



ADDENDUM NO.: 1

**INVITATION TO NEGOTIATE: 24-0013
ELECTRONIC PAYMENT GATEWAY
DECEMBER 20, 2024**

The purpose of this addendum is to advise of any changes to the solicitation and answer questions received prior to the deadline on Page 3, Calendar of Events.

SOLICITATION CHANGES:

This Invitation to Negotiate is amended to reflect the following changes:

1. Attachment A is replaced in its entirety with **RV. Attachment A – Vendor Certification Form 12.20.24.**
2. Attachment E is replaced in its entirety with **RV. Attachment E – Pricing Instructions 12.20.24.**
 - Section Added: Additional Services. Vendors may also submit any additional services and prices.

ANSWERS TO QUESTIONS:

1. What methods of disbursements are currently being offered or desired (i.e., ACH Credit, Paper Check, Stored Value Card, etc.)? Can you please provide a breakdown of the current methods of disbursements?
[Answer: Citizens currently provides disbursements through ACH credit and paper check. See the table below for approximate monthly transactions.](#)

Agency Payments	Approx. Monthly Transactions
ACH/EFT	4000
Check	650

2. How are policyholders currently invoiced (i.e., Paper Letter, Email, SMS Text, etc.)? Is the selected vendor required to perform any invoicing activities? If so, can you please provide further details?
[Answer: Policyholders are currently invoiced via paper letters. Invoicing activities are a separate contract however, Vendors can provide information about invoicing through Additional Services in Rv. Attachment E – Pricing Instructions.](#)

3. Can you provide a breakdown of policyholder payments by tender type (i.e., Visa, Discover, MasterCard, American Express, E-Check)?
[Answer: For January – December 17, 2024, an approximate breakdown is as follows:](#)

Category	Payments by Method
Checking Account	641,105
Visa	79,540
Visa (Debit)	61,134
MasterCard	41,083
American Express	22,426
MasterCard (Debit)	16,429
Savings Account	15,340
Discover	5,095
Discover (Debit)	679

4. What payment channels are currently being offered (i.e., Web, IVR, Point of Sale, Agent Call Center)?
[Answer: Citizens currently offers web and IVR payment channels](#)

5. What types of payments need to be supported (i.e., real-time, single future-dated, automatic payments, etc.)?
[Answer: Citizens is open to all payment types.](#)
6. Are there any data migration requirements for the selected vendor?
[Answer: Citizens is not anticipating migrating any wallet or transactional information. Citizens may explore internal user access migration during negotiations.](#)
7. Is there any requirement for the vendor to provide payment processing assistance to policyholders? If so, can you please provide details regarding hours of operation, language support, etc.?
[Answer: No.](#)
8. While reviewing Attachment A (Vendor Certification Form), I noticed that page 1 specifies that "Vendor must have or maintain its primary corporate/home office in Florida." Could you kindly confirm whether this is an absolute requirement, or if Citizens would consider contracting with a vendor whose corporate office is located out of state but is licensed to do business in Florida?
[Answer: The Vendor Diversity Information and Category and Description section is voluntary. Vendors are not required to be headquartered or located in Florida to reply to this solicitation.](#)
9. Main ITN Document: What challenges does Citizens face today with the current payment gateway solution?
[Answer: Citizens current payment gateway is for inbound payments from policyholders. Citizens is seeking a solution for inbound and outbound payments.](#)
10. Main ITN Document: Section 1.1.A-F: What is the breakdown of the incoming and outgoing payments? Checks, credit cards, EFT?
[Answer: See answers to Questions 1 and 3.](#)
11. Main ITN Document: How are incoming files processed? What file formats are supported?
[Answer: Primarily files are processed through web service and backup files are provided in CSV.](#)
12. Main ITN Document: Please describe the current payment and disbursement process.
[Answer: Citizens is seeking a solution that will handle both the inbound and outbound electronic payments. Currently, outbound payments occur daily via paper check.](#)
13. Attachment C: Part I.3: If the vendor doesn't comply with the one year experience integrating with Guidewire are they automatically disqualified from consideration?
[Answer: Vendors answering no to any question in Part I, Section A, Mandatory Requirements may be disqualified.](#)
14. Attachment D: #4: Ability to provide a fully hosted portal that enables multiple stakeholders to login and manage payment transactions to and from Citizens Property Insurance. Is Citizens looking to replace its current payment portal for submitting payments and managing stakeholder payments?
[Answer: Citizens is seeking a solution for inbound and outbound payments.](#)
15. Attachment D: #10: Ability to automate the migration of system users from existing gateway. Would you please provide details on existing gateway: current vendor, number of users to migrate.
[Answer: Citizens current gateway vendor is Paymentus and anticipates migrating between 400 – 450 Citizens internal users.](#)

