



SOLICITATION COVER SHEET

ISSUE DATE: 3/19/2025

PROJECT: Invitation to Negotiate for Claims Auditing Services for FIGA & FWCIGA.

SUBMITTAL DEADLINE: 4/18/2025 by 4:00 pm EST

DELIVER PROPOSALS TO: Invitation to Negotiate for Claims Auditing Services for FIGA & FWCIGA.

Regular Mail	Express Mail	Email
P.O. Box 15159 Tallahassee, Florida 32317	1400 Village Square Blvd Suite 3-008 Tallahassee, Florida 32312	vglenn@agfgroup.org

Proposal delivery to any other location will not be considered

SECTION FOR VENDOR USE: RETURN COMPLETED COVER PAGE WITH PROPOSAL

PROJECT: _____

DATE OF PROPOSAL: _____

BUSINESS NAME: _____

MAILING ADDRESS: _____

PHYSICAL ADDRESS: _____

TELEPHONE NUMBER: _____ FAX: _____

CONTACT NAME: _____

CONTACT EMAIL: _____

BY: _____ TITLE _____
(Signature)

THIS IS NOT AN ORDER. THE ATTACHED TERMS AND CONDITIONS SHALL BECOME PART OF ANY CONTRACT RESULTING FROM THIS INVITATION TO NEGOTIATE. PROPOSALS SHALL BE SUBMITTED IN THE INDICATED FORMAT; ORIGINAL SIGNATURES MUST BE SUBMITTED ON THE FORM PROVIDED.

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1. **GENERAL INFORMATION**

FIGA:

The Florida Insurance Guaranty Association (FIGA) is a nonprofit corporation created by the Florida Legislature in 1970. All duties are performed on FIGA’s behalf through a management agreement with the American Guaranty Fund Group (AGFG), and this solicitation will be managed by AGFG employees. FIGA is governed by Part II of Chapter 631, Florida Statutes, and a Plan of Operation established by its Board of Directors. FIGA provides the payment of covered claims for member insurance companies that are declared insolvent and unable to continue making payments to claimants and policyholders. All property and casualty insurance companies licensed in Florida are members of FIGA as a condition of their authority to offer property and casualty insurance in the state of Florida.

FWCIGA:

The Florida Workers Compensation Insurance Guaranty Association (FWCIGA) is a nonprofit corporation created by the Florida Legislature. All duties are performed on FWCIGA’s behalf through a management agreement with the American Guaranty Fund Group (AGFG), and this solicitation will be managed by AGFG employees. FWCIGA is governed by Part II of Chapter 631, Florida Statutes, and a Plan of Operation established by its Board of Directors. FWCIGA provides the payment of covered claims for member insurance companies that are declared insolvent and unable to continue making payments to claimants and policyholders.

2. **SCOPE OF SERVICES**

A. Statement of Purpose

FIGA & FWCIGA are seeking proposals from firms interested in providing Claims Auditing Services. The objective of this process is to evaluate proposing respondent capabilities that will enable FIGA & FWCIGA to select a firm for providing services described herein. The selection of successful respondent and the execution of an agreement will be accomplished in accordance with Part II of Chapter 631, Florida Statutes, and the entities' Plans of Operations. FIGA & FWCIGA reserve the exclusive rights to void any existing contracts and addendums for FIGA & FWCIGA Claims Auditing Services, if any exist, and substitute this Invitation to Negotiate, for any new contracts and/or addendums, as the guiding principle of work.

B. General Requirements

FIGA & FWCIGA claim processing/adjusting is performed by in-house adjusters and contracted Third Party Administrators (as needed) using a vendor developed claim and imaging system. FIGA & FWCIGA currently manage a claims inventory of roughly 2,975 open claims. For FIGA, the claim exposures are primarily (90+%) Homeowners' insurance policy property claims; however claims might also involve Commercial Property, Construction Defect, Commercial and Personal Auto, Medical, PIP, as well as most other typical Property and Casualty coverages. For FWCIGA, the claims are typically aged worker's compensation claims.

C. Term of Contract

The contract for FIGA & FWCIGA Claims Auditing Services will be one time only, with service being rendered in 2025. Expected deliverables of reviewing and auditing 200-300 claims will be due 90 days after contract is signed. Although this is a one-time contract, FIGA & FWCIGA reserve the rights to renew the contract on an annual basis for any future work, if needed.

