## THE COST OF NON-COMPLIANCE:

# Understanding HIPAA Violations and Security Breaches

The rising volume of security breaches is impacting the quality and safety of patient care. Breach related interruptions limits access to medical records and lifesaving medical technology causing healthcare delays, poor outcomes, and costlier care delivery down the line. Staying current with industry standards and regulations is essential to protecting patient information and costs associated with non-compliance violations and breaches.

## **Top Consequences of a Security Breach**

1

**Minimum Financial Penalties** - **\$141 - \$71,162** per patient record. Actual cost to remediate 11x OCR penalty



**Loss of Productivity** - Time, resources, and stress dealing with an OCR investigation



**Loss of Income** - Medicare payments (MIPS/MACRA), patients, clients and reputation (<u>HHS OCR Breach Portal</u>)



Source: Cost of a Data Breach Report 2024

### The Cost of a HIPAA Violation

\*Total cost below does not include loss of patients - projected to be upwards of 58%.

OCR Penalty	\$24,000
Legal Fees	\$70,000
Cyber Consulting Services	\$25,000
Credit Monitoring Services	\$35,000

**Total Cost of Remediation\*** \$154,000

#### Penalties for Recent HIPAA Violations

\$240K

**Medical Practice** 

**December 2024** 

\$548K

Children's Hospital

**December 2024** 

\$1.29M

**Physician Group** 

December 2024

Over 420 Healthcare Provider Breaches
Identified on OCR Breach Portal in 2024

# What if a data breach happens?

### Immediate Actions

- Contact the FBI or CISA
- Disconnect all affected devices from the network
- Perform cybersecurity forensics on affected devices
- Ensure systems are unaffected before going back online

#### Containment

- Contact your cloud service provider
- Isolate compromised systems from the network to prevent further spread
- Temporarily restrict access to affected accounts and resources
- Implement necessary security controls like firewall rules to block malicious traffic

Contact us today about HIPAA One™