16. Attachment D: #32: Ability to integrate with IVR for the receipt of payments to Citizens and the status of payments made. Would you please provide more details on the IVR solution?

[Answer: Citizens has its own internal IVR solution hosted by Verizon which can integrate with an electronic payment gateway solution.](#)

17. In Attachment C - Mand. Req. and Vendor Questionnaire, **under Part 1 Mandatory Requirements: Question #3**, The proposed product has been successfully integrated with Guidewire InsuranceSuite Cloud for at least one year? -- We have been collaborating with Guidewire on integration efforts, and we are now looking to bring a mutual client onboard. Given that we are not currently on Guidewire, would Citizens be open to considering us for this ITN, with the understanding that, if awarded the contract, we would fully integrate with Guidewire to meet the Citizens needs?

[Answer: No. See answer to Question 13.](#)

18. In the ITN 24-0013 Electronic Payment Gateway document, under **1.1 DESCRIPTION OF SERVICES REQUESTED**

A. Incoming payments, such as annual/biannual or quarterly premium payments by policyholders (in 2023, Citizens had approximately 3,419,395 transactions totaling \$8,669,178,702). Is it possible to break down the mix of payments and share with us the number of payments which made by:

1. Credit Cards and Types of Credit Cards?
2. Debit Cards?
3. ACH?
4. Digital Wallets, (ie. PayPal, Venmo, Apple Pay, Google Pay, etc.)?

[Answer: See answer to Question 3.](#)

19. In the Attachment E - Pricing Instructions, **under II Credit and Debit Card Convenience Fee**, is it possible to break down the volume of payments made by credit card and debit cards?

[Answer: Vendors can assume the breakdown is similar to the breakdown provided in response to question 3.](#)

20. Can you share what is the current credit card and debit card convenience fee that is paid by policyholders?

[Answer: Policyholders currently pay a convenience fee of 2.35% for credit and debit cards, and no charge for eCheck. Citizens absorbs the credit and debit card fees for Agency licensure and appointments.](#)

21. **Outbound Payment Modalities:** What are the current/desired range of payment modalities and their associated current volumes (transactions & dollars) by mode across each of the (Same-Day ACH, Standard ACH, iACH, Push-To-Debit, Original Credit Transaction, Paypal/Venmo, Paper Check, etc.).

[Answer: Citizens desires all outbound payments to be electronic. Due to the nature of complex claims payments, Citizens recognizes that not all Claims payments will be electronic. Also, see Section 1.1. of the ITN document.](#)

22. **Outbound Payee Servicing:** Is it Citizens' wish that a successful bidder assume responsibility for collection of payee details and servicing of payees directly? OR will Citizens assume the CX and servicing function with their payees?

[Answer: Citizens does not desire to store and maintain any banking or financial information. Citizens expects to initiate the payment from their insurance suite system \(Guidewire\) which would then transfer the transaction to the Vendor solution for payment processing.](#)

23. **Outbound v. Inbound Services:** Is Citizens open to a stand alone (de-coupled) Inbound/Outbound payments solution?

[Answer: No.](#)

24. Would Citizens be able to provide vendor data? This will allow us to compare the vendors you pay against our insurance specific vendor network to show you which of your vendors we are already paying digitally today, which are in our network, and provide an ROI specific to your data. (template attached for the information we need to run this analysis).

Answer: Not at this time. This may be explored during negotiations.

