



ADDENDUM NO.: 1
REQUEST FOR PROPOSALS NO.: 21-0008
BUSINESS INSURANCE AGENT OF RECORD
04/15/2021

The purpose of this addendum is to answer questions received prior to the deadline in Section 1.9, Calendar of Events.

ANSWERS TO QUESTIONS:

- Question:** Please provide five (5) years of currently valued loss runs and premium by each line of insurance for which the RFP is seeking broker appointment.

Answer: Refer to Exhibit 2 for available loss runs and premium by each line of insurance. Currently valued loss runs cannot be provided at this time, but they will be obtained in time for the awarded Broker to perform the market quotation process as described in Section 3.3 of Attachment D, Draft Contract.

- Question:** Please provided the three (3) most recent Workers Compensation experience modification worksheets—2019 to 2021—for review and detail of Citizen’s workers compensation claims history.

Answer: See below for Florida payroll and experience modification information for 2019-21. Citizens also has a small number of employees telecommuting from other states. Loss runs for workers compensation are included in Exhibit 2.

Year: 2021					
Description	Class	Payroll	Rate	Experience Mod	State
Insurance Companies -- Including Clerical	8723	\$93,080,822	0.16	0.81	Florida
Outside Claims Adjusters	8728	\$1,984,036	0.52		
Year: 2020					
Description	Class	Payroll	Rate	Experience Mod	State
Insurance Companies -- Including Clerical	8723	\$85,817,481	0.18	0.91	Florida
Outside Claims Adjusters	8728	\$3,736,959	0.45		
Year: 20019					
Description	Class	Payroll	Rate	Experience Mod	State
Insurance Companies -- Including Clerical	8723	\$87,911,649	0.2	1.08	Florida
Outside Claims Adjusters	8728	\$3,160,716	0.46		

- Question:** Please identify the current agent and/or broker on each of the policies listed in Exhibit 1 – Current Policies.

Answer: Arthur J. Gallagher Risk Management Services.

4. **Question:** 1.1.4- Is your broker providing Contractor Coverage Consultation services under the current contract? If so, how many hours of services were provided (approximately) in 2020 and 2021 and what were/are the annual costs for these services? Please describe in more detail the services being provided currently or requested via RFP 21-0008.

Answer: Yes, our Broker is providing these services under our current contract. They are provided at no additional cost to Citizens. Citizens estimates these services at less than 20 hours in 2020/21. However, this estimate is probably not representative of hours that will be provided under the awarded contract. Citizens obtained less of these services in 2020/21 due to the timing and nature of Citizens' procurements for corporate insurance in 2020.

Citizens anticipates approximately 50 hours annually under the awarded contract. These services relate to insurance requirements for Citizens' contractual service providers. As needed by Citizens from time to time, Broker will advise Citizens on the insurance requirements to include in our service provider contracts, and/or review a service provider's insurance policies to confirm that they meet contractual requirements.

For instance, Citizens may ask for Broker to review and advise Citizens on draft insurance requirements for a particular contract that Citizens is procuring, as well as subsequent changes proposed during contract negotiations. For executed contracts, Citizens may also ask for Broker to review a service provider's insurance policies to confirm whether they meet the contract's requirements. Refer to Exhibit 3 for an example of this review by the Broker, which reflects typical insurance terms included in our service provider contracts.

5. **Question:** 1.1.4- If provided currently, are