



White Paper: The Cost of Not Investing in Communication Security

When a company or hospital experiences a data breach, the consequences are multifaceted. Data, trust, reputation, security, and financials are all compromised, and while the effects can be lasting on all counts, dealing with the financial impact can be crippling.



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According to IBM, the average cost of a data breach in 2020 was \$3.86 million, and companies that are located in the United States have the most expensive data breaches in the world, coming in at an average of \$8.64 million. The financial woes of a data breach come from a mix of lost business, customer turnover, lost revenue during the breach, and time to work on getting a new client base following the breach.

One of the largest contributing factors is the time it takes to move past it. The average lifespan of a data breach, from start to finish, has increased almost 5% from 2018 to 2019, according to UpGuard, ultimately costing more time and money for the organization. Dollars put towards acquiring new business because of the loss increased from \$1.42 million in 2019 to \$1.52 million in 2020, another reason data breaches are only becoming more costly with time.

When the healthcare industry experiences a data breach, it is far more costly than other industries. Data breaches in the healthcare industry are at the top of the scale at an average of \$7.13 million and these numbers are only increasing year after year. In a recent study by HIPAA Journal, healthcare data breach costs have increased by 10.5% each year, and the time spent rectifying the breach spans many years. Because healthcare information is permanent and cannot be changed once stolen, it's much more valuable and costly to retrieve. Add in the additional regulations associated with healthcare and fines in the industry, and the cost increases even more.

How Does a Data Breach Occur?

One of the biggest contributing factors to data breaches is the use of personal devices. Many healthcare professionals are using personal laptops, tablets, and smartphones for work purposes as they are easier to use during their busy shifts, when working from home, or if they are on-call. But this can lead to a number of security issues as the IT department for the company does not have control over network security breaches, high-risk application use, and downloads. It's also important to note that simple human error can be a contributing factor, with lost or stolen devices accounting for 41% of all data breaches.

It's therefore important for hospitals and clinics to be proactive in implementing policies that protect the healthcare organization from data breaches, such as a Bring Your Own Device policy. Any organization that does not operate with proactive cybersecurity policies is faced with a much larger financial burden than those that are engaging in good cybersecurity practices.

If management is worried about increasing security costs, unfortunately, they are asking the wrong question. Instead, they should consider what is the cost of not investing?



Secure Messaging Apps

Secure messaging apps help protect organizations from incurring HIPAA violations and other costs associated with a data breach. 1Call's miSecureMessages app not only provides end-to-end encryption, but it also enables staff to securely send and receive texts, photos, audio, and video files and seamlessly integrates with existing software to improve critical communication time and interoperability, while providing settings options to produce reports, keep personnel accountable for communications, and reduce alarm fatigue. miSecureMessages can be used on mobile phones, smartwatches, tablets, laptops, and desktop computers, and is available for Android™ and Apple® iOS devices.



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