3. **INSTRUCTIONS FOR RESPONDENTS**

A. Contact Information

Questions related to the solicitation and submission of proposals should be addressed to:

Claims Auditing Services for FIGA & FWCIGA
Attn. Valerie Glenn
AGFG
P.O. Box 15159
Tallahassee, FL 32317
(850) 523-1823
vglenn@agfgroup.org

B. Calendar of Events

The important actions and dates/times by which the actions must be taken or completed are listed below. All listed times are local time in Tallahassee, Florida. Any change or modification to this calendar, modifications to this solicitation document, or other important notices will be disseminated to all prospective respondents.

ACTION	DATE / TIME
Release of solicitation document	3/19/2025
Submission of written questions	4/8/2025 – 4:00 pm EST
Responses to written questions	4/11/2025
Proposals due / opening	4/18/2025 – 4:00 pm EST
Proposal review completed	5/16/2025
Selections / Awards	5/23/2025
Submission of Deliverables (if applicable)	90 days after contract award & signing

C. Questions, Objections, or Comments

Respondents are required to carefully review this solicitation document without delay for any questions, objections, or comments. Questions, objections, or comments must be made in writing and received no later than the date and time reflected in the calendar of events above so that any necessary amendments may be published and distributed to potential respondents. However, in its sole discretion, AGFG, acting on behalf of FIGA & FWCIGA, reserves the exclusive right to answer any questions received after the deadline. AGFG on behalf of FIGA & FWCIGA shall answer questions in accordance with the Calendar of Events, subject to any extensions as determined by AGFG in its sole discretion. All questions submitted shall be published and answered in a manner that all respondents will be able to view, such as on FIGA's and FWCIGA's websites. Respondents are cautioned to review any posted questions and answers prior to responding to this solicitation. Respondents shall not contact any other employee of FIGA & FWCIGA for information with respect to this solicitation, other than Ms. Glenn, utilizing the contact information identified in Section 3.A., above.

AGFG, acting on behalf of FIGA and FWCIGA, may in its sole discretion issue one or more addendum to this solicitation, which may alter or modify the terms of this solicitation. If AGFG issues an addendum, it will be published on the FIGA and FWCIGA websites and made available to all interested Respondents. Respondents are cautioned to review carefully any addendum, if issued.

D. Disclaimer

AGFG, FIGA & FWCIGA assume no responsibility for any interpretation or representations made by its officers, agents, or employees unless interpretations or representations are incorporated in a written amendment to the solicitation document as outlined in 3 C.

E. Quantity & Delivery

A single hard copy or electronic copy of the proposal must be received at the contact address above on or before the deadline. Electronic submissions are preferred and must be delivered as a single document in PDF format. No hardcopy submission is required if remitting electronically. Hard copy submissions must also include an electronic copy in a single document PDF format via thumb drive, CD or email. Proposals will be date-stamped whether received via hard copy or email, and will not be opened until the due / opening date prescribed in the Calendar of Events. Proposals received in whole or in part after 4:00 pm on 4/18/2025 may not be considered.

F. Improper Delivery

Neither the AGFG, FIGA, FWIGA, nor its officers, agents, nor employees shall be responsible for any proposal not properly addressed and identified.

G. Lobbying

The selection process shall not be compromised or distorted by private lobbying outside of the procedures designated to award the best proposals for FIGA & FWCIGA. Respondents to this solicitation or persons acting on their behalf may not contact, between the release of the solicitation and the 72 hour period following the selection, excluding Saturdays, Sundays, and holidays, any employee, officer, or general counsels of FIGA or FWCIGA, or their respective Boards of Directors, concerning any aspect of this solicitation, except in writing to the PROJECT LEAD identified in 3.A., as provided in the solicitation documents. Violation of this provision may be grounds for rejecting a response.

A list of all Board of Directors and AGFG, FIGA & FWCIGA employees and general counsels, is available on request.

After the proposals are opened, AGFG on behalf of FIGA & FWCIGA shall determine which proposals are deemed responsive and forward those proposals for evaluation. FIGA & FWCIGA staff will review the proposals and recommend a vendor. Any person/entity whose proposal is selected for further evaluation shall confine all contacts with FIGA & FWCIGA representatives to the designated person identified in 3.A., and responses to questions or interviews by designated FIGA & FWCIGA staff.

