

Executive Summary

Board of Governors Meeting, September 21, 2022

Language Interpretation and Transcription Services

Topic

Citizens staff is requesting approval to contract with Telelanguage, LLC. (“Telelanguage”) and Homeland Language Services, LLC (“HLS”) for Language Interpretation and Transcription Services. The base term of the contracts will be three (3) years followed by two (2) optional one (1) year renewal periods. Approval is requested for a total contract amount not to exceed \$500,000 across the two vendors, including the base term and renewal terms.

History

Citizens utilizes a third-party vendor to provide accurate and timely language interpretation and transcription services for insurance operations. Interpretation services primarily involve a live, on-phone interpreter facilitating communication with a policyholder, typically related to claims handling. English and Spanish are the languages most frequently required for interpretation services. Transcription services convert recordings or writings into the language needed to facilitate the claims process. Citizens currently contracts with two vendors, Telelanguage and Stratus, for these services to ensure continuity of service and adequate capacity to support volumes associated with a catastrophic event.

The requested contracts with Telelanguage and HLS were competitively procured by Citizens through Request for Proposal No. 22-0006 for Language Interpretation and Transcription Services. Citizens issued the RFP on April 25, 2022, and two (2) responses (Telelanguage and HLS) were received and evaluated. On July 28, 2022, the Evaluation Team recommended an award to Telelanguage and HLS.

Both Telelanguage and HLS provide language interpretation, onsite interpretation, over-the-phone interpretation, video remote interpretation, and written translation. While Telelanguage has a network of over 6,000 interpreters who speak over 350 languages, HLS provides interpretation through a network of over 500 interpreters who speak over 100 languages. Citizens’ intent is to distribute workloads among both vendors according to its business needs. Additionally, in case of catastrophe events, having redundant vendors improves business resiliency for this critical service.

The competitive procurement process resulted in per unit savings on all services when compared to the expiring contract. The anticipated annualized savings, based on estimated usage, are illustrated in the table below:

Service Area	Per unit difference to the expiring contract price	Annualized Savings (based on anticipated usage)
Telephonic Interpretation (Spanish)	-\$0.01 per minute	\$1,903
Telephonic Interpretation (All Other)	-\$0.14 per minute	\$9,538
Document Translation/Transcription (Spanish)	-\$0.12 per word	\$7,271
Document Translation/Transcription (All Other)	-\$0.18 per word	\$892

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The total estimated cost for the five-year contract term (March 2023 – March 2028), including two, one-year renewals, is approximately \$500,000. This cost assumes 120 transactions monthly and builds in \$100,000 for the additional support that would be necessary in the event of a catastrophe. While the per unit cost is less than the unit cost of the expiring contract, the total cost represents an eight percent (8%) increase over current contract expenditures. This is because usage is anticipated to increase due, among other things, to increase in the PIF counts.

Recommendation

The recommendation is listed in the attached Action Item.

Language Translation and Interpretation Services

ACTION ITEM

New Contract

Contract Amendment

Other _____

CONSENT ITEM

Contract Amendment

Existing Contract Extension

Existing Contract Additional Spend

Previous Board Approval _____

Other:

Action Items: Items requiring detailed explanation to the Board. When a requested action item is a day-to-day operational item or unanimously passed through committee it may be moved forward to the board on the Consent Index.

Move forward as Consent: This Action item is a day-to-day operational item, unanimously passed through committee or qualifies to be moved forward on the Consent Index.

Consent Items: Items not requiring detailed explanation to the Board of Governors. Consent items are contract extensions, amendments or additional spending authorities for items previously approved by the Board.

Contract ID	Language Interpretation and Transcription Services Contract numbers: 22-22-0006-00 and 22-22-006-01 Vendors: Telelanguage, LLC. Homeland Language Services, LLC
Budgeted Item	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Funding for the services will be included in the 2023 budget request to be submitted to the Board for approval in December 2022. Funding for subsequent years will be budgeted in the appropriate budget year.
Procurement Method	On April 25, 2022, Citizens issued Request for Proposals No, 22-0006 for Language Interpretation and Transcription Services. Two (2) vendors submitted replies and the Evaluation Team reviewed both proposals. On July 28, 2022, the Evaluation Team recommended an award to Telelanguage, LLC. and Homeland Language Services, LLC.
Contract Amount	Approval is requested for a total cost not to exceed \$500,000 across the two vendors, including the three year base term and the two, one year renewals. This cost assumes 120 transactions monthly. This amount also builds in \$100,000 for the additional support that would be needed in the event of a catastrophe.

Language Translation and Interpretation Services

<p>Board Recommendation (DOES NOT go through Committee)</p>	<p>Citizens' Staff proposes that the Board of Governors:</p> <ul style="list-style-type: none">a) Authorize Citizens to contract with Telelanguage, LLC., and Homeland Language Services, LLC, for an initial term of three (3) years, and for two (2) additional one (1) year renewal periods, for an amount not to exceed \$500,000 across the two contracts, as set forth in this Action Item; andb) Authorize staff to take any appropriate or necessary action consistent with this Action Item.
<p>Contacts</p>	<p>Kelly Booten, Chief Operations Officer</p>