
 **Dentist's Advantage**
PROFESSIONAL LIABILITY & PRACTICE PROTECTION

**Professional Liability in the Dental Practice:
Lessons Learned from Closed Claims**

A report from the Dentist's Advantage Program
in partnership with AIG

**Academy of General Dentistry
Annual Meeting
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Presented by:



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Dentist's Advantage Program**

Presentation Objectives

- Identify the type of allegations and indemnity payments that are most frequently associated with professional liability claims against dentists
- Identify the type of allegations that are most frequently associated with license protection/regulatory Board claims asserted against dentists
- Identify key risk control strategies that dentists can incorporate into their practice to improve patient satisfaction and decrease liability exposures

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Presentation Objectives

- Discuss the facts of selected dentist claims
- Provide participants the interactive opportunity to discuss the claim resolution
 - Consider whether negligence has occurred
 - Indemnity payment
 - Expense costs

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Report Configuration

Dentist Professional Liability Closed Claims Study <ul style="list-style-type: none">• Quantitative Analysis• 2008 –2012• Dentist Professional Liability Exposures: AIG closed claims analysis• Two subsets: closed claims with an indemnity payment and closed claims with expense but no indemnity.	Dentist License Protection Paid Claims Study <ul style="list-style-type: none">• Quantitative Analysis• Analysis of paid claims related to complaints made against a dentist's license: AIG closed claims analysis• May or may not be related to patient care	Dentist Work Profile Survey <ul style="list-style-type: none">• Qualitative Analysis• Dentist's Advantage 2013• Dentist Work Profile Survey• AIG/DA Dentist Customers (with / without claims)
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The report also contains case scenarios and risk control recommendations.

Database & Methodology

- The initial database included 3,310 reported adverse incidents and claims representing 2,640 insureds.
- The report examines only those closed claims that met the following criteria:
 - The claim involved a dentist
 - The claim closed between January 1, 2008 through December 31, 2012
 - The claim resulted in a payment or expense

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Database & Methodology

- The final database set was comprised of 1,805 closed claims which resulted in three data subsets:
 - Professional liability claims with indemnity payments (N=600)
 - Professional liability claims with expenses but no indemnity payment (N=872)
 - License Protection claims (N=333)

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AGD Members



- AGD member insureds represent approximately 14 percent of Program membership
- Of the 600 claims in the indemnity data subset, 9 percent (54 of 600) were associated with AGD member insureds.
- AGD member insured-associated claims for expense only and license protection data subsets were slightly higher at 11.7 percent (102 of 872) and 13.2 percent (44 of 333), respectively.
- Median indemnity amount was similar for AGD member insureds (\$8,273) compared with non-AGD insureds (\$10,427).

AGD Members



- In comparing expense amounts in the indemnity claims subset for both groups, results failed to reach significance
- Number of months from incident to claim closure for indemnity claims was similar for AGD member insureds versus non-AGD insureds (20.4 vs 21.7).
- Results were similar for the expense only and license protection data subsets
- Patient age was similar between AGD member insureds and non-AGD insureds across all three claim payment data subsets (indemnity, expense only, license protection).

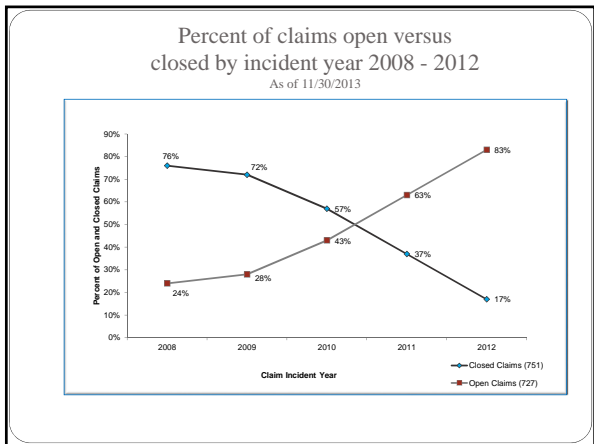
Measuring Claims

- Frequency
 - How often does something happen?
 - Generally expressed as a percentage of total claims
- Severity
 - When it does happen, how much will it cost?
 - Focus will be on average severity
- Incurred losses
 - Indemnity – amount paid to patients on your behalf
 - Expenses – amounts paid to defense attorney, expert witnesses, court costs, etc.

