

APPENDIX 1
RFP 17-0020
Independent Adjusting Services - Catastrophe



ADDENDUM NO.: 1

REQUEST FOR PROPOSALS NO.: 17-0006
INDEPENDENT ADJUSTING SERVICES-NON-LITIGATED/CATASTROPHE
5/12/17

Citizens Property Insurance Corporation (Citizens) hereby formally amends the above referenced solicitation. The purpose of this Addendum is to answer questions received from Vendor(s) prior to the deadline in Paragraph 1.8, Calendar of Events and to amend the RFP as identified below.

SOLICITATION CHANGES:

1. Citizens hereby amends the RFP by revising **Attachment I, Resource Commitment Form**, to ensure Tab B has adequate space for committed resources. No other changes to the form were made.
2. Citizens hereby amends the RFP by revising **Attachment J, Independent Adjusting Services – Non-Litigated/Catastrophe Draft Agreement** as follows:

A. The first paragraph of Attachment J, Section 4.2 is hereby replaced in its entirety with the following:

4.2 Vendor Credentialing Requirements. Vendor acknowledges that Citizens employs a comprehensive and ongoing credentialing management process for the Services. Vendor agrees to participate in Citizens’ credentialing management process and ensure that all credentialing requirements are met by Vendor Staff. Vendor acknowledges that Citizens may change credentialing requirements as it deems reasonable and appropriate in response to changing business, regulatory and technological requirements and capabilities and Vendor agrees that it shall comply with any credentialing requirement changes implemented by Citizens.”

B. The last paragraph of Attachment J, Section 5.4.5.4 (f) is hereby replace in its entirety with the following:

In addition, Vendor shall ensure that all Adjusters and managers are properly trained and proficient in the use of the most recent version of estimating software utilized by Citizens. At no cost or expense to Citizens, Vendor shall obtain, implement, utilize, and maintain the estimating software currently used by Citizens to perform the Services. Vendor shall also ensure that all Adjusters and managers are properly trained and proficient in the use of Citizens’ claims management system.

C. Attachment J, Section 5.5.2 is hereby replaced in its entirety with the following:

5.5.2. Abandonment by Adjuster. Upon notice to Vendor by Citizens that an Adjuster has abandoned or stopped performing Services on an assigned claim, Vendor will provide a replacement Adjuster within seventy-two (72) hours to be deployed at Citizens sole discretion. Vendor’s obligation to provide a replacement Adjuster shall be deemed complete once Vendor has uploaded all necessary documentation in CAIS for an Adjuster who meets or exceeds the qualification and credentialing requirements outlined in Section 4 and Exhibit(s) B and/or C as applicable. If Vendor fails to meet this obligation within the stated timeframe, Citizens will require a Corrective Action Plan and

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Vendor will pay to Citizens, as liquidated damages and not as a penalty, the compensation rate identified in Section 8.2. which coincides with the Adjuster classification applicable to the Adjuster deployment. If Vendor does not provide a suitable replacement within the timeframe required in the Corrective Action Plan, then for each subsequent day that Vendor fails to provide a replacement Adjuster, Vendor shall pay to Citizens the compensation rate identified in Section 8.2. which coincides with the Adjuster classification applicable to the Adjuster deployment.

D. Attachment J, Section 16.6 is hereby replaced in its entirety with the following:

16.6. Non-Solicitation. Unless otherwise approved by Citizens, during the term of this Agreement, Vendor shall refrain from knowingly soliciting adjusters retained to provide services to Citizens on behalf of other providers of services to Citizens.

ANSWERS TO QUESTIONS:

1. **RFP Section 2.1, Page 10-11** - RFP indicates Tier 1, Tier 2, and Tier 3 Cat responses will utilize MCM vendors until claims handling capacity is reached.

Attachment J, Section 8.2, Page 15

Section 8.2 states Citizens will compensate Vendor at the corresponding CAT daily rate for a minimum of 7 days regardless of the length of deployment. (For CAT Field Associate Adjusters and CAT Field Adjuster I)

Question: If an MCM company is only utilizing 10 of their 35 adjusters for daily claims because of the low claim volume received from Citizens, will the additional 25 adjusters supplied by the MCM company at the time of a CAT event be eligible for the Day Rate for a minimum of 7 days regardless of the length of deployment?

Answer: No, not unless those Adjusters are CAT Desk Adjusters or CAT Team Leads deployed to Citizens catastrophe response site pursuant to a Catastrophe Deployment.

For MCM Adjusting Services, the catastrophe daily rate in Table 5 applies to CAT Desk Adjusters and CAT Team Leads deployed to Citizens catastrophe response site pursuant to Catastrophe Deployment. If deployed to Citizens catastrophe response site, Citizens will provide compensation for the CAT Desk Adjusters and CAT Team Leads at the corresponding catastrophe daily rate for a minimum of seven (7) days.

Daily and/or catastrophe claims services provided under the MCM model (as opposed to Services provided by CAT Team Leads or CAT Desk Adjusters pursuant to Catastrophe Deployment) will be compensated at the rate set forth in Table 1B, regardless of whether Adjusters are handling daily or CAT claims. Thus, in your hypothetical, the daily rate would also not apply to the ten (10) Adjusters being utilized for daily claims, unless those ten (10) Adjusters are CAT Desk Adjusters or CAT Team Leads deployed to Citizens catastrophe response site pursuant to a Catastrophe Deployment.

2. **Attachment J, Section 8.2, Page 19** – Table 5 provides the daily rate and catastrophe rate for team leads. Will Citizens pay a day rate for MCM Team Leads managing daily claims in the IA firm's office?

Answer: Citizens does not anticipate deployment of MCM Team Leads except pursuant to a Catastrophe Deployment; however, the day rate would typically apply if an MCM Team

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Lead is deployed by Citizens. If a CAT Team Lead is deployed to Citizens catastrophe response site pursuant to a Catastrophe Deployment, Citizens will provide compensation for the Adjuster at the corresponding catastrophe daily rate in Table 5 for a minimum of seven (7) days.

3. **Attachment J, Section 5.5.1, Page 13 and 14** - If the Vendor fails to provide the minimum requested committed adjusters, the Vendor will pay as liquidated damages \$2000 for each additional committed adjuster required to meet the minimum Cat response. If Vendor does not meet the minimum CAT response under a Corrective Action Plan, then for each subsequent day that Vendor continues to fail to reach compliance, Vendor shall pay the Adjuster Daily Rate identified in Section 8.2 for each additional committed adjuster required. Is there a cap or time limit with regard to this day rate penalty?

Answer: No, however Citizens anticipates exercising its rights to terminate should a Vendor be unable to comply with a Corrective Action Plan.

4. **RFP Section 1.1.c, Page 6 - Minimum resource and experience requirements - MCM adjusting services.** - In the past, we provided a Team Lead for daily MCM claims. I see in this RFP we are required to provide a minimum of 35 adjusters, including the required team of adjusters to perform CAT Desk Adjusting Services (1 - CAT Team Lead and 8 - CAT Desk Adjusters) Will we not have to provide the daily MCM Team Lead in this contract?

