



**INFORMATION PRIVACY COVERAGE ENDORSEMENT  
"HIPAA" FINES AND PENALTIES AND NOTIFICATION COSTS**

It is understood and agreed that in consideration of the premium paid, this endorsement amends coverage under the **HEALTHCARE PROVIDERS PROFESSIONAL LIABILITY COVERAGE PART**.

**SECTION II. COVERAGE EXTENSIONS** is amended to add the following:

**H. HEALTH INFORMATION PRIVACY AND NOTIFICATION COSTS**

Subject to the Information Privacy aggregate limit of liability stated on the **certificate of insurance**, we will:

1. pay **"HIPAA" fines and penalties** pursuant to the Health Insurance Portability and Accountability Act "HIPAA", which **you** become legally obligated to pay arising from a **"HIPAA" proceeding** with respect to the management and transmission of **confidential health information**, ; and
2. reimburse **you** for **notification costs** related to the disclosure of **confidential personal information** provided that **you** obtain our prior approval before incurring such costs.
3. pay **claim expenses** related to 1. and 2. above.

**Section IV. ADDITIONAL DEFINITIONS** is amended to add the following:

**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 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 **you**, 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**.

**"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 individually identifiable health information.

**"HIPAA Proceeding"** means an administrative proceeding, including a complaint, investigation or hearing instituted against **you** by the Department of Health and Human Services or its designee alleging a violation of responsibilities or duties imposed upon **you** under the Health Insurance Portability and Accountability Act ("HIPAA") or any rules or regulations promulgated thereunder, with respect to the management of **confidential health information** but solely to the extent that:

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

Solely with respect to coverage pursuant to the terms of this endorsement, **Section V. EXCLUSION I.** is deleted and replaced as follows:

- I. the return or withdrawal of fees or government payments imposed directly upon **you**; punitive or exemplary amounts; the multiplied portion of any multiplied award, imposed by law; or any fines, penalties or sanctions, except **"HIPAA" fines and penalties** subject to the Information Privacy Aggregate sublimit of liability.

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.