



# Cyber and Healthcare Regulatory Liability Protection

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**ISMIE**<sup>®</sup>

Our Passion Protects Yours<sup>®</sup>

# ISMIE's Cyber and Healthcare Regulatory Liability Protection

ISMIE continues to improve its Cyber and Healthcare Regulatory Liability Protection by providing our policyholders with some of the highest basic cyber coverage limits in the Medical Professional Liability (MPL) marketplace. In today's ever-changing healthcare landscape, ISMIE is proud to offer our policyholders outstanding coverage and a commitment to help protect their practice from cyber and digital threats.

## SUMMARY OF COVERAGE

**Data and Network Liability** pays damages and claims expenses due to:

1. A data breach;
2. A security breach;
3. The organization's failure to timely disclose a data or security breach; or
4. Failure to comply with a privacy policy.

**Breach Response** covers fees and costs associated with a data or security breach, including:

1. An attorney to provide legal advice regarding obligations to pursuant to breach notice laws or a merchant services agreement;
2. A computer security expert to determine the existence, cause and scope of an actual or reasonably suspected data breach;
3. A PCI forensic investigator to investigate the existence and extent of a data breach involving payment card data pursuant to a merchant services agreement;
4. Notification to individuals potentially impacted, credit monitoring, or other solutions; and
5. Crisis management

**Regulatory Defense and Penalties** provides coverage for any regulatory proceeding brought against the policyholder because of a data or security breach.

**Business Interruption Loss** provides coverage for any income loss, forensic expenses, and any extra expense as the result of a security breach.

**Media Liability** provides coverage for any claim which arises from the display of information online, such as the policyholder's website or social media accounts.

**Payment Card Liabilities and Costs** provides protection for losses under the terms of merchant services agreements enabling policyholders to accept credit, debit, or other payment cards.

**Cyber Extortion Loss** provides reimbursement to the policyholder for losses that result from a threat to alter, destroy, damage, delete or release electronic data, including patient, business and personal information and software.

**Data Recovery Costs** covers expenses incurred to regain access to, replace, or restore the policyholder's lost data.

**Reputational Loss** covers net profit lost by the policyholder during the notification period due to damage to the policyholder's reputation as the result of an actual or reasonably suspected data breach.

**Healthcare Regulatory Liability** provides coverage for any claim which arises from an alleged error or omission involving: billing errors, self-referrals, violations of the Health Insurance Portability and Accountability Act, False Claims Act, and/or the Emergency Medical Treatment and Labor Act.

**eCrime** provides coverage for financial loss resulting from fraudulent instruction, funds transfer fraud, or telephone fraud, and criminal rewards that lead to the arrest and conviction of individuals committing eCrimes.

**Note: ISMIE Mutual is continually expanding access to our Cyber and Healthcare Regulatory Liability Protection, but it is not currently available to all policyholders in all states. Cyber and Healthcare Liability Protection does not apply to ISMIE Mutual Michigan policyholders insured through the SEMPIC program. The applicability of this coverage is as stated in your ISMIE Mutual policy.**

## Endorsement Aggregate Limit and Sublimits

Endorsement Aggregate Limit of Liability	Coverage	Sublimits (included in Aggregate, not in addition)
<b>Physician Group: \$500,000</b>  <b>Individual Physician: \$100,000</b>	Regulatory Defense and Penalties	\$50,000
	Business Interruption Loss	\$20,000
	Media Liability	\$50,000
	Payment Card Liabilities	\$50,000
	Cyber Extortion Loss	\$20,000
	Data Recovery Costs	\$20,000
	Reputational Loss	\$20,000
	Healthcare Regulatory Liability	\$50,000
	eCrime: Fraudulent Instruction	\$20,000
	eCrime: Funds Transfer Fraud	\$20,000
	eCrime: Telephone Fraud	\$20,000
	eCrime: Criminal Reward	\$20,000

- Business Interruption** includes three sublimits inside the \$20,000 limit shown above:
  - 'income loss' of \$5,000 per hour
  - 'forensic expenses' of \$5,000 per policy period
  - 'business interruption loss' of \$5,000 arising from computer systems hosted by others
- Limits are in excess of the applicable retention (see next page).

## Breach Response Aggregate Limit of Coverage

Physician Group	\$225,000
Individual Physician	\$75,000

- Breach Response Aggregate Limit** is separate from and in addition to the endorsement aggregate limit.
- Limits are in excess of the applicable retention (see next page).