Answer: No. Citizens does not expect to utilize the services of a Team Lead for daily MCM claims.

5. **RFP Section 1.1.a, Page 5** – Does the MCM adjusting option include the existing water teams that are managed by IA vendors?

Answer: Yes. However, due to the specialized nature of non-weather water claims, Citizens anticipates assigning these claims separately from the fifty (50) claims per Vendor per month approach described for daily MCM claims per Section 1.1a of the RFP. Rather, non-weather water claims will be divided across a limited number of Vendors who will maintain teams that specialize in non-weather water. Citizens anticipates requesting non-weather water teams from each of the top five (5) or six (6) ranked Vendors under the MCM Adjusting Services category of this RFP. If these top ranked vendors are not interested or are unable to meet Citizens' needs for non-weather water teams, then Citizens intends to offer this opportunity to additional MCM Vendor(s) in the order of their ranking under the MCM Adjusting Services category of the RFP. Citizens anticipates assigning these non-weather water teams on a zone-territory basis.

6. **RFP Section 3.6, Page 15** – The resource commitment form requires delineation between W2 and 1099 staff. Is the intent that the representative be a W2 employee at the time of the submission or is it also acceptable to count as W2 if the representative will be a W2 at the time of the contract execution?

Answer: It is the intent that the employee be a W-2 employee at the time of the submission of the Proposal. When completing Attachment I, Vendors should not identify an Adjuster as a W-2 Adjuster unless the Adjuster is a W-2 employee at the time of submission of Attachment I to Citizens.

7. **Attachment I, Tab B** – There is only the ability to add 50 adjusters in Tab B to calculate in the Tab E. We are unable to add rows to the spreadsheet. Will Citizens provide an updated form to allow for additional submissions?

Answer: Please see Revised Attachment I – Resource Commitment Form 5.12.17.

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8. **Attachment I, Tab A** – We would like to seek clarification on the instructions provided for completion of Tab B for MCM Adjusting Resources. We understand that at least 35 adjusters must be committed and 9 of those can be represented as the cat team. Therefore, if one cat team lead is listed and 8 cat desk adjusters are listed, is it correct that at least 26 adjusters must also be listed in the drop down as Adjuster I?

Assuming yes to the above question: If the firm commits 32 cat desk adjusters and 4 cat team leads under Tab B for MCM Adjusting Resources, is it still required that a minimum of 26 resources also be listed as Adjuster I? That would be a total of 62 resources. Or do the cat desk and team lead positions count as Adjuster I positions as referenced in the Tab A instructions you please clarify the duties of the Litigation Administrator position?

Answer: Yes, if a Vendor submits one team of eight (8) CAT Desk Adjusters and one (1) CAT Team Lead, then the Vendor must submit a minimum commitment of twenty-six (26) additional Adjusters who meet the requirements of at least an Adjuster I as identified in Exhibit B of Attachment J.

No, a Vendor is not required to commit an additional twenty-six (26) Adjusters if the Vendor submits thirty-two (32) CAT Desk Adjusters and four (4) CAT Team Leads. Each CAT Desk Adjuster or CAT Team Leads meets the requirements of at least an Adjuster I as identified in Exhibit B of Attachment J, and therefore counts towards a Vendor's minimum thirty-five (35) Adjuster commitment. Be advised that a CAT Desk Adjuster is not just a Committed Adjuster for the purposes of deployment to a Citizens' catastrophe response site. Rather, a CAT Desk Adjuster must meet the requirement of at least an Adjuster I and is expected to be available to provide Services as a field adjuster through the MCM model. Please also refer to response #25 below.

9. **RFP Section 2.1, Page 10** – Citizens received a total of 25,463 claims in 2016; a decreased number compared to 2015. Does the claims number for 2016 also reflect claims filed during Hurricane Matthew or is it strictly for daily claims?

Answer: Yes, it includes claims filed during Hurricane Matthew.

10. **RFP Section 2.1, Page 10** – What is the current claims volume for 2017 as of 5/1/2017 and how many active vendors are currently being used until this contract is awarded?

Answer: Current Claims volume as of 5/1/2017 is 6,059. At this time, eight (8) active vendors are currently being utilized.

11. **RFP Section 2.1, Page 11** – For catastrophe responses; will the MCM Adjusting Service Vendors be the first response team that Citizens will reach out for deployment and the CAT Field Task Adjusting Vendors be used as a backup only?

Answer: This will depend on the magnitude of anticipated catastrophe claims volume. CAT Field Task Adjusting Vendors (and more specifically, CAT Field Task Adjusters) will serve an important role if anticipated catastrophe claims volume is high enough to warrant deployment under a task adjusting model; however, where possible for smaller catastrophe responses, Citizens will seek to rely on deployed MCM Adjusting Services Vendors using the MCM model. Refer to Section 2.1 of the RFP for more details regarding deployment for catastrophe responses ranging from small to large.

12. **RFP Section 2.4, Page 12** – What will be the effective start date of the contract; given the fact that the RFP will be awarded during the beginning period of Hurricane Season?

Answer: Citizens anticipates executing Agreements with awarded Vendors immediately following

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Citizens Board of Governor's approval on June 20, 2017. Additionally, once Agreements are executed with awarded Vendors, Vendors will need time to complete the credentialing process as outlined in Section 4 of Attachment J. It is anticipated that awarded Vendors will begin receiving assignments on or around August 1, 2017.

13. **RFP Section 2.4, Page 12** – If the RFP will be awarded on June 14, will the awarded vendors begin receiving assignments on or around July 1, 2017?

Answer: Refer to response #12 above.

14. **RFP Section 2.4, Page 12** – Upon the award of the RFP, will there be a training session such as a "Train the Trainer" prior to receiving assignments?

Answer: Yes.

15. **Attachment J, Section 3.4, Page 4** – This section indicates that vendor staff may be required to work in cooperation with another vendors' staff or to report to a supervisor from another vendor. Will there be something in place that would assure us that our adjusters can cooperate with another vendor without our adjuster being poached from the other vendor?

Answer: Solicitation of other Vendors' Adjusters will be considered in violation of the Contract per revised Section 16.6 of Attachment J, which provides as follows:

*"Non-Solicitation. Unless otherwise approved by Citizens, during the term of this Agreement, Vendor shall refrain from knowingly soliciting adjusters retained to provide Services to Citizens on behalf of other providers of Services to Citizens." See **Solicitation Changes, 2.D. above.***

16. **RFP Section 2.1, Page 11** – This question is regarding the multi – tiered cat response in regard to MCM Adjusting Services (Option 1). It is understood that vendors awarded this contract may be required to deploy their committed number of Cat Desk Adjusters and CAT Team Lead (s). But, during Tier 1, 2 & 3 tiered cat responses, would MCM vendors be able to assign any additional catastrophe field assignments to adjuster resources on their approved list that are identified as catastrophe only, thus maintaining the identified daily core roster of adjuster specifically for daily claims?

Answer: No, Vendors cannot use CAT Field Task Adjusters to perform MCM assignments.

