

# Executive Summary

**Claims Committee Meeting, March 9, 2023**

Board of Governors Meeting, March 29, 2023

## Supplemental Claims Legal Services

### Topic

This Action Item seeks Board approval to contract with the law firms included in Attachment “A” to provide First Party Property claims-related legal services and supplement the existing panel of law firms procured under RFP 21-0012. Approval is requested for contracts which will mirror the existing contracts awarded under RFP 21-0012, with spend approval shared with the existing Board approved contracts (currently approved for \$150 million, with an additional \$50 million requested by separate Consent Item at this March 2023 meeting). The contracts have a base term that expires on February 2, 2027 with two (2) one-year optional renewal terms. The contracts do not require Citizens to make any assignments of work or pay any minimum amounts to the contracted firms. The proposed contracts will not increase the estimated cost of contracts previously awarded under RFP 21-0012 and the anticipated contract amount for the initial term remains \$500 million. Board approval will be requested if additional funding is needed due to a contract renewal, large storm events, or other unanticipated impacts.

### History

Citizens regularly engages outside law firms to provide representation in claims-related pre-suit and litigation matters. This solicitation was designed to supplement the existing panel of outside defense counsel to provide legal representation in the First Party Property service area.

Citizens is currently contracted with ninety (91) outside defense firms to provide claims-related legal services on approximately 20,000 open/active litigated claims. The current panel was procured and approved by the Board in 2021 via RFP 21-0012. On December 15, 2021, the Board approved an initial \$50 million in spending authority with a request that Staff return to the Board to provide ongoing updates on pending litigation and to request additional spend authority as needed. The Board approved an additional \$50 million on July 13, 2022 and another \$50 million on December 7, 2022, bringing the total approved amount to \$150 million. Approval for an additional \$50 million is requested by separate Consent Item at this March 2023 meeting. The current panel is operating under a five (5) year initial term set to expire on February 2, 2027, with two (2), one (1) year renewal terms allowed for under the contract.

The First Party Property service area encompasses the bulk (98%) of Citizens’ existing litigation volume. The twenty-two (22) proposed firms will provide up to two-hundred and fifty (250) additional attorney resources in this critical service area. By adding these additional law firms, Citizens will ensure the ability to meet its ongoing and potential needs as it relates to both volume and location of resources. Citizens has an adequate amount of law firms to meet all current and future needs in the Third Party Property, Appellate and Subrogation service areas, thus these were not included in RFP 22-0021.

Despite having firms currently under contract to provide these services, a need to retain additional law firms has arisen due to the current volume of pending litigation resulting from the influx of new lawsuits associated with recent catastrophic events, increasing policy count, and market conditions within Florida. The firms currently under contract are presently able to meet Citizens’ needs within the First Party Property service area, albeit in a capacity that has placed significant strain on their resources and capabilities. However, further catastrophic weather events, increasing policy counts, or destabilizing market events could jeopardize Citizens’ ability to effectively manage claims litigation due to a likely

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significant shortage of qualified outside counsel to handle the anticipated additional volume of litigation. Therefore, by contracting with additional outside claims counsel, Citizens can ensure that it has the resources needed to adequately address current and potential future volumes of pending litigation. In addition to addressing volume issues, adding these additional firms will allow Citizens to assign cases to a wider number of firms and ensure the proper utilization of the most qualified law firms available, who deliver a high level of service in accordance with the stated contractual requirements.

## Recommendation

The recommendation is listed in the attached Action Item.

## Supplemental Claims Legal 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.

Item Description	Supplemental Claims Legal Services
<p><b>Purpose/Scope</b></p>	<p>This Action Item seeks Board approval of contracts with twenty-two (22) law firms to provide legal defense services to Citizens in the First Party Property service area. These contracts will supplement Citizens' existing panel of ninety-one (91) law firms procured in 2021. The new contracts will: (a) ensure that Citizens maintains the appropriate amount of resources, in terms of volume and location, to meet both current and future needs and (b) add new firms to the existing panel to ensure quality of representation.</p>
<p><b>Contract ID</b></p>	<p><b>Supplemental Claims Legal Services</b>                  22-22-0021 (Multiple Contracts)</p>
<p><b>Budgeted Item</b></p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No</p>
<p><b>Procurement Method</b></p>	<p>On December 6, 2022, Citizens issued Supplemental Claims Legal Services RFP 22-0021. Twenty-three (23) proposals were timely submitted. The proposals were reviewed and scored by an Evaluation Committee who recommended to award contracts to twenty-two (22) law firms on February 17, 2023. A listing of the recommended firms is set forth in Attachment "A".</p>
<p><b>Contract Amount</b></p>	<p>This Action Item does not request separate spend approval for the proposed contracts. Approval is requested to include spend as part of the approved spend for the existing panel contracts awarded under RFP No. 21-0012. The Board has approved \$150 million for those existing panel contracts, and approval for an</p>

