



Home Helpers®



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Cyber Liability Insurance

Q: What is Cyber Liability?

A: Cyber liability is an insurance policy to provide the protection that businesses need in the event of a data breach. This includes breach management expertise to ensure the breach is managed properly and in accordance with regulatory requirements.

Q: Why is Cyber Liability Important?

- A:** • The average data breach cost is \$141 per lost or stolen record
- 60% of small businesses victimized by cyber crime shut down within 6 months
- Over 4 Billion records were breached or stolen in 2016
- The healthcare industry experiences the highest overall cost per data breach

Q: Does my general liability policy cover cyber liability risks and exposures?

A: Most do not provide coverage for these exposures. While some business policies include limited cyber coverage, it is usually insufficient to provide adequate coverage

Q: How can a data breach occur?

- A:** Hacking incidents are the most recognizable and expensive cause of data loss, and over the last few years have also become the most common.
 - 49% of the data breach causes are malicious and criminal attacks
 - 32% are system glitches, such as software updates, which inadvertently expose private files or information
 - 9% are from people making mistakes, such as losing laptops and flash drives

Q: What types of businesses need cyber liability?

A: Any business, large or small, collecting personally identifiable information is at risk for a cyber attack or data breach

Q: Why is cyber liability important for Medical providers?

A: Medical providers are responsible for highly sensitive medical information that is governed by federal HIPAA provisions. HIPPA fines and penalties can be very costly (See chart below)