Citizens will assign claims under one (1) of the two (2) Service Categories (i.e. MCM Adjusting Services or CAT Field Task Adjusting Services). Vendor must provide Services for that claim in accordance with assigned Service Category, using Adjusters approved to perform Services under that assigned Service Category. This remains the case regardless of whether the Vendor is contracted to perform Services in both Service Categories.

17. **RFP Section 1.1.a., Page 5** – Does the 50 claims per month specifically refer to daily field claims adjusting volume? If so, what is the maximum catastrophe volume that would be assigned/per committed number of field adjusters of an MCM vendor before the CAT Field Adjuster Vendors are deployed?

Answer: Yes, the fifty (50) claims per month specifically refers to daily field claims adjusting volume. Citizens does not have a "maximum" volume that would be assigned but will endeavor to coordinate assigned volumes with its Vendors in order to efficiently and effectively serve claimants.

18. **Attachment J – Section 2.2.10. Page 76** – When would be the proper time to request written

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permission to transfer an adjuster to MCM roster from another Citizens/vendor agreement roster – should a resource desire to make that change?

Answer: Written permission from Citizens is not required for transfers that are in connection with the transfer of Services from the 2013 Adjusting Services Contracts to a Contract awarded under this solicitation.

- 19. Attachment J – Section 5.5.2., Page 14** – Can you elaborate how the standard of unrealized staffing penalty would apply to the field adjuster roster portion for the MCM Adjusting Services Vendor (Option 1) agreement? The CAT Desk Adjuster agreement is quite clear, but not sure what the expectations are in regard to the Field Adjuster commitments?

Answer: The expectations are the same. The ninety percent (90%) requirement for Committed Adjusters requested in connection with a Catastrophe Deployment will be based on the number of Committed Adjusters provided in the Vendor's contract (thirty-five (35) or as modified to reflect the Vendors Proposal), including continued deployment of those existing Committed Adjusters already deployed, per Section 5 of Exhibit B to Attachment J.

- 20. RFP Section 1.1.a., MCM Adjusting Services (Vendor Option 1)** – This Section states that Citizens anticipates awarding Contracts to as many as fifteen (15) Vendors; and, approximately fifty (50) claims per deployed Vendor per month. Can Citizens provide any further detail or clarification on whether Vendors will be zoned or if there will be other methodology for claim assignment?

Answer: During the credentialing process, the vendor will assign territories to each of Vendor's MCM field adjusters. The Vendor is expected to have enough MCM adjusters with varying territories to provide statewide coverage. Citizens does not anticipate deployment of MCM Desk Adjusters, except pursuant to Catastrophe Deployment.

Non-weather water will be assigned on a zone basis, but these claims will be assigned separately to specialized Vendor teams. Refer to response #5 for more details regarding non weather water claims.

- 21. Attachment J – Section 5.5, Performance Measures; Section 5.5.1, Unrealized Staffing and Section 5.5.2 Abandonment by Adjuster** – These Sections outline liquidated damages for specific breaches, with specific references to seventy-two (72) hours for replacing staff. It is our understanding that Citizens typically requires replacement adjusters to go through a vetting process. Is the seventy-two (72) hour requirement stayed during the vetting process?

Also, would Citizens consider removing the liquidated damages respective to \$2,000 for each additional Committed Adjuster and compensation rate for each day, as liquidated damages were removed from the Litigated RFP?

Answer: No, Citizens will not remove the liquidated damages.

Under Section 5.5.1. of Attachment J, Vendors are expected to have Adjusters who have already completed the vetting process, including credentialing and approval in CAIS, and who are prepared to deploy as requested by Citizens in quantities up to Vendor's Committed Adjuster minimum. Therefore, no "stay" is applicable to this Section.

*Under Section 5.5.2. of Attachment J, Vendors are required to provide all necessary documentation in CAIS for a suitable replacement within the seventy-two (72) hour period which does not include Citizens review and approval. See revised Section 5.5.2. of Attachment J above in **Solicitation Changes 2.C.***

- 22. Attachment J – Section 10, Insurance** – Will Citizens accept the below proposed red line edits

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for Section 10?

We have proposed complete strike through on “10.3 – Acceptable Deductible Amounts” and “10.5 - Loss History”, The strike through on 10.3 is requested due to the cost associated with the compliance for a large public company. The strike through on 10.5 is due to being a publicly traded company.

Answer: Specific ONLY to the requirements of the insurance section, Section 10 of Attachment J. Citizens will accept reasonable proposed red-lined edits, in accordance with industry standards and subject to approval by Citizens. It is recognized that some publically traded companies, or other large corporations may have satisfactory risk protection without meeting every requirement within Section 10.

- 23. Attachment J – Section 16.6, Non-Solicitation** - Language in this Section can be interpreted as overly broad. Can Citizens please provide confirmation that the language in this Section applies to those Adjusters providing Services specific to a Vendor’s contract with Citizens? Further, it is with regard to those same Adjusters that Vendors must refrain from soliciting, hiring, or engaging, specific to continuing to work on claims assigned by Citizens, subject to the ninety (90) day ineligibility, or unless otherwise approved by Citizens.

*Answer: Citizens has revised this provision to clarify that it applies to Adjusters retained to provide Services to Citizens on behalf of other providers of Services to Citizens. Citizens has removed the additional language relating to ninety day ineligibility. Please see Revised Section 16.6 of Attachment J in **Solicitation Changes 2.D. above.***

- 24. RFP Section 1.1.a. Page 5 – Vendor Option 1** relates to the deployment of MCM adjusters, including one team of CAT adjusters that may be required to work from a CAT Site. Vendor is required to commit 35 MCM adjusters which may include the team. If vendor commits in excess of the minimum of MCM adjusters, is there a requirement to submit additional teams of MCM CAT adjusters?

Answer: No.

- 25. RFP Section 1.1.a. Page 5** - Vendor is required to commit 35 adjusters under the MCM proposal. Other than committing one team that may be asked to perform CAT desk adjusting services, can Vendor designate whether it is committing desk adjusters or field adjusters or both? In other words, can Vendor choose to only commit desk adjusters or only field adjusters?

Answer: No. Pursuant to Attachment I, Vendor must provide a minimum commitment of thirty-five (35) Adjusters who meet the requirements of at least an Adjuster I as identified in Exhibit B of Attachment J. Each of these Committed Adjusters are expected to be available to provide Services as a field adjuster through the MCM model. During the credentialing process, the vendor will assign territories to each of these MCM field adjusters. The vendor is expected to have enough MCM adjusters with varying territories to provide statewide coverage. If the Adjuster is also committed to deploying as a CAT Desk Adjuster to Citizens catastrophe response site, then Vendor may commit that Adjuster as a CAT Desk Adjuster under Attachment I.

- 26. RFP Section 1.1.a. Page 5** - Will MCM desk adjusters be required to work extended hours and on weekends only if there is a CAT?

Answer: Yes, and be advised that Citizens does not anticipate deployment of MCM desk adjusters except pursuant to a Catastrophe Deployment.

