

TELEMEDICINE AND CYBER RISK

A closer look at why bridging the gap between medical malpractice and cyber risk is critical for the wellness of patients and the healthcare industry. How is it a threat and how might it affect you?



Healthcare — which includes telemedicine — is among the most targeted industries:



18.8% is the rate at which the global telemedicine market is estimated to grow per annum from 2017-2022, reaching more than \$66 billion by 2021.¹



23.7% of the total reported breaches were healthcare-related in 2017 according to the Identity Theft Resource Center.



89% increase in ransomware aimed at healthcare entities occurred in 2017.²

Telemedicine is the use of telecommunication and information technology to provide clinical healthcare from a distance. It also helps make providing healthcare services more convenient.



At-home monitoring devices



Specialty medical care provided remotely to rural or less-accessible areas



Reviewing patients' records and images via computer

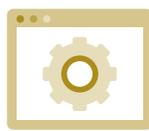


Advanced medical diagnostic devices

With these advances come potential risks, as these new frontiers expand the attack surface.³



The network



Software and web applications



Social engineering, errors, and trusted insiders



Unpatched software



Telemedicine reduces **limitations of distance**, but may **raise licensing/regulatory compliance issues** when crossing state or country borders.



Telemedicine may also **raise concerns about misdiagnosis** due to distance or technology failures.

Malicious actors receive a lot of publicity, but consider these other potential threats:



Employee error



Insider threat



Unintentional disclosure



43% of healthcare cyber events are caused by internal threats. Employee training is now nearly as important as protection against outside perils.

What does this mean for you?



To bridge the gap between medical malpractice and cyber risk, insurers are bringing **expertise in medical malpractice coverage and the needs of healthcare entities** to the cyber insurance space.



Keeping abreast of developments in healthcare helps insurance brokers avoid errors and omissions risks.

Policies that combine the appropriate mix of professional liability, general liability and privacy and network security (cyber liability) have become increasingly relevant and help to eliminate coverage gaps.

¹ <https://www.mordorintelligence.com/industry-reports/global-telemedicine-involving-industry>

² <https://www.businesswire.com/news/home/20180105005054/en/2017-Healthcare-Breaches-Involving-Ransomware-Increased-89>

³ <https://info.publicintelligence.net/NCCIC-MedicalDevices.pdf>