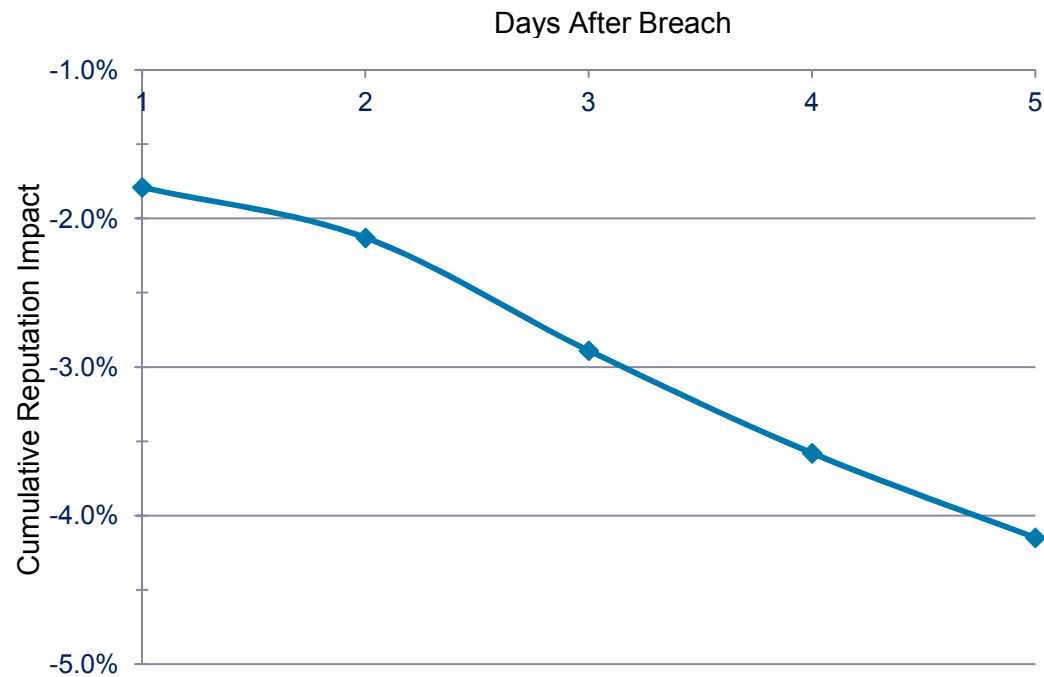




Effective Privacy Management for UBI

CAS In Focus: Elephants in the Room
September 30th, 2013

Extreme Privacy Events



Graph produced using Table 5 from “Assessing Corporate Reputational Damage of Data Breaches: An Empirical Analysis” (Sinanaj and Muntermann)

[https://domino.fov.uni-mb.si/proceedings.nsf/Proceedings/820BFAD242085887C1257B8A002F0B02/\\$File/07_Sinanaj.pdf](https://domino.fov.uni-mb.si/proceedings.nsf/Proceedings/820BFAD242085887C1257B8A002F0B02/$File/07_Sinanaj.pdf)