- 27. RFP Section 1.1.a. Page 5-** For the MCM Desk Adjuster, will there be an option to work extended hours and on weekends for non- CAT?

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Answer: No, and be advised that Citizens does not anticipate deployment of MCM desk adjusters except pursuant to a Catastrophe Deployment

- 28. RFP Section 1.1.a. Page 5** – If MCM desk adjusters work extended hours or on weekends (whether required or optional) will additional billing be permitted? If additional billing is allowed, what rate will apply if the extra work is non-CAT? What rate will apply if the extra work is CAT?

Answer: Citizens does not anticipate deployment of MCM desk adjusters except pursuant to a Catastrophe Deployment. The daily catastrophe rates in Table 5 apply to CAT Desk Adjusters deployed pursuant to a Catastrophe Deployment. In the event of non-catastrophe deployment, the standard daily rates would typically apply.

- 29. RFP Section 1.1.a. Page 5** - Are MCM field adjusters subject to being deployed anywhere in Florida or will they only be assigned claims in a certain region?

Answer: During the credentialing process, the vendor will assign territories to the MCM field adjusters. The vendor is expected to have enough MCM adjusters with varying territories to provide statewide coverage.

- 30. RFP Section 1.1.a. Page 5** – Citizens states that it will seek to deploy the vendors in a quantity and manner that provides up to approximately 50 claims per deployed vendor per month. Will a vendor receive only 50 claims a month regardless of how many of the vendor's employees are providing services to Citizens at the time? Is there an estimate of how many claims a desk adjuster or a field adjuster will be assigned at any one time? If the claim volume does not support enough adjusters to meet the team of 9 requirement, is the vendor still committed to deploying a team of 9 to support a catastrophe event?

Answer: Please refer to response #98 for a more detailed breakdown of Citizens' contemplated claims assignment methodology. That methodology does not contemplate increases or decreases in claims volume based upon a Vendor's specific number of Adjusters providing services; however, it is subject to each Vendor's deployment of enough Adjusters to support the associated Citizens claims volume on a statewide basis. Claims are distributed using a round-robin systematic process. The amount of claims a desk adjuster or field adjuster will receive varies greatly depending on several factors including, but not limited to: number of awarded firms, number of adjusters on a firm's roster, territories assigned to the adjuster by the firm. Under the current contract, many MCM Vendors have deployed Adjusters in a manner that provides each MCM field adjuster approximately 11-14 open claims at a given time.

Citizens will determine whether anticipated claims volume warrants deployment of Vendors' CAT Desk Adjusters and CAT Team Leads. As required by Citizens, CAT Desk Adjusters and CAT Team Leads must deploy to Citizens catastrophe response site. For each CAT Desk Adjuster or CAT Team Lead deployed to Citizens catastrophe response site, Citizens will compensate Vendors at the corresponding catastrophe daily rate for a minimum of seven (7) days.

- 31. RFP Section 1.7. Page 8** – Following the evaluation committee public meeting, when does Citizens expect the services to begin?

Answer: Please see response #12 and #13 above.

- 32. RFP Section 3.6(b)(ii) Page 16** – The RFP awards points for the number of MCM CAT desk adjuster teams committed. Are there any points awarded for additional MCM adjusters over the 35 minimum requirement if those additional MCM adjusters will not be part of a CAT adjuster team?

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Answer: No.

- 33. Attachment J - Section 1.1, 1.4** – What is the definition and function of CAIS as it relates to the Adjuster approval process? Who has access to CAIS?

Answer: "CAIS" means Citizens' Credentialing Administration Information System. CAIS is an automated tool that tracks contracted vendor services and the credentialing and approval status of vendor firms, its personnel and their qualifications CAIS access is given to certain Business Roles at the firm level. These roles typically include Firm Principals, Primary Business Contacts, Dispatch Personnel, and Administrative Support Staff.

- 34. Attachment J - Section 1.2, Page 1** – Will Citizens provide notice and will Vendor have the right to terminate the agreement if there is a material change in the Best Practices?

Answer: Any change to the Best Claims Practices and Estimating Guidelines will be done with notice and are limited to meet "Citizens' business needs, legislative requirements, or for other legal or business-related purposes." If there is a material change in the Best Practices that the Vendor feels is so adverse that it creates a dispute, the Dispute Resolution Process within Section 13 should be undertaken.

- 35. Attachment J – Section 1.2, Page 2** – We understand that we cannot list the same person on more than one roster. However, if someone decides during the course of the agreement term that they would like to change the type of services they may be called on to perform, can we take them off one roster and put them on another? For example, if they are on the MCM roster and they would rather be on the CAT field roster, can we move them to the CAT field roster and replace them on the MCM roster?

Answer: Yes, as long as the replacement adjuster is approved by Citizens and has comparable qualifications.

- 36. Attachment J – Section 1.2, Page 2** - The job description of the MCM desk adjusting services includes the handling of simple, low severity losses or handling claims in response to Catastrophe claims volume. Is the rate of compensation for the MCM desk adjusting services reflected in Table 5?

Answer: Be advised that Citizens does not anticipate the deployment of MCM desk adjusters except pursuant to a Catastrophe Deployment. If deployed pursuant to a Catastrophe Deployment, a CAT Desk Adjuster will be compensated at the Catastrophe Rate rather than the standard Rate provided in Table 5. In the event of non-catastrophe deployment, the standard daily rates would typically apply.

- 37. Attachment J – Section 1.2, Page 2** – Under what circumstances will Citizens assign adjusters to provide "time and materials adjusting services"? Does this apply to MCM and CAT Field Task adjusters? Will it be at the same time that they are providing services under the fee schedule or a daily rate? Please provide examples of how this would work?

Answer: Claims handled by our contracted resources are billed using the standard fee bill schedule based on the services provided. Circumstances that may not fall under the standard fee bill may be considered for billing under time and expense (T&E); however, this is typically rare and on a case-by-case basis, and is only permitted with prior approval from Citizens management. Historically, time and materials adjusting services have most commonly been used in connection with the reassignment of a claim to a different Adjuster firm. Yes, time and material adjusting could apply to either MCM Adjusting Services or Field Task Adjusting Services.

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38. **Attachment J – Section 1.17, Page 3** – This Section requires that each adjuster submit a time record. Does this requirement apply to adjusters who are not billing using a daily rate (for example, Table 1A and 1B)?

Answer: Time Record is applicable to adjusters deployed in a Daily Rate capacity as well as those adjusters performing services under the Time and Material Adjusting Services compensation rate only. Thus, it does not apply when billing under a Table 1A or 1B rate.

39. **Attachment J – Section 3.2.1.3, Page 4** – What Information needs to be included in the time record?

Answer: Time Record is applicable to adjusters deployed in a Daily Rate capacity as well as those adjusters performing approved services under the Time and Material Adjusting Services compensation rate. Time Record should include adjuster name, days worked (per week), and hours worked (per day).

40. **Attachment J – Section 3.4, Page 4** – In 3.4, will Citizens consider deleting the phrase "or report to a supervisor from another vendor"?

