

ACTION ITEM

CONTRACT ID:	Claims Print Management Hardware & Software Upgrade Florida State Term Contract No. 44102100-17-1 NEOPOST USA
BUDGETED ITEM	The costs for these services are included in the annual budget.
CONTRACT AMOUNT	Approximately \$415,000 for the life of the lease (48 months total) or approximately \$103,750 per year.
PURPOSE / SCOPE	<p>This Action Item seeks Board approval to lease a hardware and software solution from Neopost under a State of Florida Contract for mail processing equipment. This contract will enable Citizens to continue the currently implemented automated processing of claims checks and other claims mailings wherein the check and claims support documentation are collated, documents are inserted into envelopes in an automated process, and intelligent mail fulfillment (barcode application) is achieved. The process also provides a proof of mailing report for USPS purposes.</p> <p>Maintaining this solution allows for the continued automation of combining claims settlement checks with supporting claim documentation into a single mailing. Without such automation, this process would be very labor intensive and inefficient requiring manual sorting and inserting of documents. The proposed contract will allow Citizens to maintain a much smaller and more efficient staffing model. Additionally, during a catastrophe the automated process allows Citizens to effectively scale resources in order to meet statutory timelines and dedicate otherwise limited manual resources to meeting policyholders' customer service needs.</p> <p>Citizens currently contracts with Neopost USA for the existing hardware/software solution per the terms and conditions of Florida State Term Contract number 600-760-11-1. The current contract will expire in January 2020. Citizens has the opportunity to lease the new, upgraded equipment under the new State Term Contract, 44102100-17-1. Approving this recommendation will allow Citizens to improve upon processing efficiencies due to enhanced functionality.</p>
CONTRACT TERM(S)	The proposed contract will have a 48 month term with no renewal options.
PROCUREMENT METHOD	Citizens will utilize the Florida State Term Contract for Mail Processing Equipment, Contract No. 44102100-17-1.
RECOMMENDATION	<p>Citizens' Claims Committee approved and recommends the Board of Governors:</p> <ul style="list-style-type: none">a) Approve the proposed contract, via State of Florida State Term Contract No. 44102100-17-1, to Neopost USA as set forth in this Claims Print Management Hardware and Software Action Item with an amount not to exceed \$415,000; and

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Claims Committee Meeting, June 12, 2019
Board of Governors Meeting, June 19, 2019

	b) Authorize staff to take any appropriate or necessary actions consistent with this Action Item.
CONTACTS	Jay Adams, Chief Claims Officer