

Cyber policy renewal

By Tiffany Woods

WCIA members have cyber coverage through a group cyber insurance policy underwritten by AIG Specialty Insurance Company. The latest policy was renewed on May 31, 2023. WCIA does not charge individual members for this coverage; instead, the premium comes out of the operating expense of WCIA's budget. Obtaining insurance is becoming increasingly difficult and this is also true for cyber insurance.

In the last couple of years, the insurance industry has had fewer cyber losses not due to an improved digital landscape but instead credited to stricter underwriting by the insurance carriers. The new stringent underwriting guidelines by the insurance industry, not WCIA, have impacted the recent policy renewal for the membership. The changes to the policy are noted below:

- Ransomware and Cyber Extortion have been combined into a single limit of \$2.5 million for the entire membership.
- In addition, Ransomware and Cyber Extortion sub-limits specific to individual members have been applied based on the underwriting data they provided.
 - Tier I \$500,000 Sub-limit
 - Tier II \$250,000 Sub-limit
 - Tier III \$100,000 Sub-limit
 - Tier IV no coverage for Ransomware and Cyber Extortion

Note, individual members may improve the tier they are currently in by implementing controls AIG recommends for mitigating potential cyber losses.

To find the tier your entity is currently in, the licensed Origami users at your entity may click on Policy Information at the top left of the Origami dashboard under General Information, and then click on the 2023 policy link (in red). Under Policy Coverages, you will see your entities' current coverages and next to Cyber it will show which tier your entity is in for Ransomware and Cyber Extortion. The various tiers and a summary of coverages are also available in the 2023 WCIA Insurance Coverage Summary (PDF) available on the same screen on the right under Files (click All Files if the PDF isn't visible).

For more information about the recommended controls AIG would like your entity to have in place to upgrade tiers please contact Tiffany Woods at tiffanyw@wciapool.org or (206) 687-7905.