

CONSENT ITEM

CONTRACT ID:	Non-Litigated and Litigated Claims Adjusting Services RFP 15-14-0019 MULTIPLE VENDORS
BUDGETED ITEM:	Yes. Funding for this contract is included in the Annual Operating Budget and is paid as a Loss Adjusting Expense (LAE).
CONTRACT AMOUNT:	The approved contract amount for this contract is \$500,000,000.00.
ORIGINAL CONTRACT APPROVAL:	The Board of Governors approved the contract spend of \$500,000,000.00 in June 2015.
PURPOSE / SCOPE:	<p>Staff requests approval to amend the Contracts to add a line item fee of \$90.00 for assignments involving Third-Party Water Mitigation Review.</p> <p>This additional fee applies to assignments sent to a third party water mitigation company for a comparative review and estimate of claims involving water damage. The fee is applicable to all water assignments where the adjuster has attempted to secure the comparative estimate from the third-party water mitigation company.</p> <p>At present, the claims handling process requires the adjuster to manage the file differently for losses involving a third party water mitigation review, due to the various touchpoints with third-party vendors. To account for the extra work, we have historically used existing Time & Expense (T&E) or Gross Claim Amount (GCA) schedule line items.</p> <p>To ensure that the proper analytics are captured related to these claims, specifically, and to ensure proper management of compensation, we recommended a separate line item.</p>
CONTRACT TERM(S):	Contracts have a base term of three (3) years; and, at Citizens discretion, have three (3) one (1) year renewal terms.
PROCUREMENT METHOD:	A Request for Proposal for Non-Litigated and Litigated Claims Adjusting Services, RFP 14-0019 on December 22, 2014 and Revised Notice of Intent to Award was issued on April 20, 2015 receiving approval by the Board of Governors on June 24, 2015.

CONSENT ITEM

Claims Committee Meeting March 9, 2016
Board of Governors Meeting March 16, 2016
Page 2 of 2

RECOMMENDATION:

Citizens' Claims Committee approved and recommends the Board of Governors to:

- a) Approve amendment of the Contracts for Non-Litigated and Litigated Claims Adjusting Services to add a line item fee of \$90.00 for assignments involving Third-Party Water Mitigation Review;
- b) Authorize staff to take any appropriate or necessary actions consistent with this Consent Item; and
- c) Approve this Consent Item subject to the approved contract budget of \$500,000,000.00.

CONTACTS:

Jay Adams, Chief of Claims
LaTrice S. Grier, Assistant Director Vendor Relationship Management