

**Frequently Asked Questions:
Professional Liability for OACETT Members**

1. What other associations or professions require universal (mandatory) professional liability insurance?

Numerous associations and/or professions in Canada require that their members purchase universal (mandatory) professional liability insurance including lawyers, accountants, architects, real estate agents, appraisers, surveyors, mortgage brokers and occupational therapists to name but a few.

2. Is \$25,000 of insurance sufficient in today's litigious society?

Historically, the total cost of a claim against an insured OACETT member (currently enrolled under the optional professional liability insurance program) is about \$25,000 - although some larger claims have been experienced. This limit of liability is a minimum threshold limit designed to provide some coverage but also to keep the premium at an affordable level. The proposed insurance program would also include up to \$5,000 of coverage for activities that many existing programs would exclude such as coverage for disciplinary action against members or claims for libel and slander. If the proposed program is implemented, OACETT will continue to monitor the needs of its members and if necessary, the insurance coverage could be increased.

3. If I'm covered by this program, do I have to consider purchasing additional coverage?

Additional coverage may be required depending on your current job responsibilities, whether you are exposed to high risks and/or if your employer requires greater indemnification than this proposed program would provide for.

4. What is professional liability insurance, how does it differ from general liability insurance, why do I need it?

General liability insurance typically addresses claims of bodily injury or property damage liability. Professional liability insurance differs in that it pertains to negligence associated with your professional services. The proposed insurance may be viewed as "personal" insurance coverage for members while general liability insurance is insurance coverage for their employers business.

5. What coverage will I receive through the proposed plan?

The proposed level coverage would be for up to \$25,000 per claim for professional services and up to \$5,000 per claim for matters such as disciplinary action against a member or a claim for libel and slander.

6. What if my current employer already provides coverage?

If you already have coverage from your employer, then this insurance coverage would act as "excess" insurance which applies if the underlying coverage is exhausted. There may also be situations which the underlying insurance does not cover and where this insurance coverage would "drop down" to become

primary insurance. as, for example, providing up to \$5,000 of insurance coverage to defend disciplinary matters.

7. If I am a student, will I be required to pay?

No, as a student member you will not be required to pay for the coverage through your annual student membership fees, nor will you be provided coverage under the program.

8. If I am a retiree, will I be required to have the coverage and pay for it?

If you retire before implementation of the program you will not need to pay for this insurance because coverage will only apply on a going-forward basis and retroactive coverage for past work performed is not available. However, if you retire after the program is implemented and desire coverage for claims that might arise for work done while your were insured you will have an option to purchase "extended reporting period" or "run off" coverage for a price yet to be determined.

9. What if I own my own business and already have coverage?

The program is universal and mandatory for all members, except as previously noted for students and in some cases retired members. There may be situations in which the underlying insurance does not cover you and where this insurance coverage would "drop down" to become primary insurance.

10. Will I be covered for work done outside of Ontario either in Canada, the United States or Internationally?

The Limit of Liability would be for up to \$25,000 for a lawsuit brought in Canada or up to \$5,000 for any lawsuit brought outside of Canada.

11. What does the free legal "hotline" provide me under this proposed program?

Subject to the program being implemented, part of the service to members is the availability of a free legal "hotline" that members may call who may be facing a potential or real complaint about professional misconduct or claim to speak to a lawyer free of charge about any questions they may have such as "Someone just complained about my work, what should I do?", "Is this situation a claim?", etc.

12. Who is permitted to vote in this e-poll expression of opinion?

All members of OACETT, including certified and associate members, except for student and retired members, since they will not be required to pay for the coverage nor will they be covered by the insurance.

13. When is OACETT going to hold the e-poll to get an expression of opinion from the membership and when will they make a decision as to whether they will implement the program?

Both OACETT and its Alberta counterpart, ASET, are expected to hold an e-poll of their respective members on the merits of the proposed program in September,

2009. The OACETT Council will use the e-poll results and other factors in making a decision whether to introduce a universal (mandatory) professional liability program for Ontario members

14. Who do I contact if I have further questions?

Please contact David Thomson, Executive Director at dthomson@oacett.org or 416 621-9621 ext 251.