Agenda

- Data Overview
- Perspectives
- Basic Issues
- Best Practice

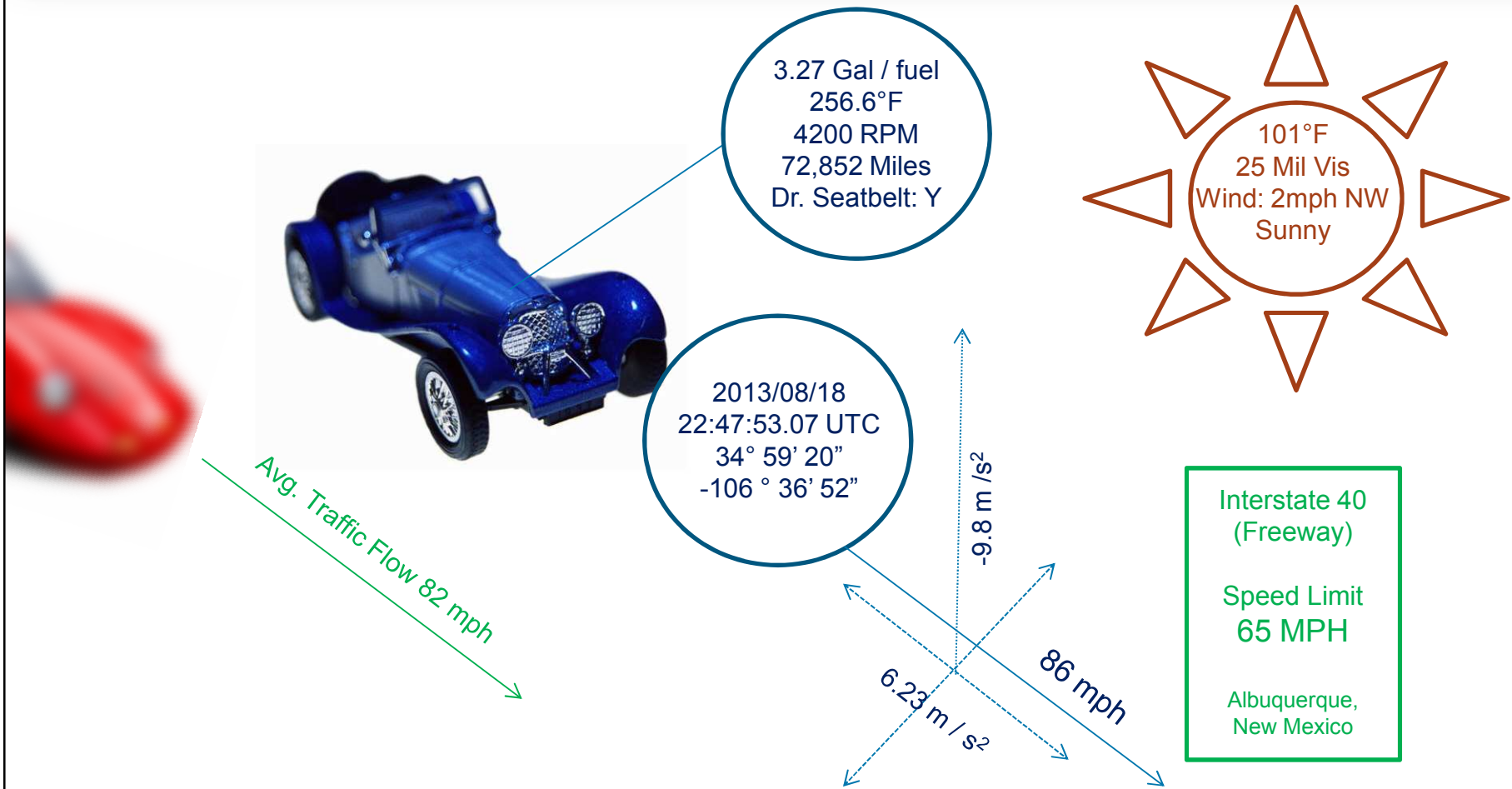


Image Credit: shutterstock.com® / Andy Dean Photography

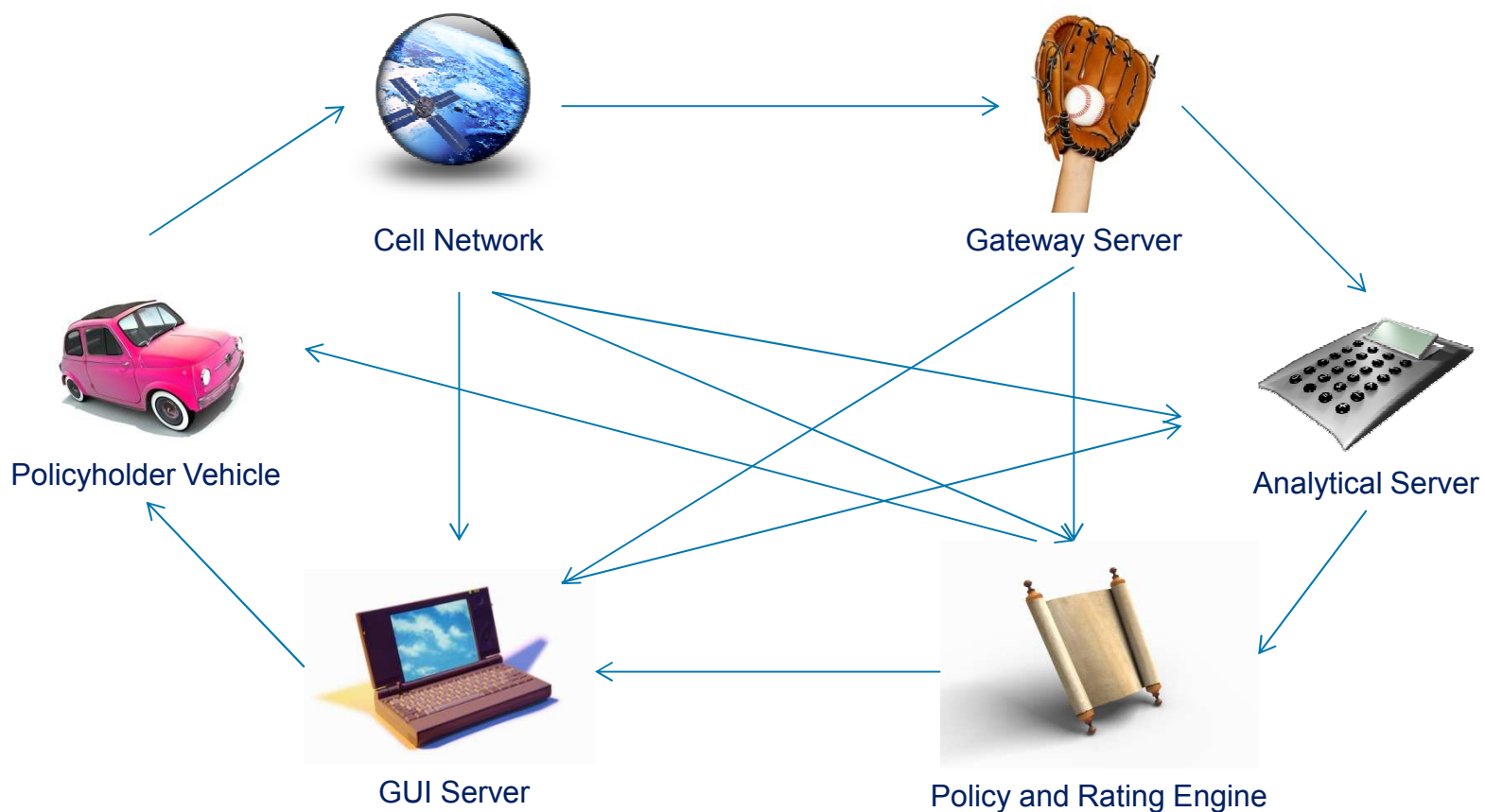
You Call That “Big Data”?

	Credit	Telematics
Reporting	Monthly by Creditor	Sub-Minute
Vendors	The Big Three	Stratified
Trigger	Transactions	Trips
PII	Yes	Possibly
Consumer Access	Free Annually	Varies by Vendor
Regulation	High	Low

Raw Data



What Vulnerabilities?



