



Health-ISAC™

Collaborating for Resilience in Healthcare



Understanding Concentration Risks and Impacts

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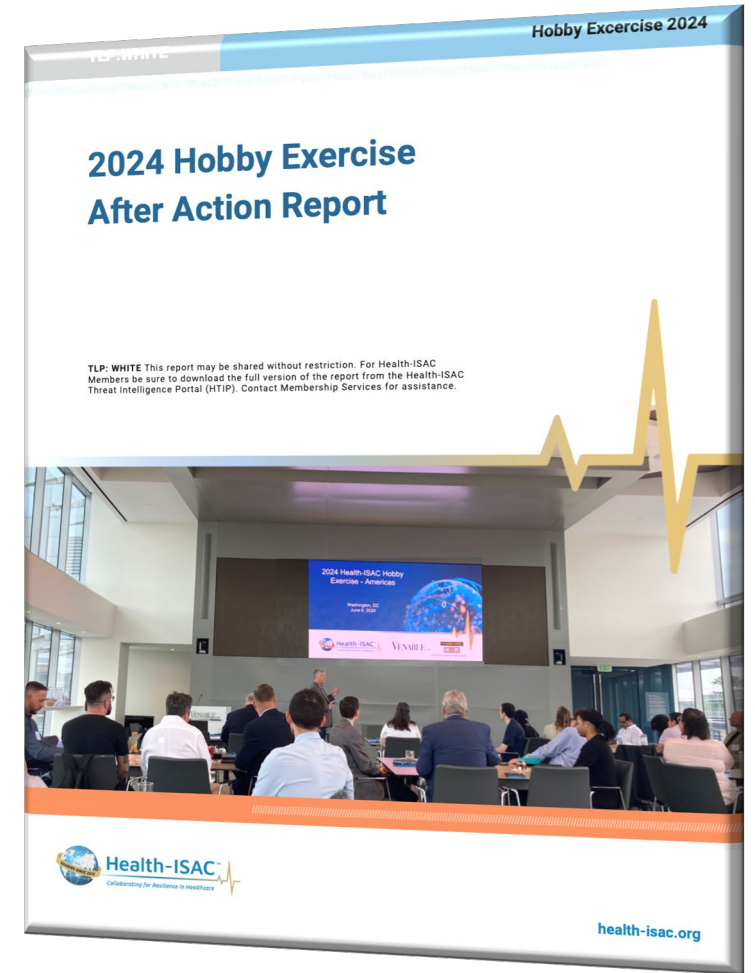


Concentration Risk

Definitions

over-reliance on a limited number of sources for critical operations

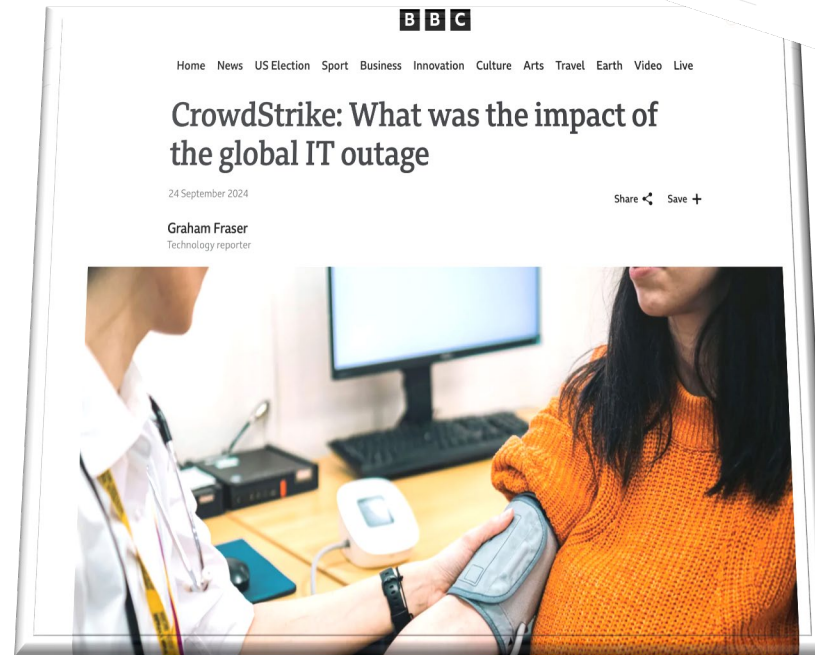
- Organizational Risk
 - 4th Party Risk
- Sectoral Risk
- Geographical Risk