25. The payment volumes seem to vary between what is listed on the "ITN 24-0013 Electronic Payment Gateway" document and what is on the "Attachment E - Pricing Instructions document". Can you confirm which count and volume represents the full outbound payment scope? Any additional explanation on why the difference exists would be helpful for us to understand. Breakdown below:

Claims + Agent Payments		
Data from ITN 24-0013 Electronic Payment Gateway document	Outgoing Property Damage Claims 2023	
	Count	132,132
	Volume	\$ 1,910,351,793
	Outgoing ALE Claims Related to Ian	
	Count	1,098
	Volume	\$ 3,471,341
	Outgoing Third-Party Vendor Claims 2023	
	Count	122,289
	Volume	\$ 11,119,860
	Outgoing Agent Commissions	
Data from Attachment E - Pricing Instructions document	Count	54,771
	Volume	\$ 392,362,247
	Total Volume	
	Count	\$ 310,290
	Volume	\$ 2,317,305,241
	Monthly Count	47,500
	Monthly Volume	\$ 170,000,000
	Annual Count	570,000
	Annual Volume	\$ 2,040,000,000
	Difference Count	259,710
	Difference Volume	\$ (277,305,241)

Answer: Attachment E volumes were hypothetical based on potential future scenarios. The ITN volumes were historical.

26. We calculated a difference (count 2.61MM and \$6.7B) for the inbound volume from what was listed on the "ITN 24-0013 Electronic Payment Gateway" document and what is on the "Attachment E - Pricing Instructions document", can we assume that the difference is inbound check volume? If not, can you help us understand the difference in volume and what the full in-scope inbound count and volume is? Breakdown below:

	PremiumPay	
Data from ITN 24-0013 Electronic Payment Gateway document	Incoming PremiumPayments 2023	
	Count	3,419,395
	Volume	\$ 8,669,178,702
Data from Attachment E - Pricing Instructions document	ACH Assumptions (from Attach. E)	
	Monthly Count	55,000
	Monthly Volume	\$ 140,000,000
	Annual Count	660,000
	Annual Volume	\$ 1,680,000,000
	Card Assumptions (from Attach. E)	
	Monthly Count	12,000
	Monthly Volume	\$ 16,600,000
	Annual Count	144,000
	Annual Volume	\$ 199,200,000
	Difference Count	2,615,395
	Difference Volume	\$ 6,789,978,702

Answer: See answer to Question 25 above.

27. Can you provide your current merchant processing statements?

Answer: See answers to Questions 1 and 3 above for related information. Citizens does not receive merchant processing statements per se.

28. Can you give additional detail on what you are specifically looking for in the italicized statement below? Is the “vendor” in this case a payee? Any additional explanation on the use case and the provisioning you’re looking to perform will allow us to give a more informed response.

Section 6.1 – General System: 25. Ability to provision and deprovision contracted vendors through automation or integration via webservices.

Answer: Yes, we are interested in paying certain types of vendors via electronic payment. This topic can be explored further during negotiations.

29. Can Citizens please provide a breakout the projected volumes of 3,419,395 transactions totaling \$8,669,178,702 into count and volumes split by credit/debit and then ACH?

Answer: This is a historical figure. Projected volumes are difficult to predict at this time. As to how the volumes are currently split, see answers to Questions 1 and 3.

30. Can Citizens please provide a breakdown of how those volumes were collected? For example: 30% in the mail, 30% online, over the phone with an agent, IVR, etc.?

Answer: See answer to Question 1. In 2024, approximately 91% of the electronic transactions were made via web, 9% was via IVR. See answers to Questions 1 and 3.

31. What percentage of claims are single party versus multi-party? What percentage of multi-party includes a lienholder?

Answer: Most claims payments are single party. We do not have a precise percentage at this time. This can be provided during negotiations.

32. Can Citizens please provide three months most recent merchant statements?

Answer: See answer to Question 27.

