

# Data Privacy Insurance

## Frequently Asked Questions

Princeton Insurance data privacy coverage offers comprehensive protection for data breach notification and remediation, third party liability and government investigation defense costs. Contact your independent agent or visit [PrincetonInsurance.com](http://PrincetonInsurance.com) for more information or to apply for this important, optional coverage addition.

- 1. What is Data Privacy Insurance?** Data privacy insurance provides optional protection to physician and surgeon policyholders in the event of a data breach, including breach notification and credit monitoring costs, remediation services, third party liability coverage and government investigation defense costs.
- 2. Why is it important?** Data privacy breaches in the healthcare setting are becoming more and more commonplace. Meanwhile, government regulations such as HIPAA and HITECH place increasing burdens on healthcare providers to maintain strict privacy controls, which, when breached, may lead to costly notification and monitoring responses, third party claims and possible government investigations. Healthcare providers are increasingly seeing data privacy insurance as a necessary component in the comprehensive protection of their practice.
- 3. What are the various aspects of the coverage?** The coverage is claims made, with an optional, one-year reporting endorsement. The coverage is designed to pay for breach notification, credit monitoring costs and remediation made necessary because of a covered incident, respond to third party liability claims due to a covered incident and defense costs in the event of government investigations related to a covered incident. For more information, contact your independent agent.
- 4. In what way is Princeton's coverage different from other cyber liability products?**

#### **We do the work**

Most other companies offering "cyber liability" coverage use a third party to administer their program. In the event of a claim, policyholders will likely have to deal with representatives from these third party affiliates, not with the staff of the company providing their malpractice insurance, whom they are trusting to protect their professional reputation.

#### **It's our own coverage form and personnel**

Princeton has chosen to carefully research and create its own data privacy coverage option, underwritten by Princeton staff and utilizing the same experienced claims professionals that the New Jersey healthcare community has come to depend upon for decades. A specially trained underwriting team will carefully analyze each submission to make sure the product and pricing are correct for the exposure presented. And perhaps most important, we will not hand your claim off to a third party.

#### **We are your call center**

Contrary to some companies, which offer guidance in setting up a call center in the event breach notification is required, Princeton's personnel will actually staff and conduct the call center operation for you. This seemingly small distinction can become very significant depending on the size of a data breach and the number of individuals that must be contacted and offered additional services, such as credit monitoring.

#### **Our legal experts will defend you**

We have retained Garfunkel Wild, P.C., a leading healthcare law firm recognized for its expertise in HIPAA and HITECH regulation and response, to defend you in responding to such claims. This nationally recognized group has assisted many healthcare providers and facilities throughout the tri-state region in handling alleged breaches of Protected Health Information and related matters. They will assist us and our policyholders in defining the response required to comply with applicable state and federal laws and regulations, in preparing any notifications to patients and governmental officials required, and in defending our policyholders against any third party claims and governmental investigations caused by covered incidents.

# Princeton Insurance

 A Medical Protective/Berkshire Hathaway Company

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Thus, Princeton will offer more than just guidance to physicians confronted with a breach; it will provide those physicians with the exclusive services of a law firm that is expert in handling such matters and has an established track record in effectively dealing with the problems associated with them.


**5. What are the limits and rates for this coverage option?** Per claim limits are as follows:

Breach Notification, Credit Monitoring Costs	\$50,000
Third-Party Liability Coverage	\$50,000
Government Investigation Defense Coverage	\$25,000
Remediation Costs	\$5,000

Shared annual aggregate limits and premium rates are based on the size of the practice being covered:

Number of Exposures	Aggregate of All Coverages	
	Combined Per Policy Period	Premium
1 physician and/or entity	\$100,000	\$450
2 to 3 physicians and entity	\$250,000	\$750
4 physicians and entity	\$250,000	\$1,250
5 to 10 physicians and entity	\$250,000	\$1,750
11 to 19 physicians and entity	\$500,000	\$2,500
20 or more physicians and entity*	Refer to Company	Refer to Company

\* Availability of \$500,000 or \$1,000,000 Aggregate

- 6. Is the coverage available to all Princeton policyholders?** At the outset, this optional coverage is being offered to Princeton Insurance physicians and surgeons professional liability policyholders.
- 7. Is it a separate policy?** No. The coverage will be added as an optional endorsement onto physicians' and surgeons' entity policies and solo, office-based practices.
- 8. Will the endorsement be automatically added to all professional liability policies?** No. The coverage is optional and requires underwriting pre-approval.
- 9. Is an application required?** Yes. There is a brief [application](#) which must be completed and returned for underwriting consideration.
- 10. Does Princeton offer risk management materials related to data privacy issues?** Yes. An informative [Did You Know?](#) flyer identifies some of the most common risk concerns related to data privacy, while our exclusive [self assessment checklist](#)  can help physician practices identify areas of strength and weakness. Data privacy issues and solutions will be regularly discussed at [RiskReviewOnline.com](#).

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