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	<p>additional \$50 million is requested by separate Consent Item at this March 2023 meeting.</p> <p>The firms will supplement the existing panel of counsel which were awarded contracts under RFP 21-0012. The additional contracts awarded under this RFP 22-0021 will not increase the estimated cost of the contracts previously awarded under RFP 21-0012. The estimated cost for all contracts awarded under RFPs 21-0012 and 22-0021 remains \$500 million*.</p> <p>*The estimated contract amount over the initial five (5) year initial term is \$500 million. On December 15, 2021, the Board approved an initial \$50 million in spending authority with a request that Staff return to the Board to provide ongoing updates on pending litigation and to request additional spend authority as needed. The Board approved an additional \$50 million on July 13, 2022 and another \$50 million on December 7, 2022, bringing the total approved amount to \$150 million.</p> <p>The recommended contracts are intended to pre-qualify law firms to be added to the existing panel of Citizens' claims defense counsel. The contracts do not require Citizens to make any assignments or pay any minimum amounts to the selected law firms; therefore, contract spend is directly related to claims litigation volume.</p>
<b>Contract Terms</b>	<p>The proposed contracts will mirror the existing contracts awarded under RFP 21-0012 and will have a base term that expires on February 2, 2027 and two (2) one-year optional renewal terms. The contracts do not require Citizens to make any assignments of work or pay any minimum amounts to the contracted firms.</p>
<b>Committee Recommendation</b>	<p>Staff proposes that the Claims Committee review, and if approved recommend the Board of Governors:</p> <ul style="list-style-type: none"> <li>a) Authorize Citizens to contract with the law firms listed in Attachment "A", for an initial term set to expire on February 2, 2027, with two (2) optional one (1) year renewal terms, as part of the Board approved spend for the existing panel awarded under RFP 21-0012 (currently approved for \$150 million with an additional \$50 million requested by separate Consent Item at this March 2023 meeting), as set forth in this Action Item; and</li> <li>b) Authorize staff to take any appropriate or necessary action consistent with this Action Item.</li> </ul>
<b>Board Recommendation from Committee</b>	<p>If approved at its March 9, 2023 meeting, the Claims Committee recommends that the Board of Governors:</p> <ul style="list-style-type: none"> <li>a) Authorize Citizens to contract with the law firms listed in Attachment "A", for an initial term set to expire on February 2, 2027, with two (2) optional one (1) year renewal terms, as part of the Board approved spend for the existing panel awarded under RFP 21-0012 (currently approved for \$150 million with an additional \$50 million requested by separate Consent Item at this March 2023 meeting), as set forth in this Action Item; and</li> </ul>

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	b) Authorize staff to take any appropriate or necessary action consistent with this Action Item.
<b>Contacts</b>	Jay Adams, Chief Claims Officer Ken Tinkham, Interim General Counsel & Chief Legal Officer

**Attachment A**



**NOTICE OF INTENT TO AWARD  
REQUEST FOR PROPOSALS NO. 22-0021  
SUPPLEMENTAL CLAIMS LEGAL SERVICES  
FEBRUARY 17, 2023**

Citizens Property Insurance Corporation (“Citizens”) intends to award Contracts to the following Firms:

- Andrews Biernacki Davis & Polsky, P.A
- AndersonGlenn LLP
- Cameron, Hodges, Coleman, LaPointe, & Wright PA
- The Chartwell Law Offices, LLP
- Zinober Diana & Monteverde P.A.
- Segal McCambridge Singer & Mahoney
- Young, Bill, Boles, Palmer, Duke & Thompson, P.A.
- Kummerlen Law PLLC
- Bice Cole Law Firm, P.L.
- Lovegrove & Lastella, PLLC
- Whitebird, PLLC
- Bolin Law Group
- Hightower & Partners, PA
- Resnick & Louis P.C
- Briscoe Ortiz Zuluaga, PLLC
- The Jordan Law Group, PA
- Bain & Barkley
- Rumberger Kirk & Caldwell, PA
- Beck Law, P.A
- Rywant Alvarez Jones Russo & Guyton
- Savage Villoch Law, PLLC
- Dunlap & Shipman, P.A.

All Contracts are subject to approval by Citizens’ Board of Governors.