

ITN # 20-01 Questions and Answers

1. Does the Auditor General already have an audit template it wishes to be used for the proposed claims audit, or does it wish for the selected Contractor to develop and provide an acceptable template/form?

Templates for recording the results of the claims examined and for drafting potential audit findings will be provided.

2. The sample size is defined as 203 claims with specification that it include 100 wind claims, 40-non weather event claims, and 10 sinkhole claims, for a total of 150 claims. Does the Auditor General have a preference for the claim types for the remaining 53 claims to be included in the sample? Is there any preference about the number or percentage of open claims and closed claims to be included in the sample?

All 203 sample items will be selected by the Auditor General from the population of claims greater than \$1,000, closed during the period September 2017 through August 2020. The remaining 53 sample items will be selected haphazardly from the population.

3. The ITN states "the claims examined will be determined by Auditor General personnel." Will these personnel select only claims in excess of a specific value, or will they select a sample of claims from various cost strata?

See response to question 2 above.

4. Will the Auditor General personnel select a specific number of claims which went to mediation and/or appraisal, or will these claims be included in a random selection by the Auditor General personnel? If specific mediation/appraisal claims will be selected, how many claims will be selected?

No. However, it is anticipated that closed claims which have gone through mediation and/or appraisal will be selected as part of the 203 sample items referenced in Sections 3.1 and 7.0 of the ITN.

5. Item 2 of the proposed dates/intervals described at the bottom of page 16 includes a DELIVERABLE DESCRIPTION as "Weekly briefing" but then the PROPOSED DATE is shown "as requested." Did previous claims audits include weekly briefings or were they typically held at wider intervals? What intervals do you expect for the pending claims audit?

The respondent should be prepared to provide weekly briefings, as requested. The Auditor General may determine longer intervals between briefings are sufficient at her discretion. Previous claims audits included periods with weekly briefings, as well as longer intervals between briefings.

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6. What claims system does the CPIC use - A "home-grown" system, an "off-the-shelf" system, or an "off-the-shelf" system with customization? If an off-the-shelf system is used, whether or not it is customized, please identify the system. Will the system as accessed by the selected Contractor provide the ability to review the entire claim files, or does the "customer-facing" system typically granted for auditor use have more limited information?

CPIC utilizes an "off-the-shelf" system, Guidewire version 9, with customization. The selected respondent will be provided "read-only" access to the system with the ability to review entire claim files.

7. When was the last claims audit performed? Who performed this review? Did this review include a similar sample size? What were the fees that the Auditor General paid to the most recent claims audit provider?

The previous CPIC audit was conducted by the Auditor General from October 2017 through June 2018 and included an examination of claims with a similar sample size. See Report No. 2019-016, Citizens Property Insurance Corporation, on the Auditor General Web site. The successful responder was Buxbaum, Loggia, & Associates, Inc. and their fees ranged between \$200 to \$250 per hour.

8. Will the auditor(s) be able to review the 203 claim files and their contents remotely, and if so, is there any special software required which would not be provided by the AG? If remote access is provided, what are the limitations, if any, on system availability?

The 203 claims files will be available through the system indicated in response to question 6 above.

9. The RFP indicates that entrance and exit briefings are to be conducted on site. What pandemic protections are in place to host such meetings? Will you not consider hosting these meetings via web conferencing? If not, can one representative attend with others via web conferencing?

Section 7.1 of the ITN provides that other than entrance and exit briefings, briefings and other meetings may be conducted via telephone. However, the Auditor General will continue to monitor and follow Centers for Disease Control guidance related to COVID-19, and when necessary may utilize Microsoft Teams to conduct entrance and exit briefings and other meetings.

10. What firm provided claims consulting services for this project in 2017-2018? Will you provide the final report submitted by the claims consultant for the 2017-2018 project?

See response to question 7 above for the name of the successful responder. No, the final report of the consultant is part of the audit work papers for Report No. 2019-016 and therefore not a public record pursuant to Section 11.45(4)(c), Florida Statutes.

11. What was the total fee paid for the Citizens Insurance property claims handling audit project in 2017-2018?

The total fee paid to the prior consultant was \$49,000.

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12. Is the catastrophe plan developed for Hurricane Michael available for review before submitting proposals?

No, the catastrophe plan provided by CPIC is an audit work paper and therefore not a public record pursuant to Section 11.45(4)(c), Florida Statutes.

13. Did CPIC conduct their own evaluation of its response to Hurricane Michael and the effectiveness of its catastrophe plan?

CPIC has not conducted an evaluation of their response to Hurricane Michael and the effectiveness of the catastrophe plan.

14. Is there an email opportunity to submit response electronically given the pandemic?

No. Respondents are expected to reply in accordance with Section 6 of the ITN.

15. Was there any work performed for the 2017-2018 project that is not required in the upcoming project? Was there any work excluded from the 2017-2018 project that is now being required for the upcoming project?

ITN 20-01 includes all the deliverables provided in conjunction with Report No. 2019-016. Test criteria ff. and gg. were added to the current ITN Claims Test Criteria in Attachment "F."

16. Were there any logistical issues or problems identified in the last review that should be considered, such as difficulty accessing files, inordinate amount of time needed to review files, or limited or no access to staff?

No specific issues or problems were brought to our attention.