

The Importance of Legal Defence Insurance for Regulated Health Professionals

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As legal counsel for regulated health professionals, it is highly unfortunate when a client facing a complaint or discipline hearing discovers that their professional liability insurance does not include legal defence coverage for regulatory college matters.

Typically, professional liability insurance policies will include legal defence coverage for college complaints, investigations, and discipline hearings, with coverage limits ranging from \$25,000 to \$100,000. This coverage allows the regulated health professional to hire a lawyer of their choice or one recommended by their insurer, with the insurer either paying the legal fees directly or reimbursing the insured. Generally, subject to the wording of the policy, insurers will approve coverage in most cases, except for allegations of fraud or sexual abuse. If such allegations exist, insurers typically adopt a "reservation of rights" position, meaning that it will only provide coverage if the insured successfully defends the allegations.

It is imperative that regulated health professionals secure legal representation when faced with a matter before their regulatory college. Based on my experience, the likelihood of an adverse outcome – such as a caution, a referral to a discipline hearing, or a suspension, substantially increases in cases where an individual chooses to self-represent. A suspension or even a caution, can have a significant and lasting impact on a regulated health professional's career, as such outcomes are recorded on the public register of the college and can result in reputational harm, employment challenges and being de-listed as an approved provider by an insurer.

Given the potential consequences, the frequency of college complaints, and the high cost of legal fees, it is absolutely essential that regulated health professionals possess legal defence coverage for college proceedings.

Regulated health professionals need to thoroughly review their current and/or prospective insurance policies to confirm that they include legal defence coverage for college matters, particularly since the additional cost is generally minimal. It is also prudent to verify the coverage amount, the existence of potential exclusions, and whether there is a deductible. It is also important to recognize that some insurance providers may not even offer this type of coverage as part of their professional liability insurance packages, which is my view, does not provide a sufficient level of protection.

If there is any uncertainty regarding the scope of coverage, regulated health professionals are strongly advised to seek clarification from their insurer and/or consult with their professional association. A PDF version is available to download [here](#).

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About the Author

Lad Kucis is certified by the Law Society of Ontario as a specialist in health law. As part of his practice, he provides advice and representation to regulated health professionals regarding the full spectrum of college matters, including complaints, investigations, discipline and appeals/reviews.

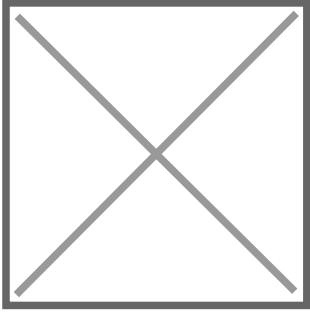
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