cover you. In addition, employer insurance policies typically do not provide legal support for disciplinary matters from the College of Nurses. These are all added benefits provided by WeRPN's insurance policy subject to the terms and conditions of the policy.

Changing Associations & Insurance Policies

Switching from one claims made policy to another can result in gaps in coverage and potential issues with claims handling. Each claims made policy has its own specific coverage terms and limits, and switching policies can leave you vulnerable to gaps in coverage for past claims.

In addition, claims made policies often have retroactive dates that determine coverage for claims made during a specific time period. Switching policies can reset this retroactive date, potentially leaving you without coverage for claims that occurred before the switch.

Contact us at rpn@lloydsadd.com if you have any other questions or concerns.

Claims Made Policies, Retro Dates And Prior Knowledge

COVERAGE FORM CONCERNS:

- When a member does not renew or cancels their membership with WeRPN, they cancel their existing insurance policy. Professional Liability Protection (PLP) insurance coverage should be continuous in order to ensure there are no gaps in coverage for past incidents that occurred while the policy was in effect.
- Claims made policies only provide coverage for claims made during the policy period, so if you cancel the policy, you may not have coverage for any claims that arise after the policy is canceled. Additionally, cancelling a claims made policy can result in a loss of any retroactive coverage or coverage for prior acts that the policy may have provided. It is important to maintain continuous coverage to ensure that you are protected for any potential claims that may arise in the future.

REPORTING REQUIREMENTS:

- Claims Made Policy and New Members: Reporting requirements for new & renewing members under a Claims Made policy are crucial. Claims/Incidents must be reported as soon as the insured member is made aware and within the policy term (if a current member), and upon inception (if new). Any claims/incidents not reported within these requirements are considered "prior knowledge" and would be denied by this policy.