

Wiley Rein Hosts Policy Roundtable on Key Issues in Cyber Insurance

January 21, 2016

Wiley Rein LLP hosted a policy roundtable, “Building Assurance in Cyber Insurance: Stakeholder Roles and Responsibilities” on Wednesday, January 20, 2016 at its offices on K Street in Washington, DC. More than 50 industry executives, senior policymakers, and other professionals attended the event, which featured two panels of preeminent experts discussing the state of the cyber insurance industry and factors influencing growth in this complex market.

The first panel—focusing on assessing insurance risk factors, information sharing, and how to develop a more robust cyber insurance market—was moderated by Laura A. Foggan, partner and chair of Wiley Rein’s Insurance Appellate Practice. The second panel—exploring on government’s role in regulation and legislation—was explored by moderator Greg Garcia, Executive Vice President and lead of McBee Strategic Consulting’s Cybersecurity Policy Practice. Mr. Garcia was the nation’s first Assistant Secretary for Cybersecurity and Communications at the U.S. Department of Homeland Security.

“With high-profile breaches occurring almost weekly and the sophistication and intensity of cyber attacks growing, we know that insurance plays a critical role in addressing cyber risk,” Ms. Foggan said. She added that cyber insurance “is an essential part of any risk portfolio, but as the market emerges, it faces significant challenges.”

Mr. Garcia, who has worked on cybersecurity issues for the past 15 years, recalled that “back when it started, probably more people than not thought that hacking was a bad cough and malware was a terribly unfashionable suit. Even then, however, we were asking how we could drive more incentives to improve cybersecurity across the ecosystem. And we kept coming back to cyber insurance.”

Practice Areas

- Cyber Insurance
- Insurance
- Insurance Appellate
- Privacy, Cyber & Data Governance

Because the demand for cyber insurance is growing, the market is challenged by a lack of actuarial data, standards, and meaningful cyber risk measures. In order to offer new products and manage exposure, insurers need to gain better understanding of evolving cyber threats and associated costs facing companies. In addition, insurers and their customers need to align underwriting policies with commonly accepted cyber risk management practices across the business community.

The keynote speakers who addressed these key issues were Kathleen Hamm, Counselor to Treasury Deputy Secretary, U.S. Department of Treasury and the Honorable Dr. Phyllis Schneck, Deputy Under Secretary for Cybersecurity, National Protection and Programs Directorate at the U.S. Department of Homeland Security.

Panelists included Tom Finan, Chief Strategy Officer of Ark Network Security Solutions and former Senior Cybersecurity Strategist and Counsel at the U.S. Department of Homeland Security; Matthew McCabe, Senior Advisory Specialist for FINPRO / Errors & Omissions, Cyber Division, Marsh USA; J. Kevin McKechnie, Executive Director, American Bankers Association (ABA) HSA Council and Senior Vice President & Director in the ABA's Office of Insurance Advocacy; Michael Newman, Senior Policy Analyst, Federal Insurance Office, U.S. Department of the Treasury; Rebecca Seidel, General Counsel, U.S. Senate Commerce, Science, and Transportation Committee; and John Soughan, Head of Cyber Proposition Management & Development, Zurich North America, New York.

Wiley Rein's Insurance Group is one of the most prominent insurer-side practices in the United States with a deep bench of more than 40 lawyers. The team provides strategic counseling and litigation services to insurers on professional liability; general liability; property; and cyber, technology, and media insurance issues. In the area of Cybersecurity, Data & Network Security, Wiley Rein continually monitors current and developing domestic and international initiatives and leverages that knowledge and experience to assist clients. The firm also regularly counsels businesses on information and communication technology security issues, has helped shape the government's technology policies, and advises companies doing business in the United States about Federal Trade Commission cybersecurity requirements.

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