

Cyber Solutions™ for Hospitals



It's in the news every day – a stolen laptop, misplaced back-up tapes, Internet hackers gaining access to confidential data. The costs associated with a privacy breach are significant, and the damage to your reputation can be devastating.

At MMIC, we recognize the increasing exposure associated with data privacy. That's why we offer Cyber Solutions, a comprehensive insurance program to help protect you and preserve your most valued asset – your reputation.

Your Exposure

Health care is among the top three industries most frequently victimized by data breaches.* This isn't surprising, given the type of data that is collected and stored by most health care organizations, including Social Security numbers, dates of birth, personal health information, billing and insurance information. Patient data collected and stored by health care organizations is often a target for fraudulent use. Consider the following:

- In 2010, the average cost of a health care data breach per customer record was \$301.*
- Damaged reputations can often be the most devastating impact of a data breach.

State and Federal Regulations

The health care industry is subject to a variety of federal and state regulations, due to the personally identifiable information and protected health information that is collected and stored. Fines and/or penalties can be assessed when statutes are not followed.

Periodic audits are conducted by regulatory authorities to ensure compliance and enforce penalties, with fines ranging from \$25,000 to \$1.5 million for cases of "willful neglect."

* Ponemon Institute Annual Study – www.ponemon.org

** Eligible policyholders include hospitals with revenues less than \$250 million and medical professional liability deductibles less than \$250,000.

Cyber Solutions for Hospitals \$100,000 in Comprehensive Coverage

As of 1/1/2012, we are pleased to offer Cyber Solutions coverage at no additional cost to eligible** hospitals as an endorsement to our medical professional liability policy. \$100,000 in coverage is provided with the option to purchase \$10,000,000. See page two for detailed coverage information.

Cyber Risk Management On-line Loss Prevention Resources

As an MMIC client, you'll have unlimited access to an on-line data security risk management service including:

- Online compliance materials
- Quarterly newsletters and instant alerts
- Expert support online
- Step-by-step procedures to lower risk
- Training modules
- Guidance for handling data breaches

Health IT Consulting HIPAA Security Services

MMIC Health IT can help prepare your organization for HIPAA security compliance. Our services include:

- Baseline compliance assessment
- Security risk analysis
- Breach risk of harm assessment
- Risk remediation consulting
- Audit preparation and planning
- Workforce security training

Your first two hours of service are on us!

Please visit our Web site at MMICGroup.com/CyberSolutions or contact your agent.

Claims are administered by NAS Insurance Services, Inc.

Cyber Solutions for Hospitals

Multimedia Insurance	<p>Provides third party liability coverage for claims alleging that electronic media on the policyholder's Internet site or print media resulted in:</p> <ul style="list-style-type: none"> ■ Defamation, libel and slander or product disparagement ■ Invasion, infringement or interference with an individual's right of privacy or publicity ■ Plagiarism, piracy or misappropriation of ideas under an implied contract ■ Infringement of copyright, trademark, trade name, trade dress, title, slogan, service mark or service name ■ Domain name infringement or improper deep-linking or framing
Privacy Liability	<p>Provides third party liability coverage for claims resulting from:</p> <ul style="list-style-type: none"> ■ A breach of confidentiality, or an infringement or violation of any right to privacy ■ A breach of privacy regulations governing the confidentiality, access, control and use of personally identifiable, non-public information, including HIPAA
Security Liability	<p>Provides third party liability coverage for claims resulting from:</p> <ul style="list-style-type: none"> ■ Unauthorized access to or use of the policyholder's computer system ■ A denial of service attack against the policyholder's computer system ■ An infection of the policyholder's computer system by malicious code or the transmission of malicious code
Privacy Regulatory Defense and Penalties Coverage	<p>Provides coverage for a government investigation, resulting from a security breach or privacy breach including:</p> <ul style="list-style-type: none"> ■ Regulatory fines and penalties ■ Regulatory compensatory awards ■ Defense costs associated with the investigation
Privacy Breach Response Costs, Patient Notification Expenses and Patient Support	<p>Provides coverage for the following costs resulting from a security breach or privacy breach:</p> <ul style="list-style-type: none"> ■ Legal expenses ■ Computer forensic and investigation fees ■ Public relations expenses ■ Postage expenses ■ Related advertising expenses ■ Patient support and credit monitoring expenses
Network Asset Protection	<p>Provides coverage for reasonable and necessary sums required to recover and/or replace computer data that is compromised, damaged, lost, erased or corrupted. Coverage also includes business interruption and extra expense coverage for income loss because of the total or partial interruption of the computer system.</p>
Cyber Extortion Coverage	<p>Provides coverage for extortion expenses and extortion monies as a direct result of a credible cyber extortion threat.</p>
Cyber Terrorism Coverage	<p>Provides coverage for income loss and interruption expenses because of the total or partial interruption of the policyholder's computer system due to a cyber terrorism attack.</p>
Limits of Coverage & Deductible	<p>\$100,000 limit per claim/\$100,000 aggregate per policy year/\$2,500 deductible per claim</p>

Cyber Solutions coverage is effective 1-1-2012 pending state approval.

This is claims-made coverage. Defense costs are provided within the limits of liability. The actual language of the policy issued will control the specific coverages available. In providing this summary, MMIC Insurance, Inc. does not waive any rights established by the policies it issues.