Answer: No. This operational requirement, regardless of how often used, remains.

41. **Attachment J – Section 4, Page 5** – Is credentialing only applicable to the Vendor employees assigned to provide services to Citizens or does it also apply to Vendor Home Office employees who may provide back office services?

Answer: Credential requirements are applicable to any back office employee who either (a) provides Services to Citizens or (b) has access to Citizens' Confidential Information as defined in Section 1.6 of Attachment J.

Credentialing requirements are applicable to all Vendor Staff as defined per Section 1.18 of Attachment J. Vendor Staff is defined to include "any employees, agents, subcontractors or representatives who: (a) provide the Services; or (b) have access to Citizens Confidential Information".

42. **Attachment J – Section 4, Page 5** – Can we credential adjusters above the number of adjusters that we commit to provide services in the event replacements are needed or Citizens asks that we provide adjusters above our commitment?

Answer: Yes. Please be aware that the committed number of adjusters in Vendor's Proposal will be included in Vendor's contract and will serve as Vendor's minimum number of Committed Adjusters. Refer to Attachment J, Section 5 of Exhibit B and Section 4 of Exhibit C.

43. **Attachment J – Section 4.2, Page 5** – 4.2, will Citizens add the word "reasonable" before "credentialing" in the following sentence: "Vendor acknowledges that Citizens may change credentialing requirements as it deems appropriate in response to changing business, regulatory and technological requirements and capabilities and Vendor agrees that it shall comply with any credentialing requirement changes implemented by Citizens"?

Answer: Please see Solicitation Changes 2.A. above.

44. **Attachment J – Section 4.2.6.6, Page 7** - This Section states that a conviction includes adjudication withheld. Will Citizens include in this provision that if the employee completes the terms of the withheld adjudication and the crime is dismissed, it will no longer be considered a conviction?

Answer: No.

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45. **Attachment J – Section 4.2.6., Page 7** – We must submit our Vendor Staff within 30 days from the execution of the Agreement. When should we expect confirmation from Citizens that our staff submitted are accepted for the assignment?

Answer: The timeframe from submission to approval will vary depending on the volume of submissions at a given time. Typically, the review process is done within 1-5 days of submission.

46. **Attachment J – Section 4.2.6., Page 7** – Does the required resume for Vendor Staff need to be in any certain format?

Answer: Yes, Citizens employs a template within CAIS that awarded Vendors will be expected to utilize.

47. **Attachment J – Section 5.4.2., Page 10** – Can Vendor receive electronic notification of deployments by e-mail rather than through the Citizens' system so that those individuals in our company responsible for filling the deployment request can receive timely notice?

Answer: Yes. CAIS, Citizens' Credentialing Administration Information System, sends an electronic notification by email to the vendor, notifying the vendor of the deployment request details.

48. **Attachment J – Section 5.4.2.4., Page 11** – In 5.4.2.4, after "ensure that all deployed Adjusters provide Services exclusively for Citizens," will Citizens add the phrase "while deployed"?

Answer: No. Please note that this sentence already indicates that it applies to deployed Adjusters only.

49. **Attachment J – Section 5.4.3.4., Page 11** – Will there be additional compensation for extended hours during a CAT? If so, at what rate for each position?

Answer: For those services compensated at a daily rate per table 5 of Section 8.2, Attachment J, Citizens will compensate Vendors at the Catastrophe Rate provided thereunder. This includes Catastrophe Deployments of CAT Desk Adjusters and CAT Team Leads.

Section 8.2, Tables 1A and 1B do not include a higher rate for services provided during a catastrophe; however, compensation will increase to the extent that claims volume increases. Furthermore, compensation for CAT Field Adjusting Services includes not only the Table 1A rate, but also seven (7) days of compensation at the Table 5 catastrophe daily rate for each CAT Field Associate Adjuster or CAT Field Adjust I deployed pursuant to a Catastrophe Deployment.

50. **Attachment J – Section 5.4.3.4., Page 11** – Will a deployment request specify the scheduled hours for the adjusters during the deployment?

Answer: Yes.

51. **Attachment J – Section 5.4.5.4., Page 13** – Will Citizens reimburse Vendor for the expense of creating a profile with Xactware in order to facilitate sending and receiving files?

Answer: No.

52. **Attachment J – Section 5.4.5.4.f, Page 13** – This section appears to require that Vendor Staff handling Non-Litigated claims be properly trained and proficient in the use of Citizens' litigation management system. Is that correct?

*Answer: This is not correct. Please see Revised Section 5.4.5.4.f. of Attachment J as this reference has been deleted. See **Solicitation Changes 2.B. above.***

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53. **Attachment J – Section 5.4.5., Page 12** – Based on the training materials provided by Citizens, how long should it take for the Vendor to deliver the training program and the recertification training? In other words, how many days/hours should we expect an employee to need to train to complete these materials?
- Answer: Citizens is finalizing this training and anticipates that for MCM Adjusting Services the training will be two days. Training for CAT Field Adjusting Services is anticipated to be one day.*
54. **Attachment J – Section 5.4.5.2., Page 12** – Can Citizens specify in what format training will be provided? For instance, will training be delivered in SCORM-compliant modules that may be loaded into a LMS?
- Answer: As above, Citizens is finalizing this training and anticipates a combination of webinars and in-person training. Recorded webinars, once uploaded into Citizens' LMS system, are converted to SCORM compliance.*
55. **Attachment J – Section 5.5., Page 13** – Sometimes Citizens may make an operational decision that impacts Vendor's ability to fulfill a deployment request (such as delaying deployments for a catastrophe long enough for the adjuster pool to be depleted by other carriers). Vendor would have no control over this decision, but would be severely penalized under the current contract language, creating an unmitigatable risk for Vendors. Will Citizens consider deleting this provision as it pertains to catastrophe situations?
- Answer: No.*
56. **Attachment J – Section 5.5.2., Page 13** – In the situation of an adjuster leaving an assignment, is the vendor always permitted to send a replacement or must we ask permission to send a replacement?
- Answer: No, Vendors need permission to send a replacement Adjuster, and the replacement Adjuster must be approved in CAIS to provide the type of assignment at issue.*
57. **Attachment J – Section 5.5.2., Page 13** – If someone leaves the assignment near the end of their assignment, could their remaining claims be redistributed among already deployed Vendor employees instead of replacing them?
- Answer: Yes, as preapproved by Citizens, and provided that it does not result in any disruption to existing or future claims assignments.*
58. **Attachment J – Section 8.2** – Failure to timely pay invoices to Vendor will cause Vendor to incur substantial carrying costs. Will Citizens add to this provision that invoices not paid within 30 days of submission will be subject to 1% interest?
- Answer: No.*
59. **Attachment J – Section 8, Page 15** – If an employee works less than a full day, what is the smallest acceptable increment for billing purposes (minutes, ¼ hours, hours, ¼ days, etc.)?
- Answer: Compensation is provided based on ½ day increments.*
60. **Attachment J – Section 8, Page 15** – How does Citizens process payments to the vendor? Would it be electronic or manual? If manual, would you consider providing for an automated/electronic method of payment?
- Answer: Citizens currently processes payments to the vendor with a paper remittance. Citizens eventually will move to an ACH payment processing.*

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- 61. Attachment J – Section 8.2, Page 15** – Will Citizens agree that if Citizens adjusts pricing down that Vendor may terminate the agreement?