4. PROPOSAL FORMAT

This section prescribes the format in which the proposals are to be submitted. Additional information deemed appropriate by the respondent may be included but must be placed within the relevant section. Additional tabs beyond those designated in this section will not be evaluated. The following paragraphs contain instructions describing the required format for proposals, including limitations on the number of pages for select Tabs.

Proposals shall be limited to a page size of eight and one-half by eleven inches (8.5” x 11”). All proposals must contain the sections outlined below. Those sections are called “Tabs.” A “Tab as used here, is a section separator, offset, and labeled (Example: “Tab 1, FIGA & FWCIGA Claims Audit Cover Sheet and Conflict of Interest Disclosure Form”), such that the evaluators can easily turn to “Tabbed” sections during the evaluation process. FIGA & FWCIGA is under no obligation to look for

responsive information contained in incorrectly tabbed sections. Respondents should specifically reference the tabbed section and corresponding page number(s) in which responsive information and documentation can be found if responsive information is also contained in other sections. The following are the seven tabbed sections that must be in all Proposals.

- Tab 1 – Solicitation Cover Sheet and Conflict of Interest Disclosure Form (Exhibit A)
- Tab 2 – Firm Identification and Corporate Background
- Tab 3 – Company Profile
- Tab 4 – Scope of Services
- Tab 5 – References
- Tab 6 – Cost of Services
- Tab 7 - Litigation, Claim, and Regulatory Actions

5. PROPOSAL CONTENT

The following items are to be provided by all respondents:

A. TAB 1 – Solicitation Cover Sheet and Conflict of Interest Disclosure Form

Complete and sign the Cover Sheet and Conflict of Interest Disclosure form and include it under Tab 1.

AGFG on behalf of FIGA & FWCIGA will not enter into an agreement with a respondent who has clients who may present a potential conflict of interest with FIGA & FWCIGA unless the General Counsels advise that the conflict may be waived. In such case, FIGA & FWCIGA will require the successful respondent to obtain an express waiver of conflict from said other respondent client.

B. TAB 2 - Firm Identification and Corporate Background (*5 page maximum*)

Please provide the following:

1. Full name, address, and phone number of your organization.
2. Date established.
3. The legal structure of your firm, i.e., whether you operate as an individual partnership or corporation, and provide a list of all affiliated entities.
4. A brief history of your entity.
5. An approximate number of employees with your firm.

C. TAB 3 – Company Profile (*6 page maximum*)

Provide the information requested below that best describes the respondent’s company profile.

A company overview is to include the following points:

1. Provide a detailed outline of your firm’s experience in insurance claims auditing services, to include elements such as lines of business and type of operation (carrier, TPA, self-administered program and guaranty funds) and your knowledge and expertise in reviewing Florida claims.
2. Summarize the experience and tenure of your audit team, and provide a brief biography of all personnel who would be working on the FIGA account and any other key individuals who

would participate, including licenses and/or certificates. Vendor is responsible for all licensing matters.

3. Include information about your firm's Code of Ethics.
4. Claims administration focus and philosophy can, at times, be subjective and reflect the inherent goals of the company. Please describe your firm's approach to resolution of technical disagreements (a) among engagement personnel, and (b) between the firm and the client, which could arise.
5. Guaranty association claims operations are significantly different from insurance carriers. Claims are transferred to the association following a court ordered liquidation and all policies are cancelled within 30 days. Therefore, guaranty associations do not have underwriting operations, or policy systems, and do not receive new claims on an ongoing, daily basis. Rather they receive bulk transfers of claims already in various stages of processing. Please address how you would modify your claims audit to reflect these fundamental differences.
6. Provide redacted sample report as an example work product. (10 pages max.)

D. TAB 4 – Scope of Services (*10 page maximum*)

1. Review Claims Management as well as Claims Handling activity for consistency with documented and undocumented procedures, file documentation, scope and timeliness. Written procedures should reflect current activity, be consistent with generally accepted industry standards, appropriately communicated to staff, regularly updated and support both quality assurance and financial integrity. Files should be selected from open inventory as well as recently closed files (1-2 years). Claim samples from contract providers providing claims management services for FIGA & FWCIGA, along with full time and temporary staff, will be reviewed and measured against standard performance elements, such as;
 - a. Timely and appropriate communication (s).
 - b. Diary management.
 - c. Payment amount and coding accuracy.
 - d. Reserve strength.
 - e. Evidence preservation and file documentation.
 - f. Plan of Action / Closure Strategy.
 - g. Liability and Damage assessment.
 - h. Recovery potential.
 - i. Cost containment initiatives.
 - j. Fraud awareness.
 - k. Statutory Compliance.
 - l. Financial Controls.

