PPLSSS and Professional Indemnity Insurance –

How useful are they in an emergency?

Dr.S.N.Krishnamoorthy MD DA DNB BGL PGDMLE {DHA}

Professor of Anaesthesiology

Velammal Medical College Hospital & Research Institute

Madurai.

 A medico-legal case against a doctor does not end with hiring the services of a lawyer or attending the court to depose. It leaves an unpleasant aftermath which is difficult to live with.

During the pendency of the case, a feeling of bitterness and antipathy towards the patients permeates the heart. If the doctor wins the case, he may feel vindicated but slips into what is called “defensive practice’. A tendency to look at all patients as potential litigants and excessive reliance on investigations and procedures invariably develops. The unfortunate medical professional who loses the case and is judged “guilty” of medical negligence becomes a victim of double jeopardy. He not only loses his self-esteem and equanimity but also stands to lose a large chunk of his financial resources by way of paying the “damages” decreed in his case. The only way to minimise or eliminate such financial calamity is to have an insurance cover for the sum decreed.

**Concept of ” Insurance”**

Contrary to popular belief, the concept of “Insurance” is not a modern age phenomenon. It has existed since ages. When it began is actually shrouded in mystery. Chinese merchants in the early days used to ship their merchandise divided into several units through several boats, so that even if one boat capsized, others would reach their destination intact. Babylonian merchants who received loans for the shipment of their goods paid an additional sum to the lender in exchange for a guarantee to cancel the loan if the goods were lost at sea or stolen. So **basically, insurance is a business tactic to reduce the risk of uncertain / unpredictable loss in business**.

 In India too, there was awareness of the concept of insurance as featured in the writings of Manu smiriti; every member of the community in the ancient societies contributed something to a general fund which then was utilised for the benefit of the members at times of natural calamities, each member then receiving sustenance in proportion to his contribution.

 Insurance thus involves pooling of funds from *many* insured entities (known as exposures) to pay for the losses that some may incur. The insurer receives a consideration for his service which is called the premium. The insured entities are therefore protected from risk for a fee, with the fee being dependent upon the frequency and severity of the event occurring.

**Insurance in Medical Profession**

Applying these principles to the practice of medical profession, it can be easily understood that medical profession is an eminently suitable field for “insurance”. Incidences of deficiency of service occur even to the best among us. No institution or individual, however exalted or refined can escape from this harsh reality. The reasons are many and are not worth recounting. However, common sense demands that we must be fully conscious of this risk in our profession and we must be ready to meet the financial damage occasioned by a medico-legal case. Medical practitioners can pay a small fee to cover the claims for damages in their profession and escape or minimise the financial damage accruing from a medico-legal case. In these days of escalating litigation on doctors, professional indemnity insurance is an absolute necessity and an essential foundation to safe practice.

Our life on this earth is full of risks; so is our profession. Even the most talented practitioner could face incidents of death and complications in his practice; such incidents could very well lead to litigation in these days of consumer law. Unless protected by “insurance’, the claims for damages would eat into our wealth and leave us financially ruined.

 At present, medical indemnity insurance can be procured from two distinct institutions.

1. All General Insurance Companies with few exceptions
2. Indian Medical Association through PPLSSS.

MEDICAL INDEMNITY INSURANCE from general insurance companies is an annually renewable insurance cover and there is no upper limit to the sum insured. Generally, the premium charged is Rs. 3 for coverage of Rs.1000. The entire sum insured can be used to meet the “damages” or it can be split into smaller units to meet any one incidence of negligence during the policy period. If an incidence of “negligence” arises during the policy period and a claim is made, the insurance company can be impleaded as a party in the case before the court and if “damages” are decreed, it shall be made good by the insurance company to the extent of sum insured. If “damages” decreed happens to exceed the sum insured, the excess shall be the medical practitioner’s personal liability.

The Indian Medical Association also offers medical indemnity insurance through a scheme called “Professional Protection Linked Social Security Scheme [PPLSSS]. The name is self explanatory. It is a social security scheme for the protection of the medical profession.

PPLSSS is the same as medical indemnity insurance offered by the general insurance companies except in the following finer details:

1. It is offered for a block of 5 years. – Busy medical practitioners may find this provision convenient as they are relieved of the burden of renewing the policy every year..
2. There is a ceiling on the sum insured -
3. On receipt of notice from the aggrieved patient or a consumer forum, the medical practitioner should contact the local IMA branch and apprise them of the facts of the case who will then conduct the case through their panel advocates. Frequent interaction with the panel advocate may be required to make out a strong pleading.

**Two questions now arise:**

1. When should we take the insurance?

A medical practitioner devoid of any insurance cover is in grave danger of his practice being jeopardised by medico-legal claims. Therefore a medical indemnity policy should be procured on the first day of starting the practice. Not a day shall go without insurance cover; an unexpected incidence may befall on that fateful day.

1. What shall be the sum insured?

The sum insured of an indemnity policy shall necessarily vary among the practitioners; those working in big corporate hospitals and dealing with rich clientele shall take cover for higher sum than others. Clarity on this matter can be obtained from the insurance providers or their agents.

**MEDICAL INDEMNITY AND PPLSSS – HOW USEFUL ARE THEY IN AN EMERGENCY?**

The social / legal emergencies that can arise in practice are the following:

1. Receipt of a notice from an aggrieved patient or consumer forum alleging deficiency of service.

This is the commonest social/legal emergency that many medical practitioners face in their practice. Indemnity insurance/PPLSSS are very useful in this situation. The prudent physician who follows standard practice and has obtained a valid consent from the patient for all the medical interventions done by him has nothing to fear. A detailed reply refuting the allegations in consultation with the advocate is all that is required. In the worst case scenario of doctor losing the case and being adjudged “guilty” the “damages” decreed by the court can be defrayed by the indemnity/pplsss policy to the extent of sum insured.

1. Relatives of the patient and bystander civilians preferring a criminal complaint in the local police station alleging “murder” where death of the patient has occurred during treatment.

It must be clearly understood that insurance cover does not apply to criminal liability. Therefore indemnity insurance and/or PPLSSS are not at all useful in this situation.

Medical practitioners charged with “criminal negligence” under section 304-A of the Indian Penal Code should apply for “bail” and then proceed to fight their case. Fortunately, the offence described under sec.304-A is a bailable offence and so bail can be demanded and obtained as a matter of right.

1. Damage to hospital property and personnel by the agitated relatives and rowdy elements due to dissatisfaction with certain aspects of medical care.

Here again, indemnity insurance /PPLSSS are of no use. Insurance cover for the protection of hospital property is a different entity and is available from general insurance companies and also from IMA.

**Conclusions:**

Professional Indemnity Insurance and PPLSSS serve a limited purpose of protecting the medical practitioners from financial liability of a medico legal case against them. Not having such insurance cover is a “folly” in these days of deteriorating doctor-patient relationship. It is important that every medical practitioner, irrespective of specialty and other considerations, shall maintain indemnity insurance throughout their days of practice.