Claim Report for Dental Liability, 2008-2012 Professional Liability Claims With an Indemnity Payment

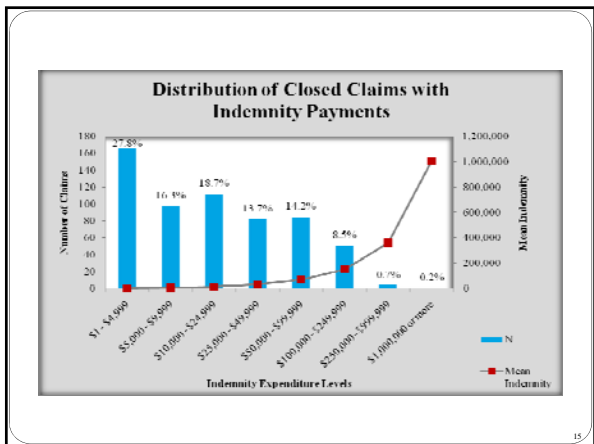
Distribution of Professional Liability Closed Claims with Indemnity Payment and Associated Expenses						
Claim Incident Year	Indemnity Claims (N)	Mean Indemnity	Mean Associated Expense	Total Indemnity Paid	Total Expense Paid	Total Paid
2008	152 (25.3%)	\$49,830	\$26,236	\$7,574,139	\$3,594,271	\$11,168,410
2009	224 (37.3%)	\$33,543	\$16,041	\$7,513,738	\$2,967,668	\$10,481,406
2010	121 (20.2%)	\$28,492	\$15,187	\$3,447,530	\$1,290,858	\$4,738,388
2011	75 (12.5%)	\$32,445	\$4,937	\$2,433,361	\$202,410	\$2,635,771
2012	28 (4.7%)	\$16,727	\$2,604	\$468,368	\$33,856	\$502,224
TOTAL*	600 (100%)	\$35,729	\$17,547	\$21,437,137	\$8,089,062	\$29,526,199

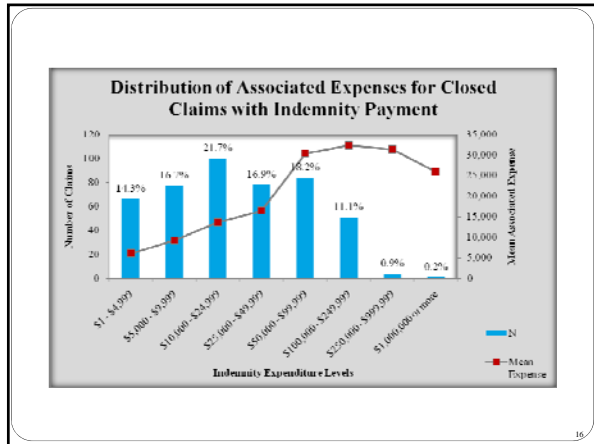
* Many claims remain open; data should be viewed as preliminary



Average Months From Incidence to Close

By Expenditure level	% of Total Claims	Average Months
\$1 to \$4,999	27.8%	13.6
\$5,000 to \$9,999	16.3%	19.8
\$10,000 to \$24,999	18.7%	22.8
\$25,000 to \$49,999	13.7%	25.7
\$50,000 to \$99,999	14.2%	29.4
\$100,000 to \$249,999	8.5%	27.7
\$250,000 to \$999,999	0.7%	36.2
\$1,000,000 or more	0.2%	14.4





Allegation Classification	Closed Claims N (%)	Mean Indemnity	Mean Expense	Maximum Indemnity	Maximum Expense	Total Paid
Error/Improper Performance	442 (73.7%)	\$44,045	\$18,171	\$1,007,095	\$186,452	\$26,427,408
Failure to Take Appropriate Action	29 (4.8%)	\$31,471	\$18,668	\$185,567	\$97,416	\$1,416,714
Unnecessary/Contraindicated Procedure	7 (1.2%)	\$27,264	\$19,204	\$82,235	\$73,623	\$325,278
Continuity of Care/Care Management	4 (0.7%)	\$25,216	\$9,540	\$52,369	\$27,745	\$129,485
Behavior/Legal	22 (3.7%)	\$11,974	\$13,543	\$50,000	\$38,190	\$534,286
Delay in Performance	1 (0.2%)	\$6,546	\$504	\$6,546	\$504	\$7,050
Allegation Not Otherwise Classified	95 (15.8%)	\$5,208	\$9,563	\$186,313	\$75,559	\$685,978
Total	600 (100%)	\$35,729	\$17,547	N/A	N/A	\$29,526,199