Answer: No. As in any contractual relationship, changes will be governed in accordance with the Contract and the implied covenant of good faith and fair dealing.

- 62. Attachment J – Section 8.2, Page 15** – Please clarify who is eligible to receive the 7 day daily rate. Does it include MCM CAT desk adjuster teams deployed to a CAT site? Please also clarify the rate that will be applied to each type of adjuster.

Answer: For MCM Adjusting Services, the catastrophe daily rate in Table 5 applies to CAT Desk Adjusters and CAT Team Leads deployed to Citizens catastrophe response site pursuant to Catastrophe Deployment. If deployed to Citizens catastrophe response site, Citizens will provide compensation for the CAT Desk Adjusters and CAT Team Leads at the corresponding catastrophe daily rate for a minimum of seven (7) days.

Daily and/or catastrophe claims services provided under the MCM model (as opposed to Services provided by CAT Team Leads or CAT Desk Adjusters pursuant to Catastrophe Deployment) will be compensated at the rate set forth in Table 1B, regardless of the class of Adjuster or whether Adjusters are handling daily or CAT claims.

Compensation for CAT Field Task Adjusting Services includes not only the Table 1A rate, but also seven (7) days of compensation at the catastrophe daily rate for each CAT Field Associate Adjuster or CAT Field Adjuster I deployed pursuant to a Catastrophe Deployment

- 63. Attachment J – Section 8.2, Page 16** – Table 1B (MCM Rates) provides an indemnity schedule for Services. Is this table for services provided by the MCM field adjuster? Would there be an occasion where the MCM field adjuster would bill using the daily rate?

Answer: Yes, Table 1B provides the compensation rate for services provided under the MCM model (i.e., an MCM field adjuster handling daily and/or CAT claims pursuant to the MCM model). An MCM Field Adjuster would not bill under the daily rate unless the MCM Field Adjuster is deployed as a CAT Desk Adjuster or CAT Team Lead pursuant to a Catastrophe Deployment.

- 64. Attachment J – Section 8.2, Page 19** – Table 5-MCM Rates provides a daily rate for Services. Is this the table for services provided by the MCM desk adjuster?

Answer: Citizens does not anticipate deployment of MCM Desk Adjusters except pursuant to a Catastrophe Deployment; however, the day rate would typically apply if an MCM Desk Adjuster is deployed by Citizens. If a CAT Desk Adjuster is deployed to Citizens catastrophe response site pursuant to a Catastrophe Deployment, Citizens will provide compensation for the Adjuster at the corresponding catastrophe daily rate for a minimum of seven (7) days.

- 65. Attachment J – Section 8.2, Page 19** – Would there be an occasion where the MCM desk adjuster would bill using the indemnity schedule?

Answer: No. Refer to response #64 above.

- 66. Attachment J – Section 8.2, Page 20** – The contract provides for reimbursement for the background check fee up to 120% of committed adjusters. Does this mean that we are allowed to have extra adjusters in the CAIS system which would be eligible for replacements? Is there any requirement that we keep 20% more adjusters than our committed adjusters in the CAIS system?

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Answer: Yes, you are allowed to have extra adjusters in the CAIS system. No, there is no requirement for 20% more adjusters than your commitment.

- 67. Attachment J – Section 8.4, Page 21** – If we bill on a weekly basis, will Citizens remit payment on a weekly basis?

Answer: Per Section 8.2. of Attachment J Vendors may submit requests for compensation weekly during a Catastrophe Deployment only. However, per Section 8.5 of Attachment J, payment by Citizens shall be due net thirty (30) calendar days of Citizens' actual receipt of a complete and undisputed invoice.

- 68. Attachment J – Section 8.4, Page 22** – Will Citizens make the indemnification provision mutual?

Answer: No.

- 69. Attachment J – Section 8.2. Table 4, Page 18** – When does the facility/technology charge apply? Would a CAT desk adjuster that is sent to a CAT site (Jacksonville Office) have to pay this fee?

Answer: The facility/technology charge only applies when an Adjuster is working in Citizens' office or another designated Citizens' space. This would most commonly occur in connection with deployment of a CAT Desk Adjuster or CAT Team Lead to a Citizens' catastrophe response site. The firm is responsible for paying this fee, but yes, this fee applies to a CAT Desk Adjuster that is deployed to a Citizens' catastrophe site.

- 70. Attachment J – Section 8.2. Table 4, Page 18** – When does the facility/technology charge apply? Would a CAT field adjuster have to pay this fee if based in any other facility? Is the fee per person or for all Vendor staff working at the site?

Answer: Please see answer to #69 above. No, this fee only fee applies when an Adjuster is working in Citizens' office or another designated Citizens' space. The fee is per person/adjuster.

- 71. Attachment J – Section 10.1.2, Page 23** – Will Citizens revise this section as follows: "Commercial General Liability with minimum limits of \$1 million per occurrence (to include contractual liability for bodily injury, personal injury or property damage liability assumed hereunder but not including breach of contract claims arising from this Agreement) and \$2 million in the aggregate"?

Answer: No.

- 72. Attachment J – Section 10.1.5, Page 23** – Will Citizens agree to change "\$4 million in the aggregate" to "\$2 million in the aggregate"?

Answer: No.

- 73. Attachment J – Section 12.1., Page 2** – Will Citizens consider amending this section to insert after the word "shall" the words "have the option" so that it is the Vendor's choice whether to continue from that point forward?

Answer: No, the Termination without Cause provision will remain as outlined within Attachment J. As in any contractual relationship, changes will be governed in accordance with the Contract and the implied covenant of good faith and fair dealing.

- 74. Attachment J – Section 12.2., Page 25** – Can we add that Vendor can terminate without cause if Citizens makes material changes to the agreement, including but not limited to the scope of the services performed, the pricing and the obligations of Vendor?

Answer: No. Please see answer to #73 above.

- 75. Attachment J – Section 14.2., Page 26** – Will Citizens amend this section to narrow the scope of the audit and/or to provide the Vendor longer response times and also to include that reimbursable

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expenses must be reasonable?

Answer: No. However, reimbursement under this provision is expressly limited to reasonable costs for investigation.

- 76. Attachment J – Section 15, Page 29** – Will Citizens make 15.1 & 15.5-9 mutual to Citizens and Vendor?

Answer: No.

- 77. Attachment J – Section 15.3.1., Page 29** – Our SOC audit year runs from June to June. Is it okay to provide this report annually or must the report year be a calendar year?

Answer: Yes. SOC reports must be submitted annually, but not necessarily on calendar year basis. The most current version must be submitted within sixty (60) days of issuance or no later than the end of a calendar year.