Potential Uses

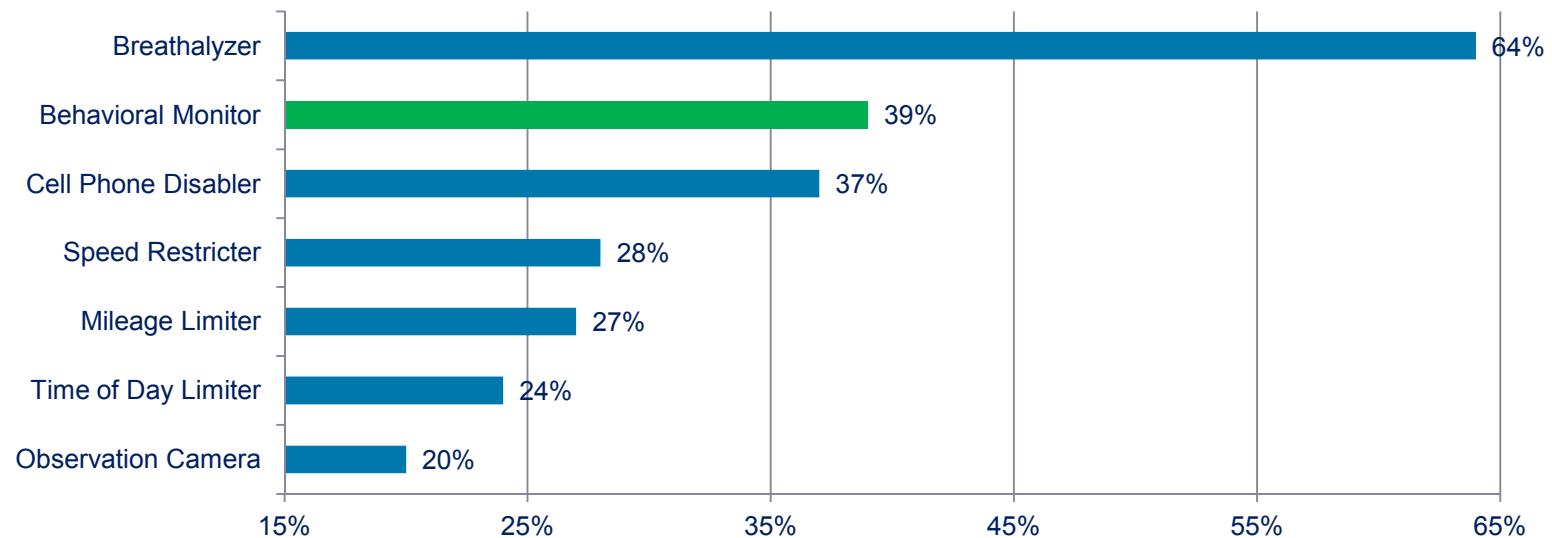
- Insurance Rating
- Preventative Maintenance
- Value-Added Services
- Warehousing
- Market Research
- Profiling
- Forensics
- Law Enforcement
- Surveillance
- Criminality



