

# Executive Summary

Claims Committee Meeting, March 28, 2024  
Board of Governors Meeting, April 10, 2024

## Claims Quality Assurance Software

### Topic

This Action Item requests approval to contract with Inpoint, Inc. for Claims Quality Assurance (QA) Software. Approval is requested for a two-year initial term with two (1) one-year renewal options for an amount not to exceed \$1,500,000 for the life of the contract. This contract will replace Citizens' current contract with Inpoint, Inc. for the same software.

### History

This Action Item requests approval to contract with Inpoint, Inc. for Claims Quality Assurance (QA) Software. Citizens' Claims QA group uses the software to conduct quality audits across all claim types (front end claims through litigation) based on statistically sound sample size selections. Comprehensive quality assurance data is critical in measuring performance results, improving productivity, reducing costs/leakage, and maintaining focus on continuous quality improvement and overall customer satisfaction. The software has assisted Citizens with completing 54,188 end-to-end claims file audits since 2021.

The software is a SaaS based solution. It provides comprehensive claims audit functionality through integration with Citizens' claims data systems. This includes functionality to assist with establishing audit scope and objectives, selecting representative claims, identifying and addressing deficiencies, and managing communication with stakeholders. It also includes automated, comprehensive, and real-time audit reports and performance scores, as well as real time and ad hoc analytical reporting and compliance monitoring. This enables Citizens to respond to trends discovered during the audit process timely and effectively, providing proficient management and control of claims assignments.

This contract will replace Citizens' current contract with Inpoint, Inc. for the same software. The current contract (15-14-0025-00) has been in effect since February 2015. In September 2023, the Board approved a six (6) month extension to ensure sufficient time to transition to a new contract and allow for any necessary implementation. On December 10, 2014, the Board approved a total contract spend of up to \$1,100,000 which was sufficient to cover the additional six (6) months extension. The contract expires on August 5, 2024.

Citizens procured the requested contract through Invitation to Negotiate (ITN) No: 23-0012 for a Claims Quality Assurance Software (QA). Citizens issued the ITN on July 10, 2023. Seven vendors submitted replies to the ITN. Citizens' evaluation committee independently scored the replies and advanced four vendors to negotiations in a public meeting on September 12, 2023.

The Citizens' negotiation team voted to award Inpoint, Inc. as best value in a public meeting on March 12, 2024. Inpoint, Inc. provides the lowest cost option and is already integrated with Citizens systems. The current contract, in effect since 2015, is approved for \$1,100,000. The increased costs associated with the new contract, \$1,500,000, can be contributed to the increased cost per user/license fees; enhanced Self Service Reporting Analytics software integration (Qlik); and estimated support for future integration. The two-year contract base term and two (1) one-year renewal options provide flexibility to reassess market offerings in the coming years.

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## Recommendation

The recommendation is listed in the attached Action Item.

## Claims Quality Assurance Software

**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.

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|---------------------------|---|
| <b>Item Description</b>   | <b>Claims Quality Assurance Software</b><br>ITN No: 23-0012<br>Recommended Vendor: Inpoint, Inc.  |
| <b>Purpose/Scope</b>      | This Action Item requests approval to contract with Inpoint Inc. for Claims Quality Assurance Software. The contract will replace Citizens' current contract with Inpoint for the same software, which expires August 5, 2024. The software provides comprehensive claims audit functionality through integration with Citizens claims data systems.<br><br>Approval is requested for a two-year initial term with two one (1) year renewal options for an amount not to exceed \$1,500,000 for the life of the contract. |
| <b>Contract ID</b>        | <b>Claims Quality Assurance Software</b><br>ITN No: 23-0012<br>Recommended Vendor: Inpoint, Inc.  |
| <b>Budgeted Item</b>      | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No  |
| <b>Procurement Method</b> | Citizens procured the requested contract through Invitation to Negotiate (ITN) No: 23-0012 for Claims Quality Assurance Software. Citizens issued the ITN on July 10, 2023. Seven vendors submitted replies to the ITN. Citizens' evaluation committee independently scored the replies and advanced four vendors to negotiations in a public meeting on September 12, 2023.  |

## Claims Quality Assurance Software

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|  | The Citizens' negotiation team voted to award to Inpoint, Inc. as best value in a public meeting on March 12, 2024. Inpoint, Inc. provides the lowest cost option and is already integrated with Citizens' systems.  |
| <b>Contract Amount</b>                     | Approval is requested for an amount not to exceed \$1,500,000 for the life of the contract.  |
| <b>Contract Terms</b>                      | The contract includes a two-year initial term with two (1) one-year renewal options.   |
| <b>Committee Recommendation</b>            | Staff proposes that the Claims Committee review, and if approved recommend the Board of Governors:<br><br>a) Approve the contract with Inpoint, Inc., including renewal periods, for an amount not to exceed \$1,500,000, as set forth in this Claims Quality Assurance Software Action item.<br><br>b) Authorize staff to take any appropriate or necessary action consistent with this Action Item.      |
| <b>Board Recommendation from Committee</b> | If approved at its March 28, 2024 meeting, the Claims Committee recommends that the Board of Governors:<br><br>a) Approve the contract with Inpoint, Inc., including renewal periods, for an amount not to exceed \$1,500,000, as set forth in this Claims Quality Assurance Software Action item.<br><br>b) Authorize staff to take any appropriate or necessary action consistent with this Action Item. |
| <b>Contacts</b>                            | Jay Adams, Chief Insurance Officer   |