

A modern locum cover plan is an insurance policy designed to cover the cost of a) employing a locum doctor or nurse or manager or b) paying a colleague in the same practice, to cover that person's duties in the event of the doctor or nurse or manager being incapacitated due to sickness, accident or absence.

There are basically three types of locum insurance:

1	The permanent contract: the terms of the policy are guaranteed throughout the policy term but the premium is age-related and increases as you get older – usually done in age bands of five years. The cost of this type of cover is expensive.
2	The annual renewable policy with continuity of cover: this has been developed in order to “bridge the gap” between the permanent and annual policy. The continuity of cover enables the original underwriting/acceptance terms given to be carried over to the following year without change.
3	The annual renewable policy: this is a policy that provides cover for a period of one year and at the end of that year the risk is again underwritten and terms given. As soon as a claim is made or additional medical information comes to light, terms will be placed on the policy to exclude the particular condition/situation.

In Hampton Dean's opinion the permanent policy and annual policy with continuity of cover are the only policies that medical practices should consider. However, if a doctor wants a policy with a pre-existing condition exclusion, Hampton Dean can help to find this type of cover for you.

The cost of a locum is very much a geographical thing but the BMA do provide a recommended/suggested rate. However, with more and more locum agencies springing up the costs are still rising.

For partners in a practice the deferment period will be determined by what has been agreed in the Practice Agreement. The normal deferment period is typically four weeks and the payment period is normally up to the 52 week point, again to “tie in” with the Practice Agreement and to dovetail with you Income Protection planning.

If a partner is sick/absent for 52 weeks or more the partnership is dissolved.

If you would like to review your existing locum cover in the run up to renewal – contact Hampton Dean to discuss your requirements on 01159 886997.