

Professional Indemnity Insurance and Policy Summary of Changes

EFFECTIVE FEBRUARY 2026

Professional Indemnity – Summary of Changes

Purpose of this Document

This document provides a brief summary of the key differences between the *Ansvar Professional Indemnity Wording (06/24)* and the *Ansvar Aged Care Professional Indemnity Wording (AUSACPI 0226 V1.0)*. It is not intended to be a full interpretation or analysis of either policy.

Important Context

The *Ansvar Aged Care Professional Indemnity Wording (AUSACPI 0226 V1.0)* is a **distinct, stand-alone wording developed specifically for the aged care sector**. It is **not a revision or replacement** of the existing *Professional Indemnity Wording (06/24)*. Accordingly, the differences noted in this summary reflect structural, coverage and terminology variations between two separate wordings, rather than a progression from one version to another.

Nothing in this document amends, extends, limits, or otherwise alters the cover provided. **In all circumstances, the Policy Wording and the Certificate of Insurance prevail.**

WHAT'S CHANGING	Ansvar Professional Indemnity Insurance (06/24)	Ansvar Aged Care Professional Indemnity Insurance (02/26)
POLICY ARCHITECTURE		
Operative Clause – policy commencement & terminology	Policy commencement tied to written acceptance of the proposal.	Policy commencement and expiry are tied to the inception and expiry dates shown on the Certificate of Insurance. The clause now specifies that the policy will commence at 4:00pm on the inception date.
Professional activities – Professional services	The policy referred to professional activities, a broad term capable of capturing operational or administrative conduct.	The updated wording now consistently uses professional services, aligning it with the defined concept used in the PI policy and providing clearer intent around the scope of cover.
AUTOMATIC DEFINITIONS APPLICABLE to the POLICY		
Aged Care Act 2024 (Cth)	The prior wording did not contain an express definition referencing the Aged Care Act 2024 (Cth) and its subordinate instruments. Where legislative references appeared, they were either generic or aligned to earlier frameworks, which could create ambiguity during transition to the new legislative regime.	The updated wording introduces an express definition of the Aged Care Act 2024 (Cth) as the primary legislation governing aged care services in Australia, expressly including the Aged Care Rules 2025 and any amendments, re-enactments, replacements, or successor legislation in force from time to time.

Professional Indemnity – Summary of Changes (continued)

WHAT'S CHANGING	Ansvr Professional Indemnity Insurance (06/24)	Ansvr Aged Care Professional Indemnity Insurance (02/26)
Associated Provider	The prior wording did not contain a stand-alone, aged-care-specific definition of 'associated provider'. While the wording contemplated consultants, subcontractors, agents, and (in some places) medical practitioners for limited purposes, it did not comprehensively define third-party service delivery relationships common in aged care (including agency staffing and community support organisations), nor did it clearly tie those relationships to the provider's operational oversight and potential vicarious or statutory liability.	The updated wording introduces a dedicated definition of 'associated provider' capturing individuals or entities who are not employees or subsidiaries of the registered provider but who deliver funded aged care services on behalf of, and in connection with, the registered provider's business operations. The definition includes (without limitation) contractors, subcontractors, consultants, medical practitioners and allied health professionals, agency staff, and community/cultural/religious/support organisations, where services are provided under a written arrangement or under the provider's operational oversight/duty of care such that the provider may be legally liable for their acts, errors, or omissions.
Care Recipient	The prior wording did not contain an aged-care-specific definition of 'care recipient'. References to clients or patients were more general and not expressly linked to statutory eligibility concepts under the contemporary aged care framework.	The updated wording defines 'care recipient' as an individual assessed and accepted as eligible to receive aged care services under the Aged Care Act 2024 (Cth).
Insured person	Focused on principals, partners, directors, and employees.	Expanded to align with statutory accountability roles, including responsible persons.
Official body	Under the previous wording, official body was defined to include regulators, government or administrative bodies, and official trade or self-regulatory bodies empowered to investigate the affairs of the insured. While this captured traditional organizational investigations, it was primarily entity-focused and did not clearly extend to situations where regulators investigated individuals such as directors, officers, or responsible persons arising from the insured's aged care operations.	The revised wording expands official body to include regulators, commissions, government departments, and authorities that investigate or inquire into both the affairs of the insured and the conduct of an insured person acting in that capacity. It expressly includes bodies such as the Aged Care Quality and Safety Commission, the Department of Health, Disability and Ageing, ASIC, the Commonwealth Ombudsman, complaints bodies, and Royal Commissions or Parliamentary Inquiries, ensuring all relevant aged care oversight mechanisms are captured.
Registered provider	Referenced the former approved provider regime.	Updated to registered provider under the Aged Care Act 2024.