- 78. Attachment J – Section 15.3.3., Page 29** – Will Citizens amend this section to state that Vendor will be required to "implement safeguards agreed upon by the parties?"

Answer: No.

- 79. Attachment J – Section 15.9., Page 30** – Because the definition of Confidential Information is so broad, can the labeling requirement be narrowed?

Answer: No.

- 80. Attachment J – Section 16.6., Page 32** – Will Citizens change the first sentence of 16.6 to state as follows: "Unless otherwise approved by Citizens, during the term of this Agreement, Vendor shall refrain from knowingly soliciting, hiring or engaging the Adjusters of other providers of Services to Citizens to provide same or similar services to Citizens."?

Answer: Please see Revised Section 16.6 of Attachment J, Solicitation Changes 2.D. above.

- 81. Attachment J – Exhibit B, Section 1., Page 68** – Will Vendor be allowed to rotate MCM desk adjusters into and out of the CAT desk team during a CAT so that the extra hours can be spread among more adjusters?

Answer: Yes, as long as the replacement is pre-approved by Citizens.

- 82. Attachment J – Exhibit B, Section 1., Page 68** – Where might MCM desk adjusters working CAT be deployed other than the Citizens office in Jacksonville?

Answer: CAT Desk Adjusters and CAT Team Leads are most likely to be deployed to Citizens Jacksonville office location; however, these Adjusters must be prepared to deploy to a Citizens catastrophe response site anywhere in Florida

- 83. Attachment J – Exhibit B, Section 1., Page 68** – If MCM Desk Adjusters are assigned to CAT, what is the capacity of the Citizens office?

Answer: Citizens has approximately 425 seats in Jacksonville for a CAT Response. However, not all of these seats are for MCM Cat Services.

- 84. Attachment J – Exhibit B, Section 1., Page 68** – Will Vendor be required to pay the space/equipment charge outlined in the RFP if these adjusters are deployed to the Citizens office?

Answer: Yes. Please see answer to #69 above.

- 85. Attachment J – Exhibit B, Section 1.2., Page 69** – May they work remotely including from their homes?

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Answer: No, not at this time. Citizens anticipates developing a process/procedure that may be available at some point during the contract.

- 86. Attachment J – Exhibit B, Section 2., Page 69** – Under what circumstances will MCM adjusters be asked to perform task assignment or quality assurance work? How often might their duties change between regular desk adjusting and these related services?

Answer: A Task Assignment would most likely arise in connection with a claim that is being adjusted under the desk adjustment model. For instance, Citizens typically uses in-house adjusters to adjust lightning loss claims, and may from time to time need for an MCM Field Adjuster to go to the site of a claim. Citizens does not currently foresee deploying Adjusters to perform quality assurance work; however, Citizens has included those service in the contract in the event of a change in Citizens' needs.

- 87. Attachment J – Exhibit B, Section 2.1., Page 69** – How will adjusters assigned to perform services using the task assignment bill for their services?

Answer: Task Assignments will be billed using the Task Assignment Model rates found in Table 1A. The Fee Bill will be reviewed and approved by the Desk Adjuster assigned to the claim.

- 88. Attachment J – Exhibit B, Section 2.3.6., Page 70** – Are the adjusters who may be required to work after Business Hours, during weekends, and or holidays billed at the same daily rate for normal business hours? What if their normal billing is by fee schedule?

Answer: Citizens does not anticipate compensating for MCM Adjusting Services at a day rate, except for CAT Team Leads and CAT Desk Adjusters pursuant to a Catastrophe Deployment. If those Adjusters are deployed pursuant to a catastrophe deployment, those Services will be compensated at the daily catastrophe rate provided in Table 5 of Section 8.2, Attachment J. Other MCM Adjusting Services are compensated by fee schedule. Citizens does not track or dictate the specific hours worked in performance of Services under the fee schedule, nor does Citizens alter a Vendor's compensation on the basis of specific hours worked.

- 89. Attachment J – Exhibit B, Section 3.1., Page 70** – Section 3.1.3 requires the physical ability to climb roofs, enter crawl spaces, etc. If the Associate Adjuster is only committed to the MCM desk adjusting services, does the adjuster have to meet this requirement?

Answer: No, please refer to response #25 for more details. Please also be advised that a Desk Adjuster must meet the requirements of at least an Adjuster I as identified in Exhibit B of Attachment J

- 90. Attachment J – Exhibit B, Section 6., Page 74** – Would a vendor company be allowed to add additional adjusters to their commitment annually or at any other point or is the commitment number binding through the life of the contract?

Answer: No, the contract does not provide for any changes to a Vendor's adjuster commitment. However, Vendors are welcome to submit additional adjusters for credentialing under Contract. Citizens may seek to deploy those additional Adjusters if the need arises.

- 91. Attachment J – Exhibit C, Section 3.2.1., Page 76** – This section requires that an adjuster possess an active adjusting license in the State of Florida as defined by the State of Florida Department of Financial Services ("DFS"). Will Vendor need to obtain permission from Citizens to use people who have emergency - non-permanent FL licenses for catastrophes?

Answer: All Adjusters must be approved by Citizens in CAIS prior to performing Services. Citizens

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will accept emergency- non-permanent FL licenses for Adjusters performing Services in response to a catastrophe.

92. **RFP Section 1.1.a., Page 5** – Please clarify the requirements of mobilizing staff under the MCM portion. Specifically, is it required for the service provider to relocate staff into the catastrophe response site, or can they remain in our own office environment to handle these claims? If it is the former, will Citizens bear the cost of this temporary office location (including, but not limited to rent, electric, HVAC, etc.)?

Answer: No, only CAT Desk Adjusters and CAT Team Leads are committed to deploying to Citizens' catastrophe response site, in which case Citizens provides the office space for those deployed Adjusters. Also, please refer to response #69 above.

93. **RFP Section 1.1.a., Page 5** – If you are ranked #1 on the RFP response, how many claims should you anticipate? What if you are ranked #5, #10 and #15?

Answer: Please refer to response # 98 below.

94. **Attachment H, Part C** – We have worked 5 hurricanes for Citizens Florida spanning 3 years. We think we should be able to get credit AND POINTS for having worked multiple REAL CAT's and not just wind storms for Citizens. We have even worked a couple of hurricanes where we had to shut down and evacuate due to another hurricane hitting. We performed seamlessly for you then and we will now.

We would appreciate being able to receive credit for Part C please.

Answer: Attachment H, Part C will remain unchanged.

95. **RFP Section 1.1.a., Page 5** – Will the Catastrophe Desk Adjuster and Team Lead positions always be housed in the Citizens office or is there also the possibility that they will need to be housed in the IA office?

Answer: Please see answer to #82 above.

96. **RFP Section 1.1.a. Citizens will seek to deploy MCM Adjusting Services Vendors in the order of their ranking under the RFP, and will endeavor to deploy these vendors in a quantity and manner that provides up to approx. 50 claims per deployed vendor per month.** – Does the vendor ranking impact the amount of claims a firm can receive? For example, can a firm earn additional teams based upon a high ranking?