General Treatment Classification	Closed Claims N (%)	Mean Indemnity	Mean Expense	Maximum Indemnity	Maximum Expense	Total Paid
Implant related	101 (19.5%)	\$37,121	\$19,540	\$221,006	\$111,382	\$5,234,279
Restorative related	96 (18.5%)	\$21,366	\$19,075	\$102,794	\$186,452	\$3,367,333
Oral surgery related	94 (18.1%)	\$71,189	\$19,233	\$1,007,095	\$84,110	\$8,211,164
Endodontic related	88 (17.0%)	\$23,776	\$12,915	\$169,610	\$131,557	\$3,047,998
Prosthetic related	55 (10.6%)	\$29,749	\$19,863	\$159,058	\$87,195	\$2,589,613
Other (e.g., first aid)	40 (7.7%)	\$23,192	\$13,165	\$201,419	\$75,559	\$1,309,454
Diagnosis related	16 (3.1%)	\$28,302	\$14,200	\$159,058	\$44,960	\$637,421
Preventive related	11 (2.1%)	\$13,565	\$17,726	\$62,627	\$72,245	\$291,025
Orthodontic related	11 (2.1%)	\$52,430	\$32,655	\$302,129	\$110,913	\$870,632
TOTAL	518 (100%)	\$36,027	\$17,822	n/a	n/a	\$25,951,394

Distribution of Professional Liability Claims by General Treatment Classification - Indemnity and Associated Expense

General Treatment Classification	Closed Claims N (%)	Mean Indemnity	Mean Expense	Maximum Indemnity	Maximum Expense	Total Paid
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Case Study - Surgery

- General dentist extracts all four third-molars on a 30 year old male
 - #17 and #32 were partially bony impacted,
 - #1 and #16 were fully erupted
- Following procedure patient complains of numbness on left side
- General dentist consults with oral surgeon who suggests mapping the tongue to asses progress
- Patient requests a copy of records, consults with his own oral surgeon and files a claim

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Case Study - Implants

- Prosthodontist places six maxillary implants and designed a full upper denture for a 66 year old female patient – a lifelong smoker
- Following procedure patient complains:
 - Could not keep the implants properly cleaned
 - Denture was too wide for her mouth
- Implants ultimately failed due to peri-implantitis
- Patient required reconstruction of upper jaw and a new denture
- Patient brought a lawsuit against the prosthodontist

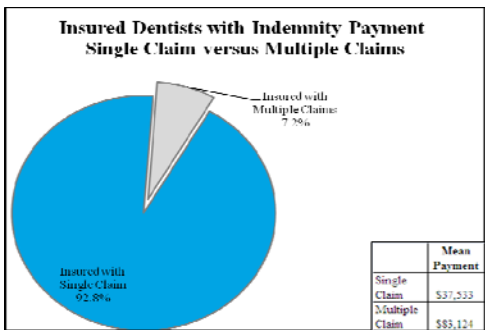
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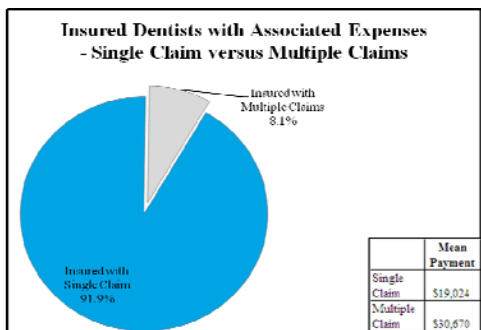
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Case Study - Endodontics

- A 26 year old patient presents to a general dentist with pain in the area of #18
- Dentist determines that RCT on #19 is needed
- Dentist discusses referral to an endodontist with patient, but patient wants dentist to perform the procedure
- Following RCT patient complains of swelling and pain
- Patient sees specialist who determines the lingual aspect of #19 was perforated
- The patient filed a claim against the dentist





Claim Report for Dental Liability, 2008-2012 Professional Liability Claims With Expense but No Indemnity Payment



Claims that have been successfully defended!

