



HIPAA PROCEEDINGS SUPPLEMENTARY BENEFITS ENDORSEMENT

This endorsement modifies insurance provided under the:

GENERAL TERMS AND CONDITIONS PROFESSIONAL LIABILITY COVERAGE PART

In consideration of the premium, solely for the purpose of coverage under this endorsement, the Professional Liability Coverage Part is amended as follows:

I. The following new Section is added:

HIPAA PROCEEDINGS SUPPLEMENTARY BENEFITS

Subject to the HIPAA Proceedings Supplementary Benefits Aggregate listed in the **COI/Dec**, and subject to all applicable coverage exclusions including, but not limited to, the Cyber Event exclusion in the General Terms and Conditions of the policy, we will:

1. pay **HIPAA fines and penalties** pursuant to the Health Insurance Portability and Accountability Act (HIPAA), which the **named insured** becomes legally obligated to pay arising from a **HIPAA proceeding**; and
2. reimburse the **named insured** for **notification costs** related to the disclosure of **confidential personal information** provided that the **named insured** obtains our prior approval before incurring such costs.
3. pay **defense costs** related to 1. and 2. above.

II. Section III, Coverage Part Definitions is amended to add the following new definitions:

Confidential health information means information pertaining to a patient or client that has been received or created by you or provided by you to another, subject to protection pursuant to HIPAA, including but not limited to an individual's health, or health care treatment information, including the fact that any such individual has been treated by any provider.

Confidential personal information means information not available to the general public from which an individual may be identified, including without limitation, an individual's name, address, telephone number, social security number, account relationships, account numbers, account balances and account histories.

Notification costs means amounts incurred by the **named insured**, to comply with a statutory mandate requiring notification to patients or clients in compliance with federal and state privacy protection laws regulating the disclosure of **confidential personal information**. **Notification costs** do not include amounts incurred because of a knowing wrongful disclosure of **confidential personal information**.

HIPAA fines and penalties means fines and penalties for failure to comply with the requirements and standards of HIPAA, including fines and penalties imposed by the Department of Health and Human Services or its designees. **HIPAA fines and penalties** do not include fines and penalties imposed for a knowing wrongful disclosure of **confidential health information**.

III. The definition of **HIPAA proceeding** in Section III, Definitions, of the General Terms and Conditions is deleted and replaced with the following:

HIPAA proceeding means any proceeding brought by, or on behalf of, a government entity alleging an actual or alleged violation of the Health Insurance Portability and Accountability Act with respect to the management or transmission of **confidential health information** but solely to the extent that such proceeding:

1. is commenced during the **policy period**; and
2. is reported to us within sixty (60) days after you receive notice of such proceeding.



All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.