

Unfortunately this is a question for which there is no single answer. However, here are a few ways you can attempt to measure your exposure to help determine the limit that is best for you:

-A company should attempt to identify the number of unique PII/PHI records (maintained on your systems.) This should include unique client and employee records - past, present and prospective. More simply, if you had a complete breach of your systems, how many people would you have to notify? With this information you can estimate costs of a breach and use that information to approximate a coverage limit that is appropriate, and that fits within your budget. Some markets offer breach response costs on the basis of the number of individuals to be notified (in lieu of a dollar limit). It is best to have this limit separate from the limit available to all other coverages.

-Are you in a higher risk industry?

Ponemon's 2016 Cost of a Data Breach Study shows that certain heavily regulated industries faced higher per capita data breach costs than others. Examples of those industries include:

-Healthcare

-Education

-Financial Services

-Retail

These businesses typically hold larger quantities of PII/PHI records and would require higher limits than other industries.