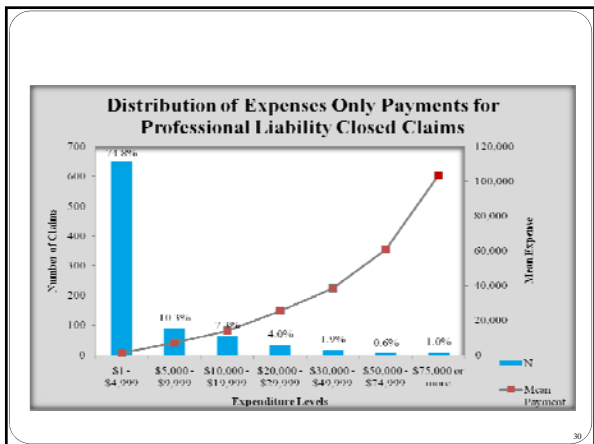
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Distribution of Professional Liability Closed Claims with Expense Only Payment

Claim Incident Year	Expense Only N (%)	Mean Expense Only	Total Paid
2008	228 (26.1%)	\$8,797	\$2,005,615
2009	269 (30.8%)	\$6,594	\$1,773,762
2010	210 (24.1%)	\$4,842	\$1,016,872
2011*	128 (14.7%)	\$2,320	\$296,954
2012*	37 (4.2%)	\$1,303	\$48,204
TOTAL	872 (100%)	\$5,896	\$5,141,407

* Many claims remain open; data should be viewed as preliminary

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Case Study – Defense Verdict

- A 50 year old female requests to have six amalgam fillings removed and replaced due mercury concerns
- Despite any mercury issue, the dentist determines that the age and condition of the fillings supported their removal and he places composites in their place
- Post procedure patient advises severe pain 24/7 due to allergic reaction to acrylic in the composites
- Patient sues dentist demanding \$50,000

Claim Report for Dental Liability, 2008-2012 License Protection Claims

Licensure regulation principles

- The board is not your friend
- The board is not there to be an advocate for:
 - the licensed professional
 - the profession as a whole
- The board's sole mission is to *protect the public*
- Investigations by the board are adversarial
- You must be represented by competent counsel
- Many boards publish their minutes and/or decisions on the Internet
 - Ohio, Tennessee, North Carolina and many others

Licensure Defense Claims

- License protection claims represent only the cost of providing legal defense for the dentist
- An action taken against a dentist's license to practice differs from a professional liability claim in that it may extend beyond matters of professional negligence and involve allegations of a personal, nonclinical nature, such as billing practices to breaches of confidentiality to substance abuse
- These allegations may be brought to the licensure board by anyone

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Who can file a complaint?

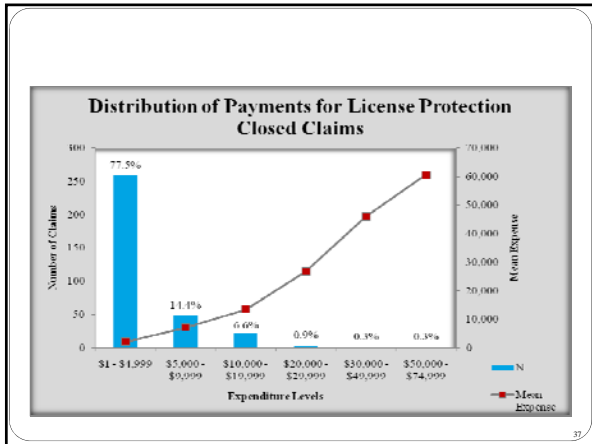
Complaints to the Board can be made by anyone, including:

- Patients
- Patients' family members
- Employers or co-workers
- Family members or friends
- Regulatory agencies, including Board investigators
- Law enforcement agencies

Distribution of License Protection Closed Claims

Claim Incident Year	License Protection Claims N (%)	Mean License Protection	Total Paid
2008	78 (23.4%)	\$3,584	\$279,518
2009	103 (30.9%)	\$4,553	\$468,921
2010	76 (22.8%)	\$4,709	\$357,885
2011	52 (15.6%)	\$4,013	\$208,690
2012	24 (7.2%)	\$2,010	\$48,241
TOTAL	333 (100%)	\$4,094	\$1,363,254

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- ### Common Issues/Complaints
- Professional misconduct
 - Unprofessional conduct
 - Scope of practice
 - Failure to supervise
 - Out-of-state disciplinary action
 - Criminal activity
 - Moral fitness (social media)
 - Substance abuse/impairment
 - Unsafe practice

- ### Common Issues/Complaints
- Mandated reporting
 - Falsification of business/medical records
 - Violation of agreement or settlement
 - Dishonesty in application, registration, renewal
 - Fraud or misrepresentation
 - Abandonment – patient or employer
 - DUI/child support/taxes/student loans
 - Continuing education requirements

