## Top Ten Risks

<table>
<thead>
<tr>
<th>Risk</th>
<th>Ten Key</th>
<th>Loss of</th>
<th>Plans in Place</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulatory/legislative changes</td>
<td>61%</td>
<td>36%</td>
<td>48%</td>
</tr>
<tr>
<td>Damage to reputation/brand</td>
<td>58%</td>
<td>13%</td>
<td>49%</td>
</tr>
<tr>
<td>Increasing competition</td>
<td>47%</td>
<td>49%</td>
<td>44%</td>
</tr>
<tr>
<td>Cyber crime/hacking/viruses/malicious codes</td>
<td>47%</td>
<td>16%</td>
<td>87%</td>
</tr>
<tr>
<td>Failure to innovate/meet customer needs</td>
<td>44%</td>
<td>14%</td>
<td>50%</td>
</tr>
<tr>
<td>Failure to attract or retain top talent</td>
<td>39%</td>
<td>22%</td>
<td>68%</td>
</tr>
<tr>
<td>Economic slowdown/slow recovery</td>
<td>35%</td>
<td>52%</td>
<td>24%</td>
</tr>
<tr>
<td>Third party liability (incl. E&amp;O)</td>
<td>35%</td>
<td>42%</td>
<td>67%</td>
</tr>
<tr>
<td>Business interruption</td>
<td>31%</td>
<td>17%</td>
<td>76%</td>
</tr>
<tr>
<td>Directors &amp; Officers personal liability</td>
<td>29%</td>
<td>4%</td>
<td>68%</td>
</tr>
</tbody>
</table>

### About Aon

Aon plc (NYSE:AON) is a leading global provider of risk management, insurance brokerage and reinsurance brokerage, and human resources solutions and outsourcing services. Through its more than 72,000 colleagues worldwide, Aon unites to empower results for clients in over 120 countries via innovative risk and people solutions. For further information on our capabilities and to learn how we empower results for clients, please visit: [http://aon.mediaroom.com](http://aon.mediaroom.com).

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For full insights from the survey, visit us at aon.com/2017GlobalRisk

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### 2017 Health Care Industry Risk Survey Highlights

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Today's Health Care organizations are facing complex and interconnected risks.

We live in an era of unprecedented volatility. Trends on three major dimensions – economics, demographics, and geopolitics – combined with the exponential pace of technology change, are converging to create a challenging new reality for organizations. These forces create opportunities that we cannot even imagine, but also present new frontiers to be explored.
**Top Five Emerging Risks in 2020**

1. Regulatory/legislative changes
2. Cyber crime/hacking/intersectional breaches/ codes
3. Increasing competition
4. Failure to innovate/meet customer needs
5. Internal/external uncertainties

**Presence of a Formal Risk Management Department**

- Companies <$1 Billion
  - Yes: 29%
  - No: 71%
- Companies >$1 Billion
  - Yes: 96%
  - No: 4%
- Overall
  - Yes: 71%
  - No: 29%

**Risk Departments Cultivate a Comprehensive Process to Identify and Assess Current and Emerging Risks**

**Identification of Major Risks**

- 56% Senior management judgment and experience
- 49% Board and/or management discussion of risk during annual planning, risk assessment or other processes
- 44% Risk information from other function-led processes (e.g., internal audit, disclosure, compliance, etc.)
- 43% Structured enterprise-wide risk identification process
- 31% Industry analysis, external reports
- 17% No formalized process

**Assessment of Major Risks**

- 50% Senior management judgment and experience
- 39% Board and/or management discussion of risk during annual planning, risk assessment or other processes
- 36% Structured enterprise-wide risk assessment process supported by a standard toolkit and methodology
- 22% Consult with external service provider/advisor
- 20% No formalized process
- 16% Risk modeling/risk quantification analysis

**Cyber Purchasing Patterns**

- Insurance currently purchased: 56%
- Not purchased and no plans to purchase: 29%
- Plan to purchase: 15%

**Cyber Risk – Completed Assessment**

- Yes, qualitative: 14%
- Yes, not sure what type of assessment: 32%
- Not sure: 18%
- No: 11%

**Health Care Organizations with a Captive or Protected Cell Company (PCC)**

- 22% Currently have an active captive or PCC
- 11% Plan to create a new or additional captive or PCC in the next 3 years

**Organizations over $1B in revenue**

**To keep pace with the pervasive and fast evolving cyber threats that go hand in hand with the dizzying speed of technological innovation, much more progress is needed in the area of cyber risk control and mitigation.**