



TOKIO MARINE  
HCC



# e-MD<sup>®</sup> Claims Scenarios



## e-MD® Third Party

### Bodily Injury Liability

A hacker breached the HVAC system at a medical office and installed a remote access program, which he used to turn off the building's air conditioning on a hot summer day. An elderly patient waiting in the reception area became dizzy and fainted as a result of overheating.

The patient was rushed to a hospital and was treated for a head injury. The patient's family sued the medical office for the bodily injury she sustained as a result of the incident.



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### TCPA Defense Coverage

As part of its new debt collection program, a physician's office implemented a new automatic telephone dialing system to contact patients and leave prerecorded voicemail messages concerning outstanding balances.

Several patients filed a class action complaint alleging that the telephone calls were unsolicited, unauthorized, an invasion of privacy and illegal under the Telephone Consumer Protection Act ("TCPA"). Cyber Liability insurance covered the defense costs incurred to defend the TCPA complaint, which totaled more than \$25,000.

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## e-MD® First Party

### Breach Event Costs

A mid-size physician's practice fell victim to a ransomware attack, in which more than 100 computers were affected. The computers contained confidential patient information, which may have been compromised during the breach. The practice did not pay the ransom and instead focused its efforts on reconfiguring the impacted computers and servers and restoring the data from a backup. Under state privacy laws, the practice was required to notify almost 280,000 patients about the breach. Cyber Liability insurance covered the breach notification costs, which totaled approximately \$750,000.



### Post Breach Remediation Costs Coverage

A small medical group experienced a ransomware event affecting its computer systems. Forensic investigators were hired to determine whether the attacker's malicious activities involved access to sensitive information. It was later determined that no critical data was breached. To mitigate the potential of a future security breach, two-factor authentication and firewall systems were implemented. In addition, security awareness training was provided to the medical group's staff. Cyber Liability insurance covered the cost to implement these cyber security measures, which totaled more than \$20,000, as post breach remediation costs.

### Dependent System Failure

A solo physician's practice uses third party software to manage its electronic medical records, billing, demographic information, scanned patient documents, retail inventory support, and appointment scheduling. Flaws in the third party software caused a disruption to the normal operation of the doctor's office for approximately 30 days.

Although the doctor's office remained open, some patients were rescheduled and new patients were turned away due to the office's inability to access the appointment scheduler, billing and electronic medical records. After applying the waiting period, Cyber Liability Insurance covered roughly \$20,000 as the doctor's dependent business interruption loss.

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### Property Damage Loss

A hacker hijacked several inkjet printers at a medical office to spread malware through the office's computer network. The intrusion caused several of the printers to overheat and fill with smoke before shutting down.



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### Reward Expenses Coverage

A hacker used malware to seize control of a physician's computer system. When the physician's office manager attempted to access a file, a message appeared on the computer screen instructing him to pay a ransom in bitcoin in order to regain control of the system. The next day, the office manager received a call from an informant who offered to provide information about the person responsible for the attack, in exchange for a reward. The physician agreed to pay a \$10,000 reward, and the information provided by the informant subsequently led to the arrest and conviction of the hacker responsible for the attack. Cyber Liability insurance covered the \$10,000 reward.



### Court Attendance Costs Coverage

The owner of a dermatology center was sued for copyright infringement after she pulled an image from a Google images web search and used it on the center's website and online promotional material. The lawsuit was accepted by Tokio Marine HCC as a claim under Multimedia Liability Coverage. In an effort to resolve the legal dispute, the owner of the dermatology center was required to attend mediation sessions over the course of several days. Tokio Marine HCC reimbursed the owner for her actual loss of earnings and reasonable costs and fees to attend the mediation sessions under the Court Attendance Costs Coverage.

### Bricking Loss

Employees of a small medical clinic were provided with company-issued iPhones. With the use of malware, a malicious hacker gained unauthorized access to the medical clinic's network and caused all of its company-issued iPhones to be corrupted and rendered useless. Cyber Liability insurance covered the cost to replace the iPhones impacted by the malware infection.

*This communication provides a general product summary and should not be construed as a guarantee of coverage. Any claim scenarios described in this communication are hypothetical and used solely for the purpose of illustrating how the insurance is intended to apply to certain situations. Whether, or to what extent, the insurance applies to a particular claim or loss depends on the circumstances of the claim or loss and the terms and conditions of the policy, as issued.*



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