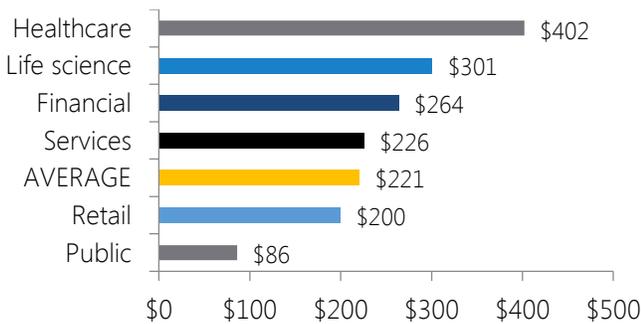
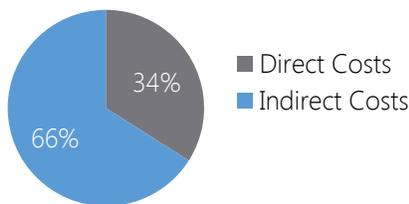


In the health care industry today, it's not a matter of *if* a breach will occur—it's a matter of *when*. Patient data collected and stored by health care organizations is a target for fraudulent use. According to Ponemon Institute's latest research, malicious or criminal attacks are on the rise and are now the leading cause of a data breach.¹

The health care industry maintains that highest cost per lost or stolen record is \$402. This is substantially above the average (mean) cost of \$221 per record.



The average cost includes both direct and indirect costs. Direct costs include forensic experts, credit monitoring, call centers, attorney fees, fines and penalties. Indirect costs include in-house investigations and communications, the value of lost customers, and damage to reputation and goodwill. Organizations spend nearly twice as much on indirect costs as compared to direct costs.²



¹ Sixth Annual Benchmark Study on Privacy & Security of Healthcare Data published by the Ponemon Institute May 2016

² 2016 Cost of a Data Breach Study: United States published by the Ponemon Institute June 2016

Comprehensive Coverage

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. Eligible³ policyholders receive \$100,000 in coverage as an endorsement to their policy, with the option to purchase up to \$10,000,000.

Coverage is included for both third party liability claims as well as first party (direct) costs incurred in the event of a privacy breach with no deductible. Refer to page two for a detailed summary of coverage.

Online Loss Prevention Resources

As an MMIC policyholder, you have unlimited access to an online data security risk management service including:

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

To access the online loss prevention resources and for additional information, log in to MMICgroup.com and click on Cyber Solutions or contact your insurance agent.

³ Eligible policyholders include independently owned and operated physician practices, hospitals, long-term care and outpatient facilities with revenues less than \$250 million and medical professional liability deductibles less than \$250,000. Cyber Crime is sub-limited at \$25,000.



Multimedia Liability Insurance	Provides coverage for third party claims alleging copyright or trademark infringement, libel or slander or plagiarism. Coverage is included for both online and offline media.
Security and Privacy Liability	Provides coverage for third party claims alleging liability resulting from a security or privacy breach, including the failure to safeguard online or offline information, or the failure to prevent virus attacks, denial of service attacks or the transmission of malicious code.
Privacy Regulatory Defense and Penalties	Provides coverage for defense costs and regulatory fines/penalties incurred in defense against regulatory investigations of privacy or security breaches. <i>Coverage for regulatory fines/penalties is provided to the extent insurable by law.</i>
Privacy Breach Response Costs	Provides coverage for all reasonable legal, public relations, advertising, IT forensic, call center, credit monitoring and postage expenses incurred by the insured as a result of a privacy breach.
PCI DSS Assessment*	Provides coverage for defense costs and fines or assessments levied by the Payment Card Industry Data Security Standards council (VISA, Mastercard, AmEx, Discover and JCB) or acquiring banks against merchants who are not PCI DSS compliant.
Network Asset Protection	Provides coverage for amounts incurred to recover and/or replace data that is compromised, damaged, lost, erased or corrupted due to accidental damage or destruction of electronic media or computer hardware, administrative or operational mistakes in the handling of electronic data, or computer crime/attacks. Coverage also extends to business income loss and interruption expenses incurred as a result of a total or partial interruption of the insured's computer system directly caused by any of the above events.
Cyber Extortion Coverage	Provides coverage for extortion expenses and extortion monies as a direct result of a credible cyber extortion threat.
Cyber Terrorism Coverage	Provides coverage for income loss and interruption expenses because of a total or partial interruption of the insured's computer system due to a cyber terrorism attack.
BrandGuard®*	Provides coverage for lost income directly resulting from an adverse media report and/or notification to customers of a security or privacy breach.
Cyber Crime*	Provides coverage for: <ul style="list-style-type: none"> • Financial fraud - fraudulent transmission of money or securities from the insured's account at a financial institution due to fraudulent instruction transmitted to a financial institution; and theft by electronic means from the insured's bank account or corporate credit cards. • Telecommunications fraud - charges incurred due to unauthorized access to the insured's telecommunications system. • Phishing attack – expenses incurred to notify customers of a phishing attack (fraudulent electronic communications or malicious websites used to impersonate the insured or the insured's products or services in order to solicit private information); and to reimburse existing customers for their losses directly resulting from such phishing attack.
Medefense® Plus*	Provides coverage for defense costs, shadow audit expenses and regulatory fines and penalties resulting from civil investigations or proceedings brought by a government entity, commercial payer, or a qui tam plaintiff under the federal False Claims Act alleging erroneous billings, including such investigations or proceedings resulting from the Insured's voluntary self-disclosure to a government entity. Coverage is also included for defense costs and regulatory fines and penalties resulting from EMTALA, HIPAA, or Stark Proceedings.

****Indicates new coverage provided in 2017 pending approval of state department of insurance.***

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. Claims are administered by NAS Insurance Services, Inc.