Data breach: just the facts

Data breach defined
Loss, theft, accidental release or accidental publication of Personally Identifiable Information (PII) and Protected Health Information (PHI) including:
- Social Security number
- Bank account number
- Credit or debit card numbers
- Driver’s license number
- Patient history and medications

How a breach can occur
- Hacking
- Theft or release due to unauthorized access (such as by former employees or vendors)
- Stolen or lost paper and electronic files
- Stolen or lost laptop, smartphone, tablet or computer disks
- Stolen credit card information
- Employee error or oversight

Who needs data breach coverage
Any business, small or large, that handles or stores any private business, customer, patient or employee data is at risk. The following businesses are at a higher risk for a data breach because of the quantity and type of sensitive information they handle and store:
- Health care practices
- Law offices
- Accounting offices
- Retailers
- Restaurants
- Financial services

How data breach insurance can help
- Provides access to time-saving professional services to help quickly restore your business’ reputation, guide you in handling a breach and assistance with regulatory compliance
- Covers response expenses, including mailing notification letters, credit monitoring services and public relations
- Provides coverage for defense and liability expenses in the event you’re sued because of a breach

Data breach statistics
- **31%** of data breaches investigated in 2012 were from organizations with fewer than 100 employees¹
- **In 66%** of cases, the breach wasn’t discovered for months – or even years (up from 56% in 2011)¹
- **94%** of all medical organizations have had at least one breach occur within the past two years²

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¹ Source: Verizon Data Breach Investigations Report 2012
² Source: The Dark Reading 2013 Data Breach Study
Insurance coverage details

Response expenses (First party)

Coverage helps pay for the cost of:
- Legal and Forensic Services to assess whether a breach occurred and assistance with regulatory compliance if it’s determined that a breach occurred ($5,000 sublimit applies)
- Notification to impacted customers and employees, and associated expenses, such as letter preparation and mailing costs
- Crisis Management/Public Relations to inform your customers a breach has occurred and to help restore your business’ reputation
- Good Faith Advertising Services to organize and create a media response ($5,000 sublimit applies)
- Monitoring Services to pay for credit, fraud, public records or other monitoring alerts, if warranted

Available Limits: $10,000; $25,000; $50,000; $100,000
Per-Claim Deductible: $1,000 for $10,000 and $25,000 limits; $2,500 for $50,000 and $100,000 limits

Defense and liability expenses (Third party)

- Coverage for civil awards, settlements and judgments that you're legally obligated to pay
  Available Limits: $50,000; $100,000; $250,000; $500,000
  No deductible applies
  Defense costs are within limits

Service details

Access to a data breach website providing:
- Tips and resources to help you minimize the chance for a breach and safeguard Personally Identifiable Information and Protected Health Information
- Legal requirements by state
- Information on how to create a data breach incident response plan
- Guidance on what needs to be done if a breach occurs

Team of breach experts who will:
- Assist you if you believe a breach has occurred and determine the potential severity of the breach
- Consult on “next steps” to address a breach situation

Contact us today to learn more and get a quote!

1 Percentages are approximations based on the Verizon 2013 Data Breach Investigations Report.
2 The Third Annual Benchmark Study on Patient Privacy and Data Security presented by Ponemon Institute, December 2012.
3 $500,000 is the only defense and liability expense limit available in New York.

This document contains only general descriptions of coverages which may be provided and does not include all of the features, exclusions and conditions of the policies it describes. Certain coverages and features vary by state any may not be available to all insureds. In the event of a loss, the terms of the policy and circumstances of the loss will determine the coverage provided.