33. Can Citizens please provide a breakdown of outbound payments to policyholders, vendors, and agents?
[Answer: See Section 1.1 of the ITN for a breakdown of outgoing payments.](#)
34. **Parties to a Reply:** In the event that a gateway and/or payment services provider vendor partners with a leading System Integrator (SI) with both integration and advisory services, can either entity be the primary entity on the reply?
[Answer: Yes, either the product vendor or implementation vendor may submit the initial reply. The issue of whether one or two contracts will be needed can be discussed during negotiations.](#)
35. **Parties to a Reply:** Will both entities need to complete all “attachment” documents? Please clarify minimum required documents to complete for SIs and advisory partners.
[Answer: Whichever entity is submitting the reply must submit all required documents. That entity may rely on its partners and subcontractors to help complete the documents.](#)
36. **Parties to a Reply:** Are SIs and advisory partners required to provide additional documents such as financial statements?
[Answer: Citizens only needs financial documents for the entity submitting the reply or if the reply is being submitted “jointly” then both entities should provide financial statements. As per Section 3.7, Citizens may also require responsibility review of additional entities as determined appropriate by Citizens, such as a sperate entity proposed by Vendor for implementation services.](#)
37. **Parties to a Reply:** Please clarify the timing of “Audited financial statements for the most recent fiscal year”. Given the reply submissions are January 14th, 2025, for many firms the most recent completed audited financial statements may be year ending December 31, 2023.
[Answer: That is acceptable.](#)
38. **Parties to a Reply:** Can offshore resources be utilized to support delivery / implementation?
[Answer: Potentially, this can be explored during negotiations.](#)
39. **Duration:** Describe key milestones and timelines for the implementation, integration, and migration that you are seeking to achieve.
[Answer: At this time, Citizens is seeking high-level implementation information, which includes integration and migration, in the Vendor Questionnaire. Vendors may use standard milestones or key events from other projects of similar size and scope. A detailed implementation plan including integration and migration will be explored and developed during negotiations.](#)
40. **Integrations:** What other systems (besides Guidewire InsuranceSuite Cloud) will the payment gateway need to integrate with?
[Answer: See Exhibit 1: Gateway Diagram.](#)
41. **Integrations:** Are there current integration pain points that need to be addressed?
[Answer: There are no current integration pain points.](#)
42. **Payments and Business Objectives:** Does Citizens have a formalized Payments Strategy? And if so, could they share this document or a summary or overview?
[Answer: Citizens does not have a formalized payment strategy but any specific questions about strategic direction may be addressed during negotiations.](#)
43. **Payments and Business Objectives:** What are the key goals for customer experience during the payments process?
[Answer: Citizens key goals include the ability to both quickly and easily pay or receive payments from](#)

users through standard technology and payment methods while providing a positive user experience.

44. **Payments and Business Objectives:** Can you provide more details on the expected or desired future functionalities and enhancements for the payment solution? Are there specific innovations or capabilities Citizens is particularly interested in?

Answer: None at this time. Citizens is open to any and all additional features that the vendor feels would add value for this solicitation.

45. **Payment types:** Can you list the payment types and respective volumes that are in use today (such as credit cards, debit cards, ACH, checks, wires, Real Time Payments)?

Answer: See answers to Questions 1 and 3.

46. **Payment types:** Do you plan to maintain all these payment types into the future?

Answer: Yes.

47. **Payment types:** What is the proportion of cross-border payments and do you expect this to change in different regions in the future?

Answer: A portion of Citizens policyholders lives outside of the United States and we expect the specifics of where they are located may change in the future as well.

48. **Payment types:** Are there new payment types that you hope to implement in the future?

Answer: Citizens is open to any and all additional features that the vendor feels would add value for this solicitation.

49. **Payment types:** Can you describe and quantify your use or any planned use of lockbox facilities for checks now and into the future?

Answer: Citizens processes all incoming checks internally and has no plans to change that in the future.

50. **Payment types:** To what extent does Citizens need the payment solution to be customizable to adapt to future changes?

Answer: Citizens expects the solution to be able to adapt to any changes with regulatory guidelines, security expectations or other changes in the market.

51. **Payment types:** What are Citizens' future scalability needs, and how should the payment gateway cater to these needs?

Answer: Citizens intends to explore future scalability and contract requirements during negotiations.

52. **Data collection, processing, storage:** Does Citizens have any specific requirements, restrictions, or limitations on locations that data can be collected, processed, and stored?

Answer: As a general rule, Citizens expects confidential data to be collected, processed and stored within the United States. Exceptions can be discussed during negotiations.

53. **Data collection, processing, storage:** Are there specific criteria for other regions (e.g. North America, Europe) that can be shared?

Answer: This can be discussed further during negotiations.

54. **Data collection, processing, storage:** Are there any strategic directions to change infrastructure (e.g. cloud migration)

Answer: There are no specific strategic directions regarding infrastructure.

55. **Functionality expectations:** The expectation for the Payment Gateway's roles (e.g., secure transaction

processing, encryption, data transmission).