License Protection Myths and Realities



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License Protection Myths and Realities

MYTH

- Won't be sued or reported to board if you are a good provider

REALITY

- Perfection in clinical practice impossible – even skilled providers make human errors
- Must defend against allegations even when believing they have no merit

License Protection Myths and Realities

MYTH

- More likely to be sued if insured than if not insured

REALITY

- Insurance information not known until after suit is filed – is part of discovery
- Patients won't defer suit for insurance status if they think you injured them

**License Protection
Myths and Realities**

<p>MYTH</p> <ul style="list-style-type: none"> • Have no assets, can't get anything even if I lose 	<p>REALITY</p> <ul style="list-style-type: none"> • Unsatisfied judgment → liens, destroyed credit, garnished wages, seized assets, licensure discipline
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**License Protection
Myths and Realities**

<p>MYTH</p> <ul style="list-style-type: none"> • Am retired or not currently in practice 	<p>REALITY</p> <ul style="list-style-type: none"> • Retirement is the end of work, not the end of liability • Will be held to the standard of a professional, not a lay person • May still need to defend against licensure complaints
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**Licensure Protection
Risk Recommendations**

- Treat people kindly & with respect
- Make sure Policies and Procedures manuals reflect current practice & follow them scrupulously (*keep old ones*)
- Stay informed on evidence-based standards & incorporate into usual & customary practice
- Document consistently, legibly & in accordance with Policies and Procedures
- Sequester records after worrisome incidents

Licensure Protection
Risk Recommendations

- Zero tolerance policies
- Know practice act in every state in which you practice
- Embrace transparency
- Stay educated
- Recognize fatigue and respect your physical limits
- Partner with patients, have patient-centered focus
- Monitor the performance of staff

Licensure Protection
Risk Recommendations

- Keep copies of:
 - performance appraisals
 - recommendation/reference letters
 - thank you cards
- Maintain CDE certificates of completion
- Belong to at least 2 professional organizations
- Subscribe to at least 2 professional journals
- Learn new equipment & techniques

What to do if you are
named in a Board complaint...

- Notify your liability carrier
- Notify your employer
- Stop talking
- Immediately retain counsel
- Do not keep journals, diaries, logs, personal copies of documents
- Do not conduct independent research or review documents without legal advice

Actions the Board Can Take

- Revoke your dental license
- Suspend your license
- Put you on probation
- Supervised practice only
- Formally reprimand you
- Mandate additional training
- Mandate additional continuing education

Other consequences

Additional consequences could include:

- Malpractice claims
- Other civil or criminal penalties
- Personal liability
- Employment termination
- Damaged reputation

Case Study – Licensure Defense

- Following a treatment plan for restoration with dentures and implants in the upper and lower jaw spanning 15 months, a 46 year old female patient filed a complaint to the state dental licensing board alleging:
 - Substandard practice,
 - Abuse,
 - Poor communication, and
 - Abandonment

Claim Report for Dental Liability, 2008-2012 Highlights from the Qualitative Work Profile Survey

Purpose of the Survey

- ▶ Examine the relationship between professional liability exposure and a variety of demographic and workplace factors
- ▶ We surveyed two groups
 - those who had experienced a professional liability claim resulting in loss that had closed between 2008 and 2012
 - those who had never experienced a claim
- ▶ Interpretation of Results
 - The survey findings are based on self-reported information
 - 95% confidence level

Survey Response Rates

	Claims version		Non-claims
	Print	Online	TOTAL
Initial deployment	9/9/2013	9/9/2013	10/3/2013
Reminder #1 sent	---	10/1/2013	---
Field closed	11/11/2013		
Initial sample size	1,590		10,000
Undeliverable/Cpt out	18		117
Usable sample	1,572		9,883
# of respondents	301		976
Response rate	19.2%		9.9%

Survey Demographics – Gender and Age

		Claims (%)	Non-Claims (%)
Gender	Female	26.4	39.3
	Male	73.6	60.7
Age	20-29	0.0	3.2
	30-39	9.4	26.1
	30-49	25.2	28.5
	50-59	33.9	26.9
	60-69	23.5	11.7
	70 years or older	8.1	3.6

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Survey Demographics – Location of Dental School

	Claims	No Claims
U.S.	86.1	89.1
International	11.5	9.4
U.S. Territory	2.1	1.2
Canadian	0.3	0.3

Q: Please confirm your current position. (Claims & Non-claims)

Specialty

A clear majority of dentists who experienced a claim self-reported as being a General Practitioner, which also accounted for the largest portion of dentists who did not experience a claim.