Professional Indemnity – Summary of Changes (continued)

WHAT'S CHANGING	Ansvar Professional Indemnity Insurance (06/24)	Ansvar Aged Care Professional Indemnity Insurance (02/26)
AUTOMATIC EXTENSIONS APPLICABLE to the POLICY		
Communicable disease – facility outbreak defence costs	Communicable diseases are broadly excluded.	Targeted defence cost write-back for facility outbreaks.
Contracted services & associated providers	Could indirectly extend cover to contractors themselves.	Indemnifies the insured only, subject to operational control.
Crisis management & reputational response	Limited PR costs triggered by a claim.	Broader crisis response triggered by a crisis event, including pre-claim scenarios.
Governance & incident review costs	No equivalent extension.	New limited extension for governance and incident review costs.
Investigations & inquiries	Attendance costs only.	Expanded to preparation, response, and attendance.
Malpractice cover	Focused on nurses and volunteers with limited recognition of modern delivery models.	Updated to reflect agency staff, allied health providers, and statutory provider liability.
Public Relations Expenses (Deleted – replaced by Crisis Management & Reputational Response)	Standalone PR expenses extension responding only where reputation was questioned as a direct result of a claim, subject to notice, consent, and a \$100,000 sub-limit.	Deleted and replaced by the broader Crisis Management & Reputational Response extension, which responds to defined crisis events, including pre-claim scenarios.
Privacy breach response costs	Covered notification costs without explicit statutory linkage.	Expressly tied to obligations under privacy and aged care legislation.
Waiver of excess	Previous wording allowed excess waivers in a variety of outcomes, creating uncertainty around when the insurer would reimburse the deductible.	New wording waives the excess only where a final court judgment finds no legal liability; settlements do not qualify.
AUTOMATIC EXCLUSIONS APPLICABLE to the POLICY		
Bodily injury/property damage	No specific exclusion.	Specific exclusion with professional services write-back.
Communicable disease	Complex causation-based exclusion.	Simplified categorical exclusion.
Deleted exclusions – Criminal/clinical	Excluded certain criminal, surgical, and clinical practitioner risks.	Exclusions removed or rendered redundant by updated malpractice cover.
Deleted exclusion – Foster care	Excluded all claims arising from foster care services.	Exclusion removed.
Directors & officers liability	Excluded traditional director and officer roles.	Expanded to include responsible persons.

Professional Indemnity – Summary of Changes (continued)

WHAT'S CHANGING	Ansvr Professional Indemnity Insurance (06/24)	Ansvr Aged Care Professional Indemnity Insurance (02/26)
Food & catering	No specific exclusion.	Food-related risks are excluded under the policy; however, coverage is reinstated for professional dietary advice. This write-back applies where a qualified individual provides nutritional guidance, meal planning, or related professional services, ensuring that legitimate clinical or advisory activities remain insured while operational food-handling exposures are excluded.
Goods sold, stored or supplied	Broad product exclusion.	The goods sold or stored exclusion has been refined and clarified, with coverage reinstated ("write-back") for situations where the insured provides professional advisory services. While operational risks relating to the sale, storage, distribution, or supply of goods remain excluded, the policy now expressly restores cover for advice-based exposures, such as recommendations, assessments, or professional judgments given in connection with those goods. This ensures that operational product risks are excluded, while legitimate professional advisory activities remain insured.
Internet technology hazards	Legacy IT exclusion.	This has now been replaced with a cyber exclusion that more accurately reflects current cyber-risk frameworks. Importantly, the new exclusion includes an operational write-back, reinstating cover for standard business functions that rely on everyday technology, while still excluding true cyber events outside the intended scope of cover.

WHAT'S CHANGING	Ansvar Professional Indemnity Insurance (06/24)	Ansvar Aged Care Professional Indemnity Insurance (02/26)
Legal advice	Blanket legal advice exclusion.	<p>The previous broad, blanket exclusion for legal advice has been refined to provide greater clarity around the intended scope of cover. While the policy continues to exclude legal services or activities that constitute the practice of law, a targeted write-back has been introduced to ensure coverage for professional activities involving aged care documentation. This reinstatement applies where the insured is required to prepare, interpret, or provide guidance on aged care records, agreements, or statutory documentation as part of their recognised professional services – not as the provision of legal advice.</p> <p>This refinement maintains the exclusion of legal practice risks while ensuring that legitimate operational and compliance-related work with aged care documentation remains covered.</p>
Licensing & accreditation	Generic licensing exclusion.	Expanded aged-care-specific exclusion.



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