## Retentions

Coverage	Physician Group	Individual Physicians
Regulatory Defense and Penalties	\$2,500	\$0
Business Interruption Loss	\$2,500	\$0
Media Liability	\$2,500	\$0
Payment Card Liabilities	\$2,500	\$0
Cyber Extortion Loss	\$2,500	\$2,500
Data Recovery Costs	\$2,500	\$0
Reputational Loss	\$2,500	\$0
Healthcare Regulatory Liability	\$0	\$0
eCrime	\$2,500	\$0
Breach Response	\$0	\$0

### Three Critical Facts to Remember with ISMIE's Cyber and Healthcare Regulatory Liability Protection:

1. Time is of the essence when reporting a claim. State and federal privacy, health information and consumer protection laws mandate strict time notification requirements. If you become aware of a breach, you should contact the ISMIE Claims Division as soon as possible at (800) 782-4767 x 3510.
2. Each federal and state regulation is complex and ever-changing. Legal experts are available to assist and defend you. You must utilize one of the select attorneys. They will become your advocate and advisor in partnership with ISMIE.
3. As with ISMIE's other supplemental policy coverages, ISMIE's Cyber and Healthcare Regulatory Liability Protection carries a retention (i.e., deductible) feature that is referenced in the above summary of coverage. This means that each policyholder is responsible for claims payments, penalties, expenses, and business interruption loss until such time as the retention has been met. Afterwards, ISMIE will be responsible for such costs subject to the applicable aggregate limits and sublimits referenced in the summary of coverage on page one.

The protection and services outlined above are stated generally and do not change, modify, or amend the terms, conditions and coverages included in the cyber liability endorsement attached to your policy, or the policy itself. In all cases, the language of the Cyber and Healthcare Regulatory Liability Protection endorsement and the policy itself will determine the protection and the services provided to you.

# Higher Limits for Cyber Liability Protection

- Obtaining higher cyber liability limits is simple for individual physician policyholders and groups with up to 10 physician affiliates, and is \$850\* per physician.
- Larger groups or any policyholder desiring limits higher than \$1M aggregate must complete an application to receive an indication for higher cyber limits.
- In addition to higher cyber liability limits, you can increase your Healthcare Regulatory Liability limits for an additional premium charge.
- Higher eCrime coverage limits are also available for additional premium.

See chart below for increasing your Endorsement Aggregate Limit of Liability to \$1M overall, with expanded sublimits.

## Higher Limits for Individual Physicians and Physician Groups with up to 10 Affiliates

Coverages Included	Individual Physicians		Physician Groups	
	Basic	Expanded	Basic	Expanded
Data & Network Liability	\$100,000	\$1,000,000	\$500,000	\$1,000,000
Breach Response Aggregate Limit of Liability	\$75,000	\$250,000	\$225,000	\$750,000
Regulatory Defense & Penalties	\$50,000	\$100,000	\$50,000	\$500,000
Business Interruption Loss	\$20,000	\$20,000	\$20,000	\$50,000
Media Liability	\$50,000	\$250,000	\$50,000	\$500,000
Payment Card Liabilities and Costs	\$50,000	\$50,000	\$50,000	\$100,000
Cyber Extortion Loss	\$20,000	\$25,000	\$20,000	\$50,000
Data Recovery Costs	\$20,000	\$20,000	\$20,000	\$50,000
Reputational Loss	\$20,000	\$20,000	\$20,000	\$20,000
Healthcare Regulatory Liability	\$50,000	\$50,000	\$50,000	\$100,000
eCrime: Fraudulent Instruction	\$20,000	\$20,000	\$20,000	\$20,000
eCrime: Funds Transfer Fraud	\$20,000	\$20,000	\$20,000	\$20,000
eCrime: Telephone Fraud	\$20,000	\$20,000	\$20,000	\$20,000
eCrime: Criminal Reward	\$20,000	\$20,000	\$20,000	\$20,000

Insureds that obtain higher coverage limits will have retentions of \$5,000 for Physician Groups and \$2,500 for Individual Physicians.

To secure expanded protection, please complete the application for Higher Limits for Cyber Liability Protection and return to [underwriting@ismie.com](mailto:underwriting@ismie.com), or via fax to 312-782-2023. To discuss higher cyber limits or any aspect of ISMIE's Cyber Liability Protection, please contact your Underwriting representative at 800-782-4767 ext. 3350. If you have an insurance producer, you may contact him or her. Application and more information available at [www.ismie.com](http://www.ismie.com).

\*Subject to a completed application and underwriting review and approval.