Sample sizes and classifications should be determined by commonly accepted audit criteria and files will be judgmentally selected. The same selection shall be approved by FIGA & FWCIGA management prior to the commencement of any review. A pre-audit meeting will be held to discuss conditions unique to the Guaranty Associations that may influence both analysis and measurement factors, as distinguished from an insurance carrier based review. This analysis should be focused so as to support an independent, professional opinion as to the integrity of the claims management function as well as claim payments, reserves and financial accounting.

2. Drawing from observations made in the above analysis, a separate overview of existing customs, practices, policies and procedures will be done to focus on areas where change might be effected to enhance current controls reflecting more contemporary industry practices. These recommendations

should include suggested enhancements for claims management/supervision, claims adjusting and financial controls.

3. Proposal should include information that demonstrates Respondent's capabilities to provide services listed above, as well as:
 - a. Provide for at least one on-site visit.
 - b. Provide assessment and presentation of findings on audit results.
 - c. Provide detailed report with Executive Summary component.

E. TAB 5 – References

Provide a list of at least three (3) business/corporate references with the proposal. References from property and casualty insurance clients where similar audits were conducted within the last 3 years are preferred.

The references should include or contain:

- a contact person, including their phone number and email address;
- number of years of service with the client;
- a paragraph describing the services performed.

F. TAB 6 - Cost of Services

Proposals shall include pricing as defined below:

- Please propose a basic fee including a 'not-to-exceed' fee for claim audit serves.
- Fee to be inclusive of all travel and other ancillary costs.

While cost is a key consideration, it will not be the only factor in selecting a successful respondent.

G. TAB 7 – Litigation, Claim, Regulatory Actions, Insurance, Indemnification and Dispute Resolution.

AGFG on behalf of FIGA & FWCIGA will not score this section. However, the information will be used by AGFG in assessing the respondent's responsibility and may be grounds for disqualification or rejection.

Provide detailed information relating to the circumstances and status of:

- Any action, suit, proceeding, or investigation before or by any state or federal court, agency, or other authority currently pending against the respondent that threatens the existence or current stability of the respondent or its ability to provide any of the services.
- During the last five years, any matter in which the Respondent, any control person, or any key personnel: (a) has been convicted, plead guilty, or plead no contest to any felony, or misdemeanor involving dishonesty, breach of trust, or financial impropriety; (b) has been fined, penalized, sanctioned, or subject to any other disciplinary action by any state or federal court, agency or other authority, self-regulatory organization, or professional

organization, as a result of such person or entity's activities in the business of insurance, securities, banking, investment banking, real estate, or other licensed professions.

- During the last five years, any litigation that respondent, any control person, or key personnel has initiated against FIGA or FWCIGA.

During the term of this Contract, Vendor for FIGA & FWCIGA Claims Auditing Services will maintain at its sole expense, the following insurance, purchased from an insurer licensed to transact business in the State of Florida;

Professional Liability (errors and omissions) with minimum limits of \$1,000,000 per occurrence and \$2,000,000 aggregate. Vendor for FIGA & FWCIGA Claims Auditing Services shall provide evidence to FIGA & FWCIGA that all Vendor staff and independent contractors of Vendor are "covered persons" under Vendor's insurance policy for the purposes of negligent or wrongful acts conducted in the scope of his/her auditing services on behalf of FIGA & FWCIGA. All policies of insurance will be primary and will include FIGA & FWCIGA as an additional insured.

Indemnification. Vendor for FIGA & FWCIGA Claims Auditing Services shall be fully liable for the actions of Vendor Staff including any independent contractors, temporarily employees or 1099s and shall fully indemnify, defend and hold harmless FIGA & FWCIGA and its officers, members of the Board, agents, employees from suits, actions, damages, liabilities, demands, claims, losses, expenses, fines, penalties, fees, including attorney's fees, costs and expenses which may be suffered by, accrued against, charged to or recoverable from any indemnitee, by reason of any claim arising out of or relating to any act, error omission or misconduct of Vendor, its officers, directors, agents, employees or contractors, without limitation.