Case Studies/Examples

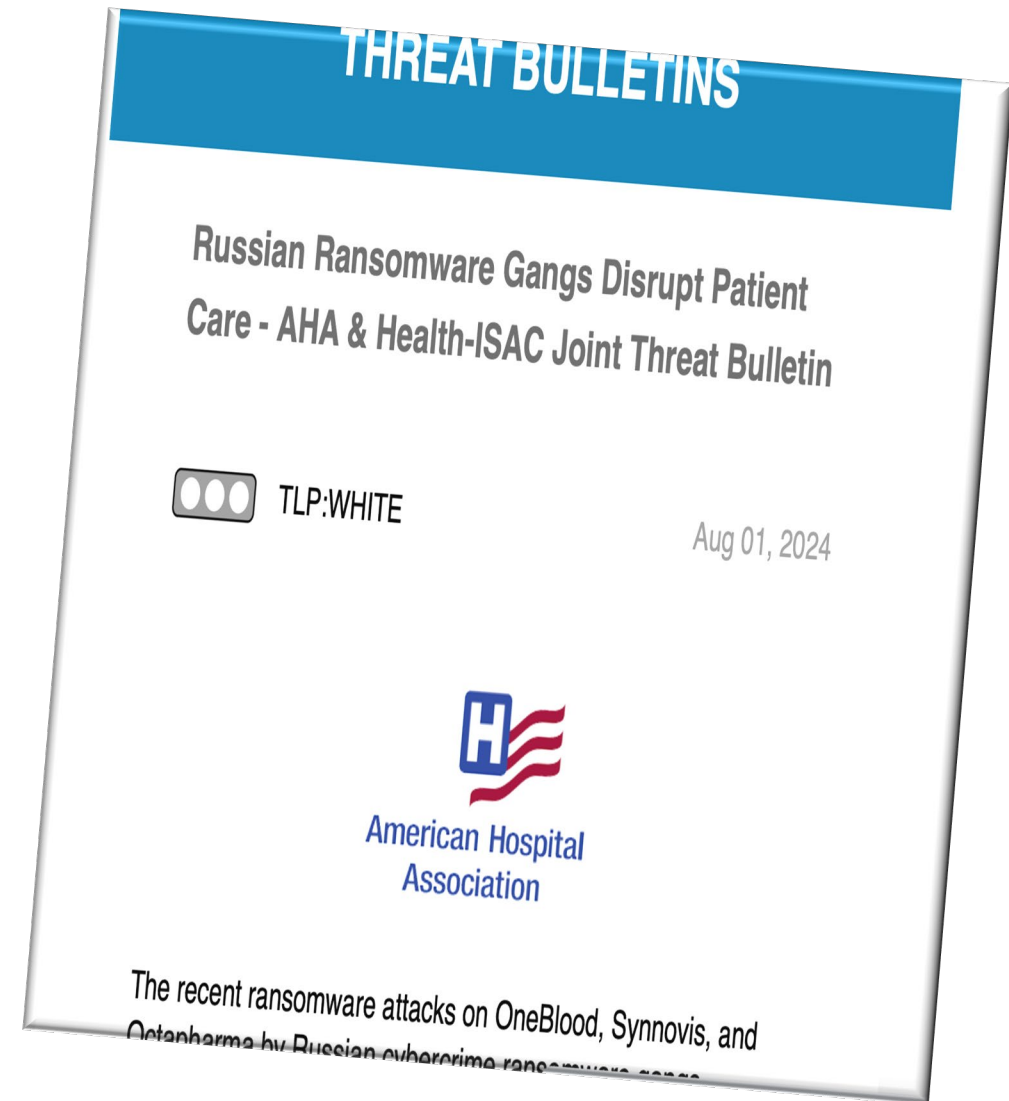
Case Studies/Examples - Internal

- CrowdStrike
- Mirai Botnet – Dyn (DNS)
- DDoS
- Medical Devices



Case Studies/Examples - Sectoral

- Blood Supply
- Westrock
- Sector Concentration
 - PACs – 5/61%
 - Clinical Labs – 2/90%
 - PBS/Switches – 3



Case Studies - Geographic

- Hurricanes Maria and Helene
- COVID-19



Impacts

Threats Resulting from Concentration Risk

- Operational Resilience
- Targeting



Industry Efforts

Mapping Efforts

- Organizational
- Sectoral
 - Identify
 - Address
 - Regional Collaboration

Hobby Exercise 2024 After Action Report

Sector Challenges

In addition to the key recommendations noted above, the following three sector challenges warranted additional summarization and may be areas ripe for follow-on exploration.

Concentration Risk

Inspired by several recent incidents, the topic of concentration risk was one area this year's exercise scenario was developed to explore.

In our context, concentration risk refers to two issues that can be described as follows:

Organizational concentration risk occurs when an entity has an over-reliance on a single IT vendor for all or many of its technology solutions (e.g., operating systems, office productivity, email, chat, conference, web browser, cloud, security, or identity capabilities). In this instance, an organization's lack of a diversified IT environment creates a risk that a flaw or compromise affecting the dominant IT provider, or one of its systems, may lead to a larger incident within the organization. A more diversified IT environment may be more difficult to maintain, but may limit the "eggs in one basket" risk.

In a similar vein, sectoral concentration risk occurs when all or many of the entities within a sector have an over-reliance on the same mission-critical systems, devices, or vendors (e.g., payment processing, medical devices, health record access and exchange). In this instance, a lack of diversity or alternatives creates risks that a single point of failure may have serious

Thank you



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