	Total claims	Non-Claims
General practitioner (92.0%)	92.0%	90.8%
Periodontist (2.0%)	2.0%	1.3%
Endodontist (1.7%)	1.7%	1.9%
Prosthodontist (1.3%)	1.3%	1.2%
Oral & maxillofacial surgeon (1.0%)	1.0%	0.6%
Orthodontist (1.0%)	1.0%	2.3%
Pediatric dentist (1.0%)	1.0%	1.9%

Specialty	Average Total Paid (blended view)
General practitioner (92.0%)	\$21,863
Periodontist (2.0%)	\$4,652
Endodontist (1.7%)	\$4,562
Prosthodontist (1.3%)	\$1,009
Oral & maxillofacial surgeon (1.0%)	\$44,304
Orthodontist (1.0%)	\$3,065
Pediatric dentist (1.0%)	\$1,362

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Q: Which best describes the practice size where you work? (Claims & Non-claims)

Table 19: Practice size

	Total claims	Non-claims
Solo or small (less than 6 partners)	95.9%	90.2%
Middle (7-20 partners)	2.4%	5.5%
Large Corporation (21 or more partners)	1.8%	4.2%

Size of Practice

Nearly all dentists in both claims and non-claims group worked in a solo or small practice (95.9%). The highest average payments were made to those associated with larger practices (\$30,086).

Average Total Paid

Practice Size	Average Total Paid
Solo or small (95.9%)	\$20,058
Middle (2.4%)	\$6,473
Large (1.8%)	\$30,086

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Q: At the time of the incident, did you refund the patient's money? (Claims)
Q: Have you refunded a patient's money? (Non-claims)

Table 41: Patient Refunds

	Total claims	Non-claims
Yes	23.4%	59.0%
No	68.7%	35.3%
Not Sure	7.9%	5.8%

Patient refunds

Among dentists in the non-claims sample who responded, 59 percent indicated the patient's money was refunded compared with only 23 percent of dentists in the total claims group. A lower average payment was observed for dentists who refunded the patient's money at the time of the incident.

Average Total Paid

Refund Status	Average Total Paid
Yes (23.4%)	\$14,565
No (68.7%)	\$21,037
Not sure (7.9%)	\$37,284

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Q: At the time of the incident, which best describes your method of obtaining informed consent? (check one) (Claims)
Q: Which best describes your method of obtaining informed consent? (check one) (Non-claims)

Table 54: Obtaining Informed Consent

	Total claims	Non-claims
Verbal	18.5%	9.0%
Written	23.8%	23.7%
Both verbal & written	56.2%	67.2%
None	1.5%	0.1%

Informed Consent

The majority of dentists from both samples reported to obtain informed consent using both a verbal and written method. Dentists who obtained written informed consent had a lower average claim payment.

Average Total Paid

Method	Average Total Paid
Verbal (18.5%)	\$26,104
Written (23.8%)	\$11,109
Both verbal & written (56.2%)	\$26,484
None (1.5%)	\$20,437

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**Claim Survey –
Summary of Findings**

- Those dentists who experienced a claim offer a variety of procedures
- Most respondents mentioned they work in solo or small private practice
- Dentists who experienced a claim reported the majority of their patients are under 65 years of age
- Dentists who did **not** experience a claim were willing to provide their patients with a refund for services
- More than 79 percent were “very satisfied”

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Recap

- Be Prepared for Your Exposures
- Communicate with your patients and staff
- Recognize Your Limitations

**Acknowledgements – Dentist’s Advantage
would like to thank the following
organizations for their contribution
to this project:**



Without the complete support of the management of AIG as well as the expert statistical analysis of the AIG team this study would not have been possible.



Dentist’s Advantage appreciates the willingness and eagerness of the Academy of General Dentistry to get involved in the crafting of the survey questions and the (upcoming) clinical review of the case studies.



As the claims administrator of the Dentist’s Advantage professional liability insurance claims, Intercare Insurance Services, Inc., is the archivist of Program claim data. Their cooperation in compiling this claim data is appreciated.



We appreciate The National Society of Dental Practitioners for providing the impetus and the funding to get this project off the ground.