Image Credit: shutterstock.com® / Croisy

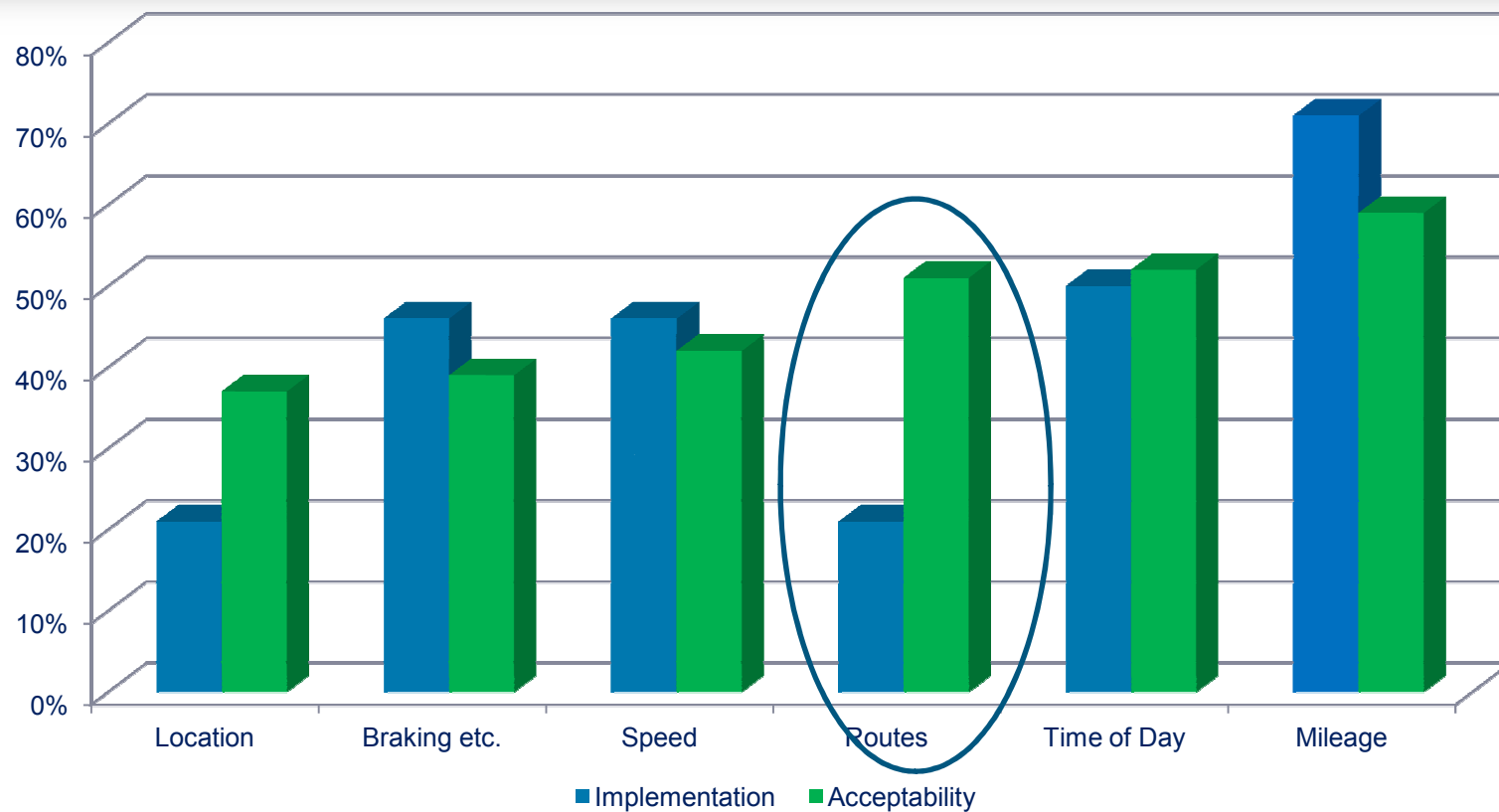
Holding Steady

For a “substantial insurance discount”, 500 licensed Americans would agree to install:



Source: <http://blogs.automotive.com/survey-drivers-trade-privacy-for-car-insurance-discounts-130433.html> (March 2013)

Bridging the Gap



<http://www.verisk.com/downloads/applied-informatix/verisk-telematics.pdf> (2010)
<https://strategymeetsaction.com/telematics-usage-based-insurance-insurer-priorities-and-plans/> (Feb 2013)

Not-So-Greatest Hits

Vehicle Telematics

- Selling Speeding Data to Police
- Tracking After Cancellation
- Leaking Locations to Web Site

P&C Insurance

- 1.1M+ SSNs and DOBs Hacked
- 1,000s of Account Files in Dumpster
- Leading Cyber Insurer Hacked

Health and Fin'l

- Non-Secure Research Server
- 75M+ PII on Disc Sent for Repair
- Lost Portable Device (1.5M)

Whose Data Is It Anyway?

“EDR Laws” provide insight:

- 14 states
- Ownership
- Distribution
- Crash Investigation
- “Agreement to Cooperate”
- Subpoenas

Across the Pond

General Data Protection Regulation of 2012 (Draft)

- “One stop shop”
- Consent
- Legitimate interest
- Definition of “personal data”
- Data Privacy Officer
- Extraterritoriality

