

Michael Ford Authors Commentary on Shortcomings of the Cyberinsurance Market and How to Improve the Situation

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Michael Ford – a Miami-based attorney in the Insurance Services practice at Hinshaw & Culbertson LLP – authored a story titled “Despite Frequency and Awareness, Cyberinsurance Market Lags” that was published by the *Daily Business Review*. In his article, Ford discusses reasons for the struggles being experienced by the cyberinsurance market and offers steps to improve the situation.

“Cyberinsurance has not been sold for long enough to develop suitable market trends,” Ford said. In addition, Ford notes that insurers cannot anticipate and militate against cyberrisks because cyberattacks are continually evolving in scope and sophistication; this ultimately leaves consumers faced with an uneven and expensive market for cyberinsurance products. To facilitate access to wide-ranging coverage Ford, citing Deloitte, suggests insurers: draw on their own cybersecurity experiences to develop more accurate predictive models; partner with IT professional and former hackers to understand the scope and nature of cyberlosses; issue more specialized cyberproducts tailored to specific types of exposure; and provide all-inclusive cyberrisks management services and post-loss recovery support with the insurance products.

Ford notes that cyberinsurance is one of the few promising areas for long-term growth in the insurance industry, given the proliferation of driverless cars and automation that will adversely affect the two largest lines of business, auto and worker’s compensation coverage. He cautions that if insurers do not become more reliable providers of comprehensive and affordable cybercoverage, they will be left behind as businesses seek alternative methods of managing risk.

Read the full article “[Despite Frequency and Awareness, Cyberinsurance Market Lags](#)” on the *Daily Business Review* website (*subscription required*)

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