eSENTIRE

HEALTHCARE INDUSTRY

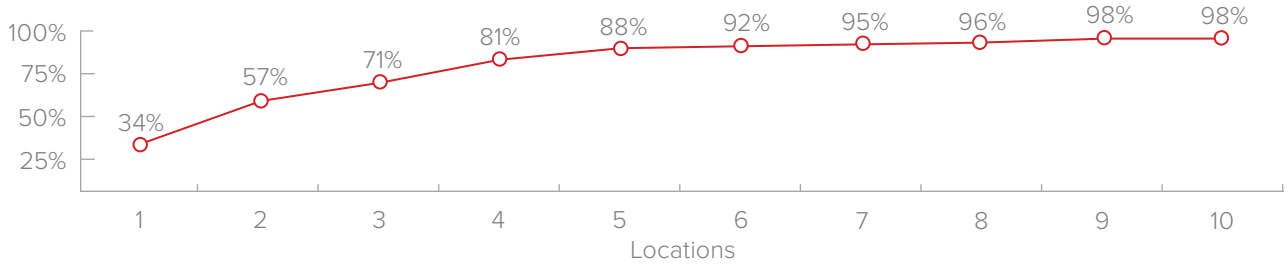
Quantifying Endpoint Risk

COVID-19 has fundamentally changed the way we conduct business today and for the foreseeable future. Social responsibility combined with local, state and territory government mandates mean that the majority of us are working from home to keep business operational. Unprepared cybersecurity and IT teams are scrambling to shift priorities and budgets to quickly protect a flood of distributed endpoints to mitigate new cyberthreats that unsecure connections present to operational systems.

With economic uncertainty also coming into play during this crisis, cybersecurity teams must be armed with the financial business case for additional investment. To help healthcare providers understand and quantify the increase in endpoint risk, here is guidance on the incurred yearly financial risk organizations can expect to incur with a minimum of one endpoint incident in a 12-month timeframe. Note: formula for calculation and inputs are on the second page in the footnotes[1]:

Probability of one or more endpoint incidents over a 12-month period

This data represents the probability of an incident that bypasses existing security controls based on eSentire observed data from our clients in the healthcare industry.

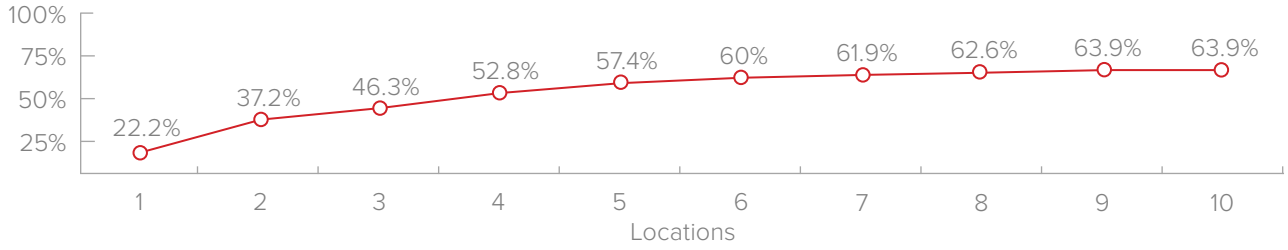


Conversion rate of incident to data disclosure: 65%

This statistic represents the conversion rate of incidents to data disclosure based on the Verizon BDIR report in the healthcare industry.

Probability of an incident and it resulting in data disclosure (assuming minimal of one incident in a 12-month period)

This data represents the multiple of incident probability and conversion of the incident into data disclosure in the healthcare industry.



Cost per record lost: $429

This data represents the cost per record lost for healthcare providers in a data disclosure incident, according to the 2019 Ponemon Cost of a Data Breach study.

Minimum incurred yearly risk (assuming at least one incident in a 12-month period)

This data represents the minimum incurred yearly risk an organization has to account for from a risk outlay perspective. It assumes that at least one incident will occur during a 12-month timeframe according to projected number of records lost. Note: This also assumes the minimum of one incident during a 12-month timeframe. If additional incidents occur, financial risk increases in relation to projected records lost for each incident. In selecting the financial risk appropriate to your healthcare organization, choose the appropriate number of records lost for each incident.

Projected Records Lost							
Locations	**Probability of an incident and it resulting in data disclosure**	**1,000**	**5,000**	**10,000**	**25,000**	**50,000**	**100,000**
1	22.20%	$95,238	$476,190	$952,380	$2,380,950	$4,761,900	$9,523,800
2	37.20%	$159,588	$797,940	$1,595,880	$3,989,700	$7,979,400	$15,958,800
3	46.30%	$198,627	$993,135	$1,986,270	$4,965,675	$9,931,350	$19,862,700
4	52.80%	$226,512	$1,132,560	$2,265,120	$5,662,800	$11,325,600	$22,651,200
5	57.40%	$246,246	$1,231,230	$2,462,460	$6,156,150	$12,312,300	$24,624,600
6	60.00%	$257,400	$1,287,000	$2,574,000	$6,435,000	$12,870,000	$25,740,000
7	61.90%	$265,551	$1,327,755	$2,655,510	$6,638,775	$13,277,550	$26,555,100
8	62.60%	$268,554	$1,342,770	$2,685,540	$6,713,850	$13,427,700	$26,855,400
9	63.90%	$274,131	$1,370,655	$2,741,310	$6,853,275	$13,706,550	$27,413,100
10	63.90%	$274,131	$1,370,655	$2,741,310	$6,853,275	$13,706,550	$27,413,100

[1] *Formula:*
(Probability of one or more incidents in a 12-month period) X (Conversion rate of incident to data disclosure)
=
(Probability of at least one incident and it resulting in data disclosure over 12-month period) (PD)

(PD) X (Number of records projected to disclose in a data disclosure incident) X (Cost per record)
=
MINIMUM INCURRED YEARLY ENDPOINT RISK

Inputs:
- *Probability of one or more incidents in 12-month period: eSentire Security Operations Center (SOC) data propensity modeling*
- *Conversion rate of incident to data disclosure: Verizon DBIR report conversions*
- *Cost per record lost in a data disclosure incident: 2019 Ponemon Cost of a Data Breach Report*

If you want to better understand the incurred yearly endpoint risk that your organization faces, download our

Making the Case for Advanced Endpoint Protection white paper.