**Cyber Liability ~
An Emerging Risk for Dentists**

Academy of General Dentistry
Annual Meeting
San Francisco, CA
June 18, 2015

Goal of this Presentation

To provide you with the *education* you need to:

1. Understand the cyber exposures you face every day
2. Implement some control over these exposures
3. Determine your appetite for risk

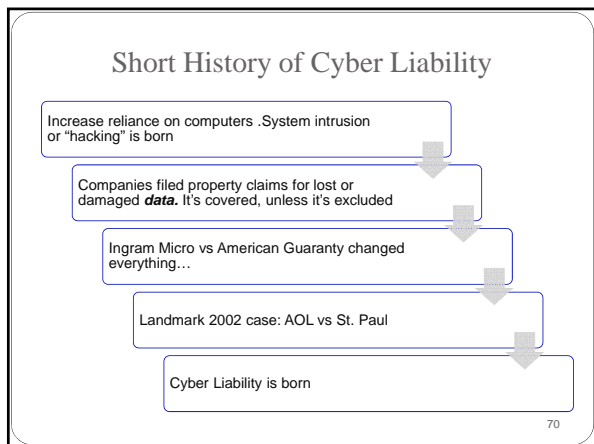
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Understanding Risk Management

A COMBINATION OF ACTIVITIES OR PROCESSES THAT HELP YOU MINIMIZE YOUR LIABILITY EXPOSURE

- Accept the risk
- Avoid the risk
- Reduce the negative effect of risk
- Transfer the risk

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Cyber Exposures in A Dental Practice

Personal data is collected from your patients and stored on office computers

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Sample On-line Patient Form

Patient Biographical Information			
*First Name		*Birthdate	
Middle Initial		*Gender	
*Last Name			
Nickname			
*Address		*Main Phone	
*City		*2nd Cell Phone	
*State		Email	
*Zip		Social Security #	
Please list the names of any friends or family currently in the practice			
List any sports, hobbies, or musical instruments played			
Whom may we thank for referring you to our practice?			
Financial Party Information			
<input type="checkbox"/> Check if the patient is also the person who will be financially responsible for treatment.			
*First Name		*Address	
Middle Initial		*City	
*Last Name		*State	
		*Zip	
*Main Phone		Social Security #	
*2nd Cell Phone		Employer	
Email		Occupation	

Cyber Exposures in A Dental Practice

Personal data is collected from your patients and stored on office computers

Personally identifiable information is transmitted between parties (e.g. to or from referring dentists)

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“Send this file” pop-up window



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Cyber Exposures in A Dental Practice

Personal data is collected from your patients and stored on office computers

Personally identifiable information is transmitted to third parties (e.g. referring dentists)

Automated processes are used for things like billing, making an appointment or other notices

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On-Line Appointment Form

Request An Appointment

All the office information is provided to you on-line. Our appointment system is designed to be used by your insurance company. Please do not use the form to request an appointment unless you are a patient of our practice.

You may request an appointment online by completing the form below. One of our appointment coordinators will contact you to schedule your appointment. Please do not use the form to request an urgent procedure or to be a provider of an urgent appointment.

If you are a new patient, please have to fill out our patient forms first, which will save you time in the office.

First Name:

Last Name:

Address:

Phone Number:

Email:

Type of Appointment: New Patient Existing Patient

Routine Care Non-Routine (Check one)

Desired Date/Time:

Desired Time:

Please Note: Any information submitted using this form is transmitted securely and held in strict confidence, protecting your privacy.

* * * * *

Cyber Exposures in A Dental Practice

Personal data is collected from your patients and stored on office computers

Personally identifiable information is transmitted to third parties (e.g. referring dentists)

Automated processes are used for things like billing, making an appointment or other notices

System backup data is stored offsite

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Data Storage Options



Cloud Computing



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Cyber Exposures in A Dental Practice

Personal data is collected from your patients and stored on office computers

Personally identifiable information is transmitted to third parties (e.g. referring dentists)

Automated processes are used for things like billing, making an appointment or other notices

System backup data is stored offsite

Credit card transactions are processed either directly or through a vendor

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PCI – Data Security Standards

- Build and Maintain a Secure Network
- Protect Cardholder Data
- Maintain a Vulnerability Management Program
- Implement Strong Access Control Measures
- Regularly Monitor and Test Networks
- Maintain an Information Security Policy

Cyber Exposures in A Dental Practice

Personal data is collected from your patients and stored on office computers

Personally identifiable information is transmitted to third parties (e.g. referring dentists)

