

Cyber Solutions™ for Physicians



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 independently owned and operated physician practices with medical professional liability deductibles less than \$250,000.

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

As of 1/1/2012, we are pleased to offer Cyber Solutions coverage at no additional cost to eligible** physicians 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 Physicians

Network Security Liability	<p>Provides third party liability resulting from unauthorized access or unauthorized use of your computer system resulting in:</p> <ul style="list-style-type: none"> ■ The failure to prevent unauthorized access to, use of, or tampering with a third party's computer systems ■ The inability of an authorized third party to gain access to your services ■ The failure to prevent denial or disruption of Internet service to an authorized third party ■ The failure to prevent identity theft or credit/debit card fraud ■ The inadvertent transmission of harmful or corrupt software code, including computer viruses, Trojan horses, worms, logic bombs, spyware or spiderware 								
Privacy Liability	<p>Provides third party liability resulting from:</p> <ul style="list-style-type: none"> ■ A breach of confidence, invasion, infringement, interference or violation of any rights to privacy ■ A breach or violation of U.S. federal, state or local statutes and regulations associated with the control and use of personally identifiable financial or medical information including HIPAA 								
Regulatory Fines and Penalties Insurance	<p>Provides coverage for regulatory fines and penalties resulting from a government investigation involving a privacy or security breach.</p>								
Customer Notification and Credit Monitoring Costs Insurance	<p>Provides all reasonable and necessary costs incurred in notifying third persons of any actual or potential privacy breach including:</p> <ul style="list-style-type: none"> ■ Legal expenses ■ Computer forensic and investigation fees ■ Public relations expenses ■ Postage expenses ■ Advertising expenses and ■ Twelve months of credit monitoring services for affected individuals 								
Data Recovery Costs Insurance	<p>Provides reasonable and necessary expenses incurred to recover and/or replace data that is compromised, damaged, lost, erased or corrupted as a result of a data interference act.</p>								
Limits of Coverage	<p>\$100,000 in coverage is provided for each claim. The annual aggregate limit is based upon the number of physicians on the policy as of the effective date of coverage.</p>								
Aggregate Limits	<table border="0"> <tr> <td>One physician</td> <td>\$100,000</td> </tr> <tr> <td>Two–10 physicians</td> <td>\$200,000</td> </tr> <tr> <td>11–20 physicians</td> <td>\$300,000</td> </tr> <tr> <td>21+ physicians</td> <td>\$500,000</td> </tr> </table>	One physician	\$100,000	Two–10 physicians	\$200,000	11–20 physicians	\$300,000	21+ physicians	\$500,000
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Two–10 physicians	\$200,000								
11–20 physicians	\$300,000								
21+ physicians	\$500,000								
Deductible	<p>None</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.