Answer: Please see answer to #98 below.

97. **RFP Attachment I, Tab B, MCM Adjusting** – Currently you can enter 4 CAT Team Leads and 32 CAT Desk Adjusters and no Adjuster I's, which results in a status of Responsive with maximum points for CAT teams. Is this an intended result? Additional Adjuster I's would be needed for MCM daily claims but the status is already Responsive with the desired points obtained. Do we not need to identify our daily MCM adjusters in this scenario?

Answer: Yes, that is the intended result, and you are not required to commit additional MCM adjusters. However, deployment of a Vendor's CAT Desk Adjusters and CAT Team Leads under the Contract may be impacted by the availability of additional Adjusters qualified to perform daily MCM Services on behalf of the Vendor while Vendor's CAT Desk and Team Leads are deployed at a Citizens' catastrophe response site.

98. **RFP Sections 1.1.a. and 2.1. Background** – Section 1.1a states that Citizens anticipates awarding up to 15 vendors and endeavors to assign up to 50 claims per month per vendor. If 15 vendors were deployed at 50 claims a month per firm, this would account for approximately 9000 claims per year. The table in section 2.1 shows the total number of claims filed for 2016 as

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25,463. We understand that some claim types within this yearly total are handled internally by CPIC and are not part of the scope of the MCM Adjusting Services program. Having said that, there appears to be a significant discrepancy between the last few years' claim totals and the projected claim totals described in this proposal. Can you detail the claim types that will be handled as part of the MCM Adjusting Services under this proposal? For example, will MCM (daily) include weather and non-weather claims? Assuming MCM makes up approximately 25-30% of claim volume (6000-9000 claims), can you detail the other claim types, their percentage of the total amount, and how they are handled (internally or through contracted IA's).

Answer: The 25,463 number that you cite represents Citizens total claims volume. For the purposes of Citizens' current claims management processes, a further high level breakdown is as follows: (i) claims handled internally by Citizens; (ii) daily MCM claims; (iii) non-weather water claims.

Citizens intends to continue handling certain types of claims internally. Examples include burglary, lightning, and theft, mobile home total loss, late first notice of loss, and dropped objects claims. Those types of claims accounted for approximately 37% of Citizens' claims volume as of mid-2017.

Citizens intends to rely on MCM Adjusting Services for daily MCM claims, which accounted for approximately 25% of Citizens claims volume as of mid-2017. Citizens furthermore intends to rely on MCM Adjusting Services for non-weather water claims, which accounted for approximately 37% of Citizens claims volume as of mid-2017.

Due to the specialized nature of non-weather water claims, Citizens anticipates dividing non-weather water claims across a limited number of Vendors who will maintain teams that specialize in non-weather water. Citizens expects to request non-weather water teams from each of the top five or six ranked Vendors under the MCM Adjusting Services category of this RFP. Refer to response # 5 for more details. Assuming that those firms accept and are able to meet Citizens needs for non-weather water claims, then Citizens intends to prioritize use of daily claims volume to deploy the next ranked vendors in a quantity and manner that provides up to approximately 50 claims per deployed Vendor per month.

Be advised that Citizens cannot guarantee any specific volume of business or claims assignment methodology under the awarded Contracts. However, if the foregoing assumptions and methodology were applied to Citizens 2016 claim volume, then those five or six vendors with non-weather water teams would have received approximately 9400 non-weather water claims across those five or six vendors. Approximately 6300 daily mcm claims would have been allocated in a manner that first prioritizes deployment of next ranked MCM Adjusting Services vendors in a quantity and manner that provides up to approximately 50 claims per deploy Vendor per month.

- 99. RFP Section 2.1** – Are MCM firms required to cover the entire state of Florida at 2 claims at the proposed volume of 50 claim per month?

Answer: Yes, MCM Adjusting Services Vendors are expected to provide statewide coverage for MCM Adjusting Services.

- 100. RFP Attachment I, Percentage of Total Commitment who are W-2 employees (MCM and Cat)** – What is the rationale behind assigning additional points for higher ratios of committed resources that are W-2 employees vs 1099 resources?

Answer: Citizens believes that a W-2 relationship contributes to the reliability and consistency of

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Services provided.

- 101. RFP Attachment I, Percentage of Total Commitment who are W-2 employees (MCM and Cat)**
– What are the qualities of a W-2 resource that make them more desirable for the scope of services described in this proposal?
Answer: See answer to #100 above.
- 102. RFP Attachment I, Percentage of Total Commitment who are W-2 employees (MCM and Cat)**
– Is it reasonable to assume that the designation of the resource as W-2 or 1099 is only relevant for deployed resources?
Answer: No, this designation is relevant to Vendor's entire Adjuster commitment. See answer #100 above.
- 103. RFP Attachment H, Part A and Part D (2) and (3)** – Part A, item (v) asks for a description of recruitment and retention as part of a section that is worth 25 points. Part D (2) – Recruitment and Part D (3) – Retention are each separate sections worth 5 points each. Is this an oversight or will Recruitment and Retention be scored in Part A and also in Parts D(2) and D(3)?
Answer: No, this is not an oversight. Please note that Attachment H, Part D (2) and (3) addresses recruitment and retention of a specific subset of Adjuster classifications relating to the MCM Adjusting Services category.
- 104. RFP Attachment H, Part A and Part D (2) and (3)** – Part D (1) states to list a brief narrative and resume for 1 CAT Team Lead and 8 CAT Desk Adjusters. If a firm commits to more than 1 CAT team, will we need to supply narrative and resumes for the additional team(s)?
Answer: No.
- 105. RFP Section 3.6, Page 14** – If a company decides to submit the RFP for Option #3 (MCM Adjusting Services PLUS CAT Field Task Adjusting Services), do we submit two CD's, one for each service (MCM and CAT Field Task)? If we are supposed to submit one CD as our proposal for Option #3, then please clarify how we are to format the folders? Example: Folder No. 3 for MCM Adjusting Services and then right under it another Folder No. 3 for CAT Field Task Adjusting **OR** have one Folder No. 3 and then within the folder, have Attachment H for Committed Adjuster Team for MCM adjusting services and then an Attachment H for Committed Adjuster Team for CAT Field Task Services.
Answer: Only one CD is required for a Vendor's Proposal. If a Vendor is submitting for Option #3 (MCM Adjusting Services PLUS CAT Field Task Adjusting Services), Attachment I, Resource Commitment Form, Tabs B and C will need completed to indicate this choice. No other additional formatting of folders is required in the Proposal.
- 106. RFP Attachment H, Part D, 1, Page 3** – This section requests resumes and bios for one cat team lead and 8 cat desk adjusters. If the firm commits more than 1 cat team lead and 8 cat desk adjusters, does the firm need to submit resumes and bios for all the committed cat resources?
Answer: Please see answer to #104 above.

**FAILURE TO FILE A PROTEST WITHIN THE TIME PRESCRIBED IN SECTION 627.351 (6)(e), F.S.,
CONSTITUTES A WAIVER OF PROCEEDINGS.**