Dispute Resolution Process. Each Party will make a good faith effort to resolve any disputes relating to this Agreement prior to commencing a legal action. These efforts may include an offer to arrange for executive-level discussions or an offer to submit the dispute to non-binding mediation. For the sake of clarity, FIGA is not subject to the dispute resolution processes set forth in The Florida Administrative Procedure Act, Chapter 120, Florida Statutes. Each Party herein irrevocably consents and submits to the exclusive jurisdiction of the Circuit Court of Leon County, Florida, for all purposes under this Agreement, and waives any defense to the assertion of such jurisdiction based on inconvenient forum or lack of personal jurisdiction. The Parties also agree to waive any right to jury trial.

Force Majeure. A party (an Affected Party) shall not be responsible for delay resulting from its failure to perform, if neither the fault nor the negligence of the Affected Party or its employees or agents contributed to the delay, and the delay is due directly to acts of God, wars, acts of public enemies, fires, floods or other similar cause wholly beyond the parties control.

6. **SELECTION PROCESS**

AGFG, acting on behalf of FIGA & FWCIGA, will conduct a comprehensive, fair, and impartial review and evaluation of all proposals meeting the requirements of this proposal using the selection criteria below. The evaluation committee will review the proposals, and will then meet to recommend one or more vendors for further review and negotiations. Contract negotiations will begin with the most qualified and suitable firms of demonstrated competence for professional services, with AGFG

requesting best and final offers from vendors as determined in the sole discretion of AGFG. The negotiation team will review the best and final offers, and meet to make a recommendation of who should receive a contract award, and will engage in further negotiations to determine if an agreement can be reached. FIGA & FWCIGA may negotiate with the next most qualified and suitable firm(s) if agreements cannot be reached. FIGA & FWCIGA anticipate one contract being awarded. The final contract will be submitted to the Executive Director for signature, and subject to FIGA & FWCIGA's respective Boards of Directors' approval.

For the purpose of evaluation, scoring, and ranking, proposals have been divided into seven categories. The following reflects the maximum number of points that may be awarded by category:

Tab 1	Cover Sheet and Conflict of Interests	Pass / Fail
Tab 2	Firm ID and Corporate Background	Up to 10 points
Tab 3	Company Profile	Up to 20 points
Tab 4	Scope of Services	Up to 40 points
Tab 5	References	Up to 5 points
Tab 6	Cost of Services	Up to 25 points
Tab 7	Litigation, Claim, and Regulatory Actions	Pass / Fail
	Total Points	100 points max.

7. RIGHT TO REJECT AND NOT AWARD

AGFG, on behalf of FIGA & FWCIGA, may accept or reject any and all proposals or waive any irregularities deemed minor in its sole discretion, and reserves the right not to award contracts when it is in the best interest of the FIGA & FWCIGA to do so.

EXHIBIT "A"

CONFLICT OF INTEREST FORM

American Guaranty Fund Group Florida Insurance Guaranty Association Florida Workers' Compensation Insurance Guaranty Association

Vendor Conflict of Interest Disclosure Form

All Vendors should be aware that the entities listed above have a Conflict of Interest and Ethics Policy which prohibits employees and Board members from having certain relationships with persons or entities conducting (or proposing to conduct) business with any of the entities and which prohibits the acceptance of gifts from Vendors. If a vendor has a disclosable relationship the Vendor should disclose any Conflict of Interest or potential Conflict of Interest that may exist. A disclosable relationship would include:

- Knowingly employing an employee, board member or family member of any entity listed above
- Knowingly allowing an employee, board member or family member to own or have a material personal financial interest (directly or indirectly) in the Vendor of any entity listed above
- Knowingly engaging in a material personal business transaction with an employee, board member or family member of any entity listed above.

I hereby certify that the Vendor referenced below does not have a potential conflict of interest with an employee, board member or family member of any of the entities listed above:

_____ Name

Or

I hereby certify that the Vendor referenced below DOES have a potential conflict of interest with an employee, board member or family member of any of the entities listed above:

_____ Name

If there is a potential conflict of interest, please provide the following information:

List the name(s) of the employee or board member with whom there may be a conflict of interest:

Briefly describe the nature of the potential conflict of interest: _____

VENDOR Name: _____

FEIN: _____

Phone Number: _____

Address: _____