

# Professional Liability Insurance: FAQs for Psychology Practitioners

## What is Professional Liability Insurance (PLI)?

Professional Liability Insurance (PLI) protects you against liability or allegations of liability for injury or damages that have resulted from a negligent act, error, omission, or malpractice that has arisen out of your professional capacity as a psychologist or psychological associate, or if a complaint is made against you to an organization regulating your insured profession.

## I provide telepsychology services across Canada. Is there anything I need to consider from a PLI perspective?

The CPA/CPAP PLI policy applies to telepsychology services delivered in Canada and worldwide. When delivering telepsychology services and in order for your insurance coverage to apply, you must be working within your scope of practice. You must also abide by the professional regulations in your jurisdiction (for instance, the province in which you reside or are delivering services) and in the jurisdiction where your patient is located.

## Does the PLI policy respond to claims that may arise from my past professional services?

CPA/CPAP's PLI policy is written on a claims-made and reported basis which means that coverage is triggered when a claim is made against you during the policy period, regardless of when the services that gave rise to the claim were delivered. **Not all claims-made policies are equal. Some policies limit coverage to services delivered on or after a specified date, or those delivered after your insurance policy has been put in place.**

## Are legal expenses paid by the insurer on behalf of the policyholder, or does the policyholder have to pay their costs and seek reimbursement from the insurer?

CPA/CPAP's PLI policy pays legal costs on behalf of the policyholder, with the exception of Criminal Defence cost coverage, which will be reimbursed once the member is found "not guilty" of the criminal charge.

## Does the policyholder have choice of counsel or is counsel appointed by the insurer?

While you do have choice of counsel, the preferred legal counsel for the CPA/CPAP program is Gowling WLG (Canada) LLP (Gowling). Gowling are specialists in medical defence and health sciences and they have assisted hundreds of CPA/CPAP members with their legal defence for over 10 years. Gowling also provides summary pro bono legal advice for professional liability issues through access to a toll-free legal hotline.

## What is an Extended Reporting Period (ERP)?

An Extended Reporting Period (ERP) is a designated time period after a claims-made policy has expired during which a claim may be made and coverage triggered as if the claim had been made during the policy period. ERP provides coverage for claims that arise after the policy has expired and the insured psychologist has ceased practicing. Some policies have a short ERP of 30 days or less, which will leave policyholders under-protected upon retirement/discontinuation of practice. **CPA/CPAP'S policy automatically includes 10 years of ERP.**

**For additional information, connect with a BMS broker at 1-855-318-6038 or [psy.insurance@bmsgroup.com](mailto:psy.insurance@bmsgroup.com).**



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