

# CONSENT ITEM

Actuarial and Underwriting Committee Meeting, December 6, 2016  
Board of Governors Meeting, December 7, 2016

<b>CONTRACT ID:</b>	<b>Business Process Outsourcing – Insurance Services (Phone Answering)</b> Contract No 13-12-0023-05, 13-12-0023-06, 13-12-0023-07, 13-12-0023-08, 13-12-0023-09 Amendment # 2 to the Contract
<b>BUDGETED</b>	Yes, funding is including in the Annual Operating Budget.
<b>CONTRACT AMOUNT</b>	\$209,890,721.86 (approved July 27, 2012)
<b>CONTRACT TERM(S)</b>	May 23, 2013 through May 22, 2020 (includes renewal options)
<b>PURPOSE/SCOPE</b>	This Consent item seeks approval from the Citizens Board of Governors to amend the existing contracts as follows: <ul style="list-style-type: none"><li>• Adding Section 1.8 to Exhibit 1 which details Annual Mock Catastrophe Exercises. Prior to storm season, each vendor that provides First Notice of Loss (FNOL) support must participate in an annual exercise where call volumes are inflated to mimic a catastrophic event. During this exercise, the vendor is evaluated on their preparedness which includes the following:<ul style="list-style-type: none"><li>○ Overall responsiveness throughout the exercise</li><li>○ Overall quality of the vendor's FNOL training</li><li>○ Ability to quickly staff to support inflated call volumes while adhering to contractually agreed service levels and quality standards</li></ul></li><li>• Additional provisions include the ability for a vendor to be compensated for training at an hourly rate of \$18 per hour with a maximum cap of eight (8) hours per pre-approved resource. Vendor is required to obtain pre-approval before any compensation request.</li></ul>
<b>PROCUREMENT METHOD</b>	Contract No 13-12-0023-05, 13-12-0023-06, 13-12-0023-07, 13-12-0023-08, 13-12-0023-09 were procured via Invitation to Negotiate No. 12-0023 with contracts approved and the Board's decision posted on July 27, 2012.
<b>RECOMMENDATION</b>	Citizens' Actuarial and Underwriting Committee and Citizens' Board of Governors are requested to review and approve the contract amendment.
<b>CONTACTS</b>	Steve Bitar, Chief of Underwriting and Agency Services