



Extended Reporting Period (ERP) Cover Information Sheet

When you cease practice, liability or potential liability relating to your past clinical practice continues. The potential for claims to arise from "incurred but not reported incidents" (IBNR's) may exist for many years after you cease practice. It is therefore very important that you know that if you wish to remain covered for those incidents then you will be required to maintain an appropriate MIPS membership category.

Why have I received this information?

You will receive this information if you have notified MIPS regarding:

- cessation of practice in Australia (permanently, temporarily or due to a permanent disability)
- retirement from practice in Australia
- cancellation of your MIPS Membership
- notifying MIPS re changes to your Medical or Dental Board registration (suspension / deregistration)
- representing a deceased practitioner.

What is Extended Reporting Period cover?

Extended Reporting Period (ERP) cover is for MIPS members who intend to cease practice for more than 12 months and do not qualify for the Run-Off Cover Scheme (ROCS). ERP cover provides protection for emerging, 'incurred but not yet reported' (IBNR) claims for a MIPS member who has permanently or temporarily ceased practice.

Under ERP cover (which includes ROCS) MIPS may respond to a claim subject to:

- the previously unknown incident being reported after cessation of medical practice in Australia and
- the previously unknown incident occurred after the retroactive date reflected in your last pre-run-off cover membership benefits statement
- the previously unknown incident is of a type that would have been covered if reported at the time it occurred and/or under your last pre-run-off cover membership.

Why do I require run off cover?

Medical indemnity insurance in Australia is offered on a 'claims made' basis. Your MIPS members' medical indemnity cover is a Claims Made policy. This means that you have to hold appropriate membership with MIPS **when an incident is reported to MIPS by you** for **MIPS to respond to the claim.**

What happens if I choose not to accept the offer of ERP Cover?

If you have ceased practice and choose not to accept an ERP offer, which may be a ROCS offer, and you are not otherwise a current member in an appropriate membership category you will not be covered for matters that relate to your practice prior to your cessation of practice.

What is my membership fee for ERP cover?

Your membership fee for ERP cover is calculated on a number of factors including:

- ERP cover start date
- retroactive cover date
- membership categories selected by members for previous practice membership periods
- practice state/s selected by members for previous practice membership periods.

The cost will also usually reduce when you qualify under MIPS Loyalty benefits after you are a member of MIPS for 5 or more continuous years or when you qualify for ROCS.

How long do I require ERP cover?

Medical Practitioners

MIPS will offer you annual ERP cover until an offer is declined. Currently, after not practicing in Australia for three continuous years, you will qualify for the Run-Off Cover Scheme (ROCS), an Australian government scheme that is designed to provide run-off cover free of charge to doctors who leave the private medical workforce. You may qualify earlier for ROCS (for example if you turn 65) during those three years. Please contact MIPS Member Services on 1800 061 113 if you require further information regarding ROCS.

Dental Practitioners

MIPS will offer you ERP Cover until an offer is declined.

I have only worked in employer indemnified settings. Do I still require run off cover?

Yes, if you wish to maintain access to matters not covered by your employer, such as:

- Professional disputes with your employing hospital
- Medical or Dental Practitioners Board Complaints
- Coroner's inquests
- Health Services Commissioner matters and
- General assistance and medico-legal advice.

In the unlikely event that your employer refuses to indemnify you, you may seek assistance from MIPS under MIPS Protections for non-medical indemnity matters.

Can I continue to provide Gratuitous Services in an ERP membership category?

MIPS also have ERP with gratuitous practice categories which may be appropriate if you have completely retired from practice but still undertake occasional gratuitous work where such work is permitted by the Australian Health Practitioner Regulation Agency. Gratuitous service is where no payment is received for the voluntary provision of health services such as referrals or prescriptions. There is a nominal additional charge to the cost of the ERP cover.

Are there any other options available to me to ensure I have appropriate cover?

If you are temporarily ceasing practice and you do not intend to provide gratuitous services but wish to maintain the benefits of membership, there may be other appropriate categories available. Please contact MIPS Member Services on 1800 061 113 for further information.

How do I request a membership fee estimate for an ERP membership category?

Please complete the enclosed ERP Request Form and return to MIPS within 14 days. Once received, MIPS will issue you with the appropriate documentation.

ERP Membership Categories:

Medical Practitioners

- Cat 110 – Extended Reporting Period 3 Year Run Off Cover
- Cat 111 – Extended Reporting Period Loyalty Cover
- Cat 210 – ERP 3 Year Run Off Cover with Gratuitous Cover
- Cat 211 – ERP Loyalty Cover with Gratuitous Cover

Dental Practitioners

- Cat 112 – Extended Reporting Period Dental
- Cat 111 – Extended Reporting Period Loyalty Cover
- Cat 114 – ERP Dental Permanent Disability
- Cat 118 – ERP Dental Deceased Estate / not final

Scenario 1 – ERP Cover

Retroactive Cover Date	1 st July 2003
Ceasing Practice	1 st May 2010
Opted in to ERP Cover	2 nd May 2010
Current ERP Cover expires	30 th June 2011

The member advises MIPS that they are ceasing practice and opt in to an ERP membership category effective 2nd May 2010. At renewal, the member accepts MIPS offer for ERP cover for a subsequent year and therefore the current membership period expires 30th June 2011.

On 1st November 2010, the member is made aware of an adverse outcome regarding a patient they treated on 15th August 2009.

The member holds a current MIPS Membership. MIPS is able to respond and assist with this potential claim because:

- **it arose out of a clinical incident during the period between the members retroactive cover date and the end date of their last non-ERP membership; and**
- **MIPS has been notified within a current membership period.**

Scenario 2 – No Run Off Cover

Retroactive Cover Date	1 st July 2003
Ceasing Practice	1 st May 2010
Membership Lapsed	1 st July 2010

The practitioner advises MIPS that they are ceasing practice, however chooses not to opt in to an ERP membership category (or alternatively maintain a current membership in another appropriate category) and allows their membership to lapse effective 1st July 2010.

On 1st November 2010, the practitioner is made aware of an adverse outcome regarding a patient they treated on 15th August 2009.

MIPS is unable to respond or assist with this potential claim because:

- **the practitioner does not hold a current MIPS Membership;**
- **it has been notified outside of the membership period, even though it occurred during the practitioners retroactive date and end date of the medical indemnity insurance cover.**

Please note above information maybe subject to change. For any queries or further information please contact Member Services on 1800 061 113 or email info@mips.com.au.