

Avant Cyber Insurance

Effective 20 March 2023



Medical practices rely heavily on IT systems and technology to provide their healthcare services, with confidential data such as medical records, employee files, financial records and personal information generally stored or accessed electronically. The loss of access or damage to your electronic data could be devastating to both your practice and patients.

Avant Cyber Insurance has been designed to respond to the risks you face now, and in the future, and provide protection for your practice's data and digital assets. The cover complements our existing suite of tailored practice products and services that work together to help you protect your practice, and make running a practice easier, safer and more efficient.

Avant Cyber Insurance provides protection against[^]:

- | | | |
|--|---|---|
|  Damage to digital assets |  Privacy, confidentiality and security liability |  Customer care and reputational expenses |
|  Non-physical business interruption and extra expense |  Privacy, regulation defence, awards and fines |  Multimedia liability |
|  Cyber extortion | | |

[^]Cover is subject to the full terms, conditions and exclusions of the policy.

Complimentary protection

Cover under Avant Cyber Insurance is complimentary for eligible practices, and is provided as an additional benefit to medical practices that hold a current Avant Practice Medical Indemnity Insurance policy. The cover is for the entity or entities named on your Avant Practice Medical Indemnity Insurance policy schedule, and their subsidiaries.

Coverage limit

A practice is covered up to an aggregate limit of \$100,000 (across all sections of the policy) during the policy period.

A total aggregate limit of \$10,000,000 applies for all claims made by all practices during the Avant Cyber Insurance policy period.

Deductibles

A deductible applies to each claim under the policy.

If the insured practice had combined gross billings of \$25,000,000 or less in the 2022 financial year, a deductible of \$5,000 will apply to each claim. This means that the insured practice must pay the first \$5,000 of each claim (or the costs of defending the claim), before the insurer is required to make any payment.

If the insured practice had combined gross billings of more than \$25,000,000 in the 2022 financial year, a deductible of \$10,000 will apply to each claim. This means that the insured practice must pay the first \$10,000 of each claim (or the costs of defending that claim), before the insurer is required to make any payment.

Prevention and support

Avant provides resources and advice to help you proactively manage your practice's risk from a cyber incident. We are also here to support you if you suspect your practice is experiencing or has suffered a cyber incident.

You can call our dedicated Medico-legal Advisory Service team 24/7 in emergencies, who will offer first response support.

If required, we will refer you to an expert cyber response and forensics specialist to help you minimise the incident and get your practice back on track.

Summary of covers

The following is an overview of the coverage provided under the Avant Cyber Insurance Policy only. Please refer to the Avant Cyber Insurance Policy Wording effective 20 March 2023 for full details including the terms, conditions, definitions and exclusions of the policy, which apply to the cover described below.

Damage to your practice's digital assets

Covers direct loss or damage to your data, electronic records and programs stored on your practice's network caused by an insured cause. Where a contractual agreement exists, it also covers the digital assets of your medical tenants on the same network.

For example, the costs of your IT provider to restore, update, recreate or replace disrupted or distorted files from a backup, due to an administrative mistake or malicious third party attack.

Non-physical business interruption and extra expense

Covers income loss and interruption expense due to an interruption to your business in excess of 12 hours – while you are unable to operate your practice because you cannot access your digital assets.

For example, you cannot access your data due to damage from an electrostatic build-up or the failure of a power supply controlled by your practice.

Cyber extortion

Provides reimbursement (where legally permissible) of extortion monies paid by your practice to a person reasonably believed to be responsible for an extortion demand, to terminate a credible threat made by that person in relation to your electronic records, digital assets, computer system or confidential information held by your practice.

For example, the reimbursement of money (including cryptocurrency) paid to the perpetrator of an attack to release or restore encrypted data, if agreed by the insurer before the payment is made.

Privacy, confidentiality and security liability

Covers liability or defence expense payable to a third party due to an actual or alleged wrongful act* by your practice.

For example, if your practice fails to prevent a privacy breach or the unauthorised use of your network to damage digital assets, cause denial of service or send malicious code to another party.

*As defined in the policy wording under Section II

Privacy, regulation defence, awards and fines

Covers the regulatory defence costs and resulting fines and penalties (where insurable under law), if your practice is subject to an investigation by a regulator for an actual or alleged wrongful act**.

For example, your practice fails to prevent a breach of privacy legislation, unauthorised use of your network, or transmission of malicious code to the network of a third party such as a hospital or patient.

**As defined in the policy wording under Section III

Customer care and reputational expenses

Covers some of the expenses incurred, with the insurer's consent, if your practice is legally obligated to notify individuals (or you do so voluntarily to lessen a potential claim) of a security or privacy breach. Some of the forensic expenses associated with investigating the source of the data breach or cyber incident are also covered.

You may also be covered for the costs you incurred to protect or re-establish your practice's public image in the event that the regulatory action, unauthorised attack on your network or loss of confidential information is reported in the media.

Multimedia liability

Covers liability or defence expense from a claim alleging your practice committed a wrongful act*** when publishing content electronically or in print media.

For example, if your practice unintentionally defamed a hospital or was negligent in the publication of online content.

***As defined in the policy wording under Section V

Cover is subject to the full terms, conditions and exclusions of the policy.

IMPORTANT: Avant Practice Medical Indemnity Policy is issued by Avant Insurance Limited ABN 82 003 707 471, AFSL 238 765. The policy wording is available at avant.org.au or by contacting us on 1800 128 268. Practices need to consider other forms of insurance including directors' and officers' liability, public and products liability, property and business interruption insurance, and working compensation. Avant Cyber Insurance cover is available up until 20 March 2024 to eligible Avant Practice Medical Indemnity Insurance policy holders up to the cessation of their policy and is provided under a group policy between Liberty Mutual Insurance company ABN 61 086 083 605 and Avant Insurance. MJN-899 03/23 (DT-3068)