Automated processes are used for things like billing, making an appointment or other notices

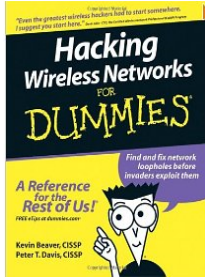
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Credit card transactions are processed either directly or through a vendor

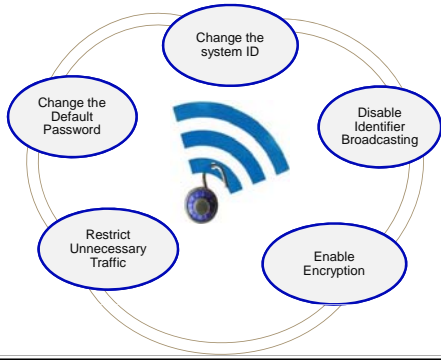
The office maintains a wireless network

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Need I Say More?



Basic Network Risk Management



Cyber Exposures in A Dental Practice

- Personal data is collected from your patients and stored on office computers
- Personally identifiable information is transmitted to third parties (e.g. referring dentists)
- Automated processes are used for things like billing, making an appointment or other notices
- System backup data is stored offsite
- Credit card transactions are processed either directly or through a vendor
- The office maintains a wireless network
- The practice has a website**

What is the risk to your practice?

Unauthorized access	Privacy breach
Theft	Human error

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Does this really happen?

Date	State	Event	Patients affected
10/4/2009	CO	computers stolen	2,500
6/5/2010	IL	theft of paper reports	657
6/13/2010	CA	computers stolen	10,100
6/15/2010	MD	e-mail breach	692
8/5/2010	TX	laptop and servers stolen	4,700
10/15/2010	TX	computers stolen	800
12/16/2010	TX	computers stolen	800
5/4/2011	AL	stolen server	20,744
5/22/2011	CA	stolen server	10,190
12/20/2011	FL	laptop stolen	2,200
12/22/2011	CA	unauthorized access	11,646
5/12/2012	CA	theft of flash drive	1,112
5/17/2012	OR	unauthorized server access	4,354
7/12/13	OR	theft of desktop computer	3,269

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You're Responsible

- As of 1/12/15, 47 states have laws regulating your response to a data breach
- You will be required to provide a letter of notice to your patients affected by the breach including
 - A description of the breach
 - The type of information breached
 - The day/time of the breach
 - Toll-free phone numbers and addresses to major credit reporting agencies
- You may also be required to notify
 - The state's Attorney General's Office
 - The US Department of Public Health

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As of December, 2014,
the *average* cost
of a data breach was
\$201 per record!*



*Ponemon Institute, Global Cost of a Data Breach Study

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Cyber Liability Insurance

There are two distinct parts to this coverage:

- Cyber Liability
 - Civil suit
 - Arbitration
- Data Breach
 - Legal and Forensic Services
 - Patient Notice Expense
 - Public Relations Expense

Cyber Liability Insurance for Dentists?

- **Prior to 2010 Cyber Liability available only to large retail, financial or medical organizations**
- **About 2010 insurance companies began to realize that small businesses had a need for Cyber Liability coverage as well**
- **Still a rare commodity in the small business arena**

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ONE OPTION: COMMERCIAL IDENTITY PROTECTION

Dentist's Advantage worked with AIG to develop this important product to meet the needs of our clients...

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CIP - Coverage Parts

- Personal Identity Liability
- Administrative Action
- Identity Event Services

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Details...

Availability	<ul style="list-style-type: none">• Filing pending in NY• Available in all other states
Limits/Premiums	<ul style="list-style-type: none">• \$10,000 for \$100 \$50,000 for \$300• \$25,000 for \$150 \$100,000 for \$600
Deductible	<ul style="list-style-type: none">• \$500

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Typical Underwriting Guidelines

- Designated individual responsible for information security
- Anti-virus software
- Scheduled software update processes
- Corporate firewall
- Regularly scheduled network scan
- User awareness training program

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In Summary

- Dentists clearly have a cyber liability exposure
- There are Risk Management techniques that can be applied to manage this exposure
- Insurance products are now beginning to be available for small business owners

**EVERY BREACHED SECURITY SYSTEM
WAS ONCE THOUGHT INFALLIBLE**

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Thank You!



Dentist's Advantage
PROFESSIONAL LIABILITY & PRACTICE PROTECTION

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