Answer: For outbound transactions, Citizens' expectation is to initiate the transaction from our Insurance Suite systems payments and then the vendor would take care of all other aspects of the transaction, including a real time posting back to Citizens' source system indicating the successful or non-successful issuance of the transaction. For inbound transactions, Citizens' expectation is to consume secured incoming electronic payment transactions, posting in real time to Citizens' InsuranceSuite system.

56. **Functionality expectations:** Any additional services anticipated from a Payment Services Provider (e.g., integration with multiple gateways, integration with multiple payment methods, handle currency conversion, recurring billing and subscription management, fraud detection, customer service, detailed reporting and analytics).

Answer: Citizens is open to any and all additional features that the vendor feels would add value related to electronic inbound and outbound payments.

57. **Reconciliation:** Describe the current reconciliation processes and any expectations for maintained integrations and operations capabilities to support continuous reconciliation or the specifics of the current model.

Answer: The specifics for Citizens' reconciliation processes can be shared in the negotiation phase of this solicitation.

58. **Performance and Resiliency:** What are the expectations for system uptime and performance metrics?

Answer: Citizens has no specific expectations for system uptime and performance metrics however we do expect to see documentation on the vendors past performance in these areas. This will be explored and discussed further during negotiations.

59. **Performance and Resiliency:** What disaster recovery and business continuity plans need to be in place?

Answer: Disaster recovery and business continuity plans will be discussed in negotiations. Citizens is open to exploring the vendors disaster recovery and business continuity services and/or tiers available.

60. **User and Stakeholder Access:** Could you provide more clarity on the roles and expectations for multiple stakeholders accessing the payment portal?

Answer: Some users will be able to perform payment transactions, others are view only, and other should have the ability to create/administer role-based permissions.

61. **User and Stakeholder Access:** How does Citizens envision managing access and security for various user groups?

Answer: For Citizens' internal users, we would want to utilize Azure AD for SSO. Any external user security options may be discussed during negotiations.

62. **Pricing and Cost Model:** Are there preferred pricing models that Citizens would like to consider for payment processing and associated services?

Answer: Citizens is open to discussing different pricing models during negotiations.

63. **Pricing and Cost Model:** How does Citizens define the "best value" in terms of cost vs. functionality?

Answer: Cost and functionality are important factors in determining best value but will not be the only factors to be considered. Best value to Citizens is determined based upon the requirements of the ITN, Vendors Reply, Negotiation process, and how the Negotiation Team decides to weigh this information consistent with the selection criteria outlined in Section 3.6.

64. How many lines of business will we be serving if successful in this RFP?

Answer: Citizens writes commercial and personal lines property insurance.

65. Does Citizens have a need to segregate data across the LoBs / entities being served under the terms of this RFP?

Answer: No.

66. Could you provide a description of the ideal workflow and payment flow that Citizens envisions for processing inbound payments, including any specific steps, or user experience considerations that are critical to your operations?

Answer: Citizens is open to any and all suggestions to create an optimal workflow.

67. What is Citizens' preferred workflow and payment flow for outbound payments, including disbursements for claims, commissions, and other transactions, to ensure efficiency, accuracy, and satisfaction?

Answer: Citizens is open to any and all suggestions to create an optimal workflow.

68. What challenges have Citizens faced with JP Morgan Chase's inbound payment solution that the new provider should address?

Answer: Citizens is seeking a solution for both inbound and outbound payments.

69. Can you elaborate on specific integration requirements with the Guidewire InsuranceSuite Cloud? Are there any existing APIs or middleware solutions in use?

Answer: Guidewire has a marketplace program where vendors can create accelerators which speed the integrations within the suite. Any vendor without an existing accelerator can expect integrations may be built through APIs. Citizens current middleware vendor is Jitterbit.

70. Are there anticipated changes to transaction volumes (e.g., growth or fluctuation) due to business expansion or market changes?

Answer: Citizens is the insurer of last resort for the state of Florida. As a result, our business model requires the ability to grow and shrink based on the health of the Florida insurance market. Citizens is currently in a period of high policy count but through our depopulation program we are actively working to shed policies back to the private market. Any changes in Citizen's policy count may impact the transaction volumes.

