

Cyber and Privacy Liability Insurance Coverage

The Healthcare community accounts for about 15% of data breached in the United States. 78% of healthcare cyber crises were tied to human error and 22% involved an act of malicious intent. As you know HIPAA Regulations mandate how long term care facilities must handle resident information such as their date of birth, social security number, and medical records, and what these facilities must do if that private information is breached. Traditional insurance policies such as property, general liability, and business interruption generally have gaps which may not cover losses from a data breach at your organization. For example commercial property coverage protects your physical computers but may not protect the data stored on them. General liability coverage may not cover claims for intellectual property rights infringement, defamation, or privacy violations. Business interruption may not respond to outages caused by computer viruses or hackers.

I would like to introduce you to an insurance coverage being offered that provides broad coverage when data is breached within your business. Examples of coverage that Cyber and Privacy Liability Insurance may provide:

- Coverage for losses arising out of the organization's failure to protect sensitive personal or corporate information.
- Coverage for regulatory proceedings brought by a governmental agency alleging the violation of state, federal, or foreign identity theft or privacy protection legislation.
- Coverage for expenses to notify customers whose sensitive personal information has been breached, as well as expenses to obtain legal, public relations or crisis management services to restore the company's reputation.
- Coverage for the liability of an organization arising out of the failure of network security, including unauthorized access or unauthorized use of corporate systems, a denial of service attack, or transportation of malicious software.
- Coverage for infringement of copyright or trademark, invasion of privacy, libel, slander, plagiarism, or negligence arising out of the content on the organization's internet website.
- Coverage for extortion of monies and associated expenses arising out of a criminal threat to release sensitive information or bring down a network.
- Coverage for expenses to retain a computer forensics firm to determine the scope of a breach, to comply with privacy regulations, to notify and protect credit monitoring services to affected individuals, and to obtain legal, public relations or crisis management services to restore the company's reputation.
- Coverage for computer system repair and restoration in the event of a computer virus or hacking attack.
- Coverage for your lost revenue arising from system downtime after a computer virus or hacking attack.

If you would like to learn more about how you can protect your business from cyber loss then please contact Gerry Gilbert at 205-414-6184 or by email at gerry_gilbert@ajg.com.