

ACTION ITEM

Actuarial and Underwriting Committee Meeting, June 18, 2019
Board of Governors Meeting, June 19, 2019

CONTRACT ID:	Loss History Reporting Services (Underwriting) Contract No. 19-19-0003-00 AWARDED VENDOR: INSURANCE SERVICES OFFICE, INC.
BUDGETED ITEM	Funding for loss history reporting services (Underwriting Department) has been included in the 2019 Annual Operating Budget. Funding for the remaining years of the contract term will be budgeted in the appropriate subsequent years.
CONTRACT AMOUNT	The contract amount, including renewals, shall not exceed \$600,000.
PURPOSE / SCOPE	This Action Item requests Board approval of a contract with Insurance Services Office, Inc., to provide secure reporting of prior loss history information for Citizens underwriters, primarily for new business applications, to better assess insurance risk and help ensure that the properties meet sinkhole and general underwriting requirements. The electronic return of information regarding the loss history of the insured, the property, and other unique identifiers will be integrated into Citizens systems and returned to the underwriter electronically. All information will be provided regardless of loss and carrier.
CONTRACT TERM(S)	The contract term will have a three (3) year base term with three (3) optional one-year renewal terms.
PROCUREMENT METHOD	On April 4, 2019, Citizens issued Request for Proposal No. 19-0003, Loss History Reporting Services (Underwriting Dept.). Two responses were received but only one response met the minimum requirements. In accordance with Section 287.057(5), Citizens conducted negotiations with both vendors to see which one could offer the best terms and conditions. On June 3, 2019, the negotiation team recommended an award to the vendor that had met the original minimum requirements -- Insurance Services Office, Inc.
RECOMMENDATION	The Actuarial and Underwriting Committee recommends that the Citizens Board of Governors: a) Approve a contract with a three (3) year base term and three (3) optional one-year renewal terms, for an amount not to exceed \$600,000, to Insurance Services Office, Inc., as set forth in this Action Item; and, b) Authorize staff to take any appropriate or necessary actions consistent with this Action Item.
CONTACTS	Steve Bitar, Chief of Underwriting and Agency Services