71. What is the expected scalability requirement for the Gateway, especially during peak periods (e.g., catastrophes)?

Answer: Exact counts for a particular catastrophe cannot be projected as it would be based on current policy counts, impact of storm and impacted region. During negotiations, Citizens can provide more specific numbers on current policy counts by region if requested.

72. What types of disbursements are most critical in terms of speed and efficiency (e.g., claim payments vs. agent commissions)?

Answer: All disbursements are critical to Citizens in terms of efficiency, speed and tracking.

73. Are there preferred channels for outgoing payments, such as direct deposit, ACH, or prepaid cards?

Answer: Citizens prefers direct deposit and ACH.

74. What level of customization is expected for the Gateway to accommodate Citizens' unique processes or compliance needs?

Answer: The exact customizations necessary depends on the out of the box functionality provided by each Vendor. Citizens is required to comply with the laws and regulations of any Florida based state agency.

75. Are there specific reporting and analytics capabilities required for internal or external audits?
Answer: Citizens expects to have full audit tracking ability for both incoming and outgoing transactions.
76. Are there specific security features required for both inbound and outbound payments, such as multi-factor authentication or tokenization?
Answer: Yes, Citizens expects all due diligence by the Vendor to ensure the solution provides secure payment transactions. During negotiations, Vendors may be requested to submit through the IT Questionnaire available security protocols through the solution.
77. What user experience features are most critical for Citizens and its policyholders (e.g., ease of use, mobile-first interfaces)?
Answer: Citizens would like to see a simplified and integrated experience for adjusters, agents, and policyholders for both incoming and outgoing electronic payments with minimal steps for each of those personas. In addition, Citizens would prefer to have any policyholder interfaces to be mobile enabled. In addition, Citizens requires a platform that can comply with WCAG accessibility standards.
78. Are there preferences for certain payment methods or channels (e.g., digital wallets, PayPal, or Venmo)?
Answer: Citizens has no preferences for payment methods or channels.
79. What are Citizens' expectations for the Discovery Phase deliverables?
Answer: Citizens anticipates discussing the discovery phase deliverables during negotiations. Past projects of similar size had the following minimum deliverables during Discovery: Project Management Plan, Feature and User Stories defined, organized and prioritized backlog, Work Breakdown sequencing by Feature/User story, high level project schedule with estimated sprint plan, Solution Design documentation, Test plan, Working Agreements defined (between Vendor and Citizens) and any other standard deliverables the Vendor typically uses to manage an implementation project.
80. Are there specific service-level agreements (SLAs) for implementation, maintenance, or support?
Answer: SLAs may be explored during negotiations. At this time, there are no specific SLA's defined for implementation, maintenance, or support.
81. What type of ongoing training or resources does Citizens require for its staff?
Answer: Citizens would like to see training or training resources available for accounting staff to manage incoming and outgoing payment management, tracking and reconciliation. In addition, Citizens would like to see training or training resources for adjusters who would be issuing payments from Guidewire.
82. Are there specific data migration expectations post-contract or during vendor transitions?
Answer: See answer to Question 6.
83. Is real-time payment tracking or reconciliation a critical requirement for incoming or outgoing payments?
Answer: Ideally, Citizens would see real or near real time tracking for all incoming and outgoing payments.
84. Are there specific value-added services Citizens is seeking (e.g., fraud detection, predictive analytics)?
Answer: Citizens is open to any and all additional features that the Vendor feels would add value for this solicitation.
85. What additional tools or features would enhance Citizens' operational efficiency or customer experience?
Answer: Citizens is open to any and all additional features that the Vendor feels would add value for this solicitation.

86. How does Citizens envision scaling up or down services during the contract term (e.g., adding new payment methods or channels)?

Answer: Citizens will be open to future changes based on new innovations available and/or needs from our payees.

End of Questions and Answers

FAILURE TO FILE A PROTEST WITHIN THE TIME PRESCRIBED IN SECTION 627.351 (6)(e), FLORIDA STATUTES, CONSTITUTES A WAIVER OF PROCEEDINGS. FAILURE TO POST THE BOND OR OTHER SECURITY REQUIRED UNDER CITIZENS' PROCUREMENT PROTEST PROCEDURE WITHIN THE TIME ALLOWED FOR FILING A BOND SHALL CONSTITUTE A WAIVER OF PROCEEDINGS.