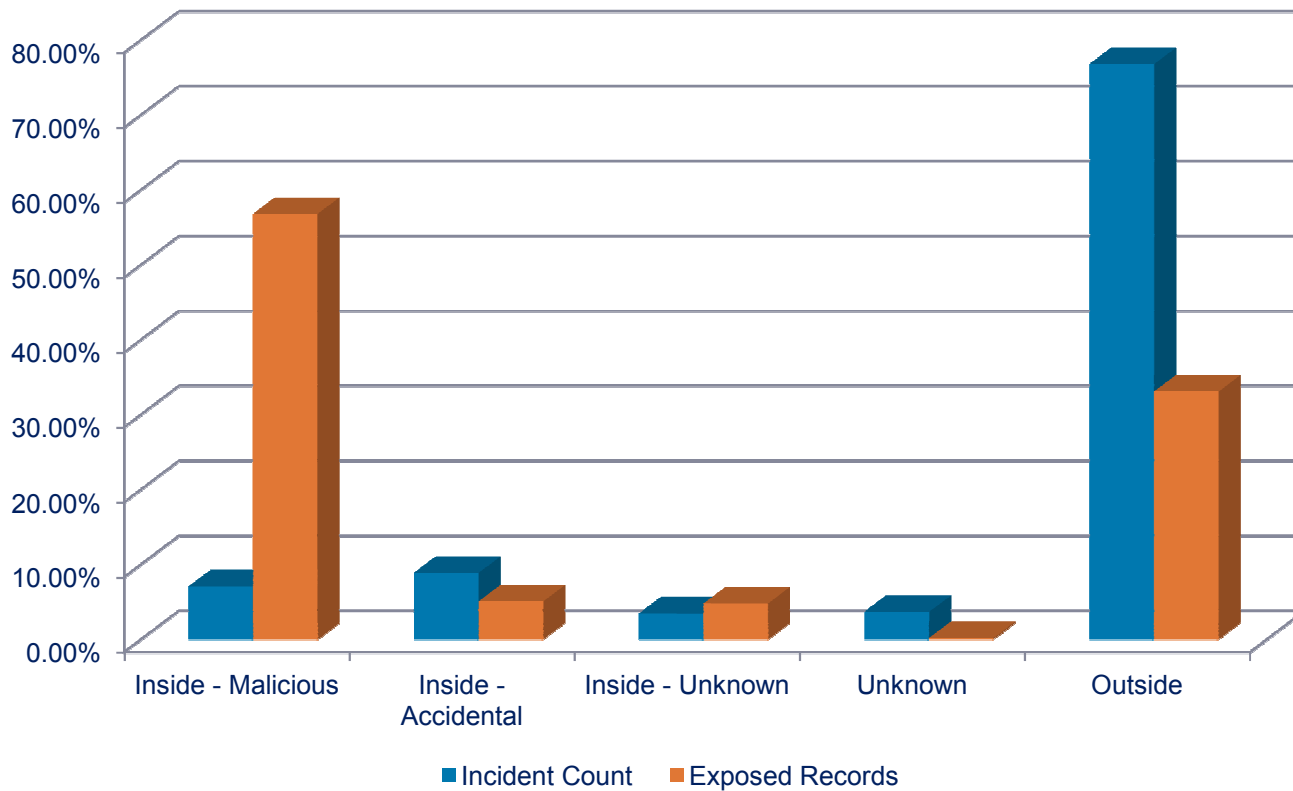
Considerations

- Informed Consent
- Technological Prevention
- Obligation of Notification

Disclosure

- Collection
- Storage
- Analysis
- Use
- Sharing
- Retention
- Destruction

Security Breakdown



Source: <http://www.riskbasedsecurity.com/reports/2012-DataBreachQuickView.pdf> (February 2013)

Technological Considerations

- Encryption
- De-identification vs. Anonymization
- Access Controls
- Security
- Retention
- Redundancy



Image Credit: shutterstock.com® / Joijje

Privacy Bill of Rights

- Individual Control
- Transparency
- Respect for Context
- Security
- Access and Accuracy
- Focused Collection
- Accountability

Best Practice

- IBM's Data Protection Framework
 - Privacy a la carte
 - Rule-based infrastructure
- Daimler's Ginger Access Control Framework
 - Isolated Domains
 - Permission Model
- ABI Good Practice Guide: Selling Telematics Motor Insurance Policies
 - Third Party Management
 - Policy Terms and Conditions

Day at the Breach

- “When, not if”
- Responsibilities
- Scripts
- When to go public
- Compliance
- Disclosures
- Forensics



Image Credit: shutterstock.com® / Javier Brosch

Case Study

- Discount only (0 - 25%)
- Voluntary
- 90+ day telematics observation
- Dynamically determined “green zones”
- GPS not permanently stored
- Implemented in 25+ jurisdictions

Majority of jurisdictions asked one or more questions related to privacy.

Emerging Issues

- FTC “Protecting Consumer Privacy in an Era of Rapid Change”
- DOT Intelligent Transportation System (V2V)
- NHTSA EDR Standard
- “Black Box Privacy Protection Act” Bill
- Aftermath of NSA Leaks
- New State UBI Regulations
- FTC Warning Letter to “Data Broker Operations”

Questions and Comments

“... Indeed, “a person has no legitimate expectation of privacy in information he voluntarily turns over to third parties.”” – Google Legal Motion, June 2013



“Just because something is publicly accessible does not mean that people want it to be publicized.”
– danah boyd, “Making Sense of Privacy and Publicity”