

It was with much pleasure that I was recently awarded National recognition by the Aesthetic Industries leading Association, being APAA, for services to the Industry, having been actively involved in providing risk management and insurance solutions for the past fifteen years. Such awards are indeed humbling yet obviously greatly appreciated, and indeed allows one to reflect on not only how much the Aesthetic Industry has changed in the past fifteen years of involvement, but how the Insurance Industry has had to change to meet the changing exposures during this time.

Back in the 1990's the Industry was much more closely aligned to the Hair Industry, and the procedures and understanding of skin technology was considerably more basic. Brand new procedures were being developed such as Microdermabrasion (people from outside the Industry did not know how to pronounce it back then, never mind spelling it!!) and now common and booming technology such as heavy chemical peels and light treatments (ie. IPL/VPL/Laser) were way outside the realms of the general Beauty Therapist.

Similarly, the Insurance Industry offered basic protection in suit, generally offering packaged solutions which treated the Hair and Beauty Industry as one. Regrettably, many insurance providers still believe that such products provide a solution, completely ignoring the substantial steps forward the Aesthetic Industry has taken both in growth of skin knowledge and technology of new equipment - this is evident in the number of insurers still offering "Hair & Beautician Insurance Packages".

Who would have thought that a Beauty Therapist of the past, who previously would have had to effect contents & equipment cover for their massage bed and waxing pot, would need to take out insurance coverage for equipment valued up to \$500,000 per item, as some of the IPL/VPL/Laser machines currently require. Indeed, many of these operators are now mobile, and need protection for such valuable items not only in their own clinic, but in any building and/or motor vehicle anywhere in Australia! Whilst I am proud to state we have specifically tailored an insurance facility which provides indemnity for this exposure, many other insurers are not aware that this new mobile operation is not only in existence, but growing rapidly.

The Liability Insurance products have also had to develop extraordinarily to keep pace with the new technology being introduced into the Aesthetic Industry, and again regrettably, many of the current insurance providers have not kept pace. Fifteen years ago, Beauty Therapists would have more than likely been asked to obtain a basic Public Liability policy to meet their lease requirements, and they would have bought this base product believing that it provided far more than the "trip & fall" type losses it covered. At this time, Beauty Therapy was considered more of a "trade" than a "profession", and that Professional Indemnity Insurance was only offered to "true Professions" such as Accountancy, Doctors, Law, Engineering, etc., and certainly not the domain of the Beautician!!

There are still some insurers now who continue to treat this Industry as a "trade" rather than the true profession that it is. The line between the services offered by qualified Doctors (such as Cosmetic Surgeons & their paramedical team), and Highly Qualified Beauty Therapists is diminishing with each year that passes, and each new technology that is introduced - in fact, in some Beauty Therapists that have far superior knowledge of skin science than the staff involved with other Cosmetic Surgeon's

clinics. Yet it is interesting to this day that registered Doctors (including Cosmetic Surgeons) are required by law to have a minimum of Malpractice Liability Insurance, yet qualified Aestheticians performing similar treatments have minimal to no regulations imposed on them at all.

A Beauty Therapist is now offering treatments which not only require a professional skill to maximize the benefits of the treatment provided, but to also minimize any harm or after-effects that may apply. Just as importantly is the professional advice that now must be provided prior to, during, and after the treatments, which again is an exposure that the Insurance Industry has regularly overlooked in providing a tailored solution for the Aesthetic Industry. Since the introduction of the Trade Practices Act (Misleading & Deceptive Conduct), many clients have threatened or made claims that they were misled or deceived into, or the results that may have been achieved by, the treatment they elect to have performed.

Fifteen years down the track, the term "Risk Management" has never been more important or essential for the modern Aesthetician. In this day and age, it is essential not only to have a "Consultation Card" with the "Consent Form", but to ensure a system is in place to keep such records for the long term should these be needed to defend decisions that were made many years beforehand. Clients should not only keep clear notes of what was discussed, including full details of not only the positive effects of the treatment but also the possible risks involved as well, but preferably have the client sign off that they have received such advice and have been made an informed decision to proceed. Records also need to be kept of correspondence sent to the client of what is required of them prior to the treatment to maximize the benefit of the procedure, and what is required following the treatment to minimize injury or damage going forward.

Another area of change over the past fifteen years has been the growth of awareness across the board of the importance of having a secure insurer following the collapse of Australia's largest Liability Insurer in the 1990's, HIH/FAI Insurance Company, and the near collapse of UMP prior to Government intervention. In the past, insurance policies were offered on a "packaged basis" with each offering very similar cover, and therefore the only concern for each client was the need to ensure that they obtained the lowest possible cost. Now, a far more educated Industry is fully aware of not only ensuring the correct cost, but asking for the security of their insurer, and assessing the likelihood that they will be around to pay claims in years to come.

Further, the scope of coverage required by each client has never been more diverse. The importance of an insurance product being specifically tailored for each individual Aesthetician has never been greater – no more can one packaged policy provide a "one stop product". The Industry now caters for many varying types of activities, from the most basic procedures through to the most complex. To rely on a base product is to pay hard earned revenue on protection designed by someone else (what is their experience in the Aesthetic Industry?) who has no knowledge of your circumstances, skills, experience, or operations, and can't reward you for the risk management or professionalism you bring to your role.

I am indeed very proud of being actively involved in this Industry, and watching it grow beyond belief during the past fifteen years - to be recognized for this has been a wonderful surprise. I now look

forward to watching the Industry as it further develops in the future, and playing my part in ensuring its continual protection by reacting as it continues to evolve - there is no boundary as to what Aestheticians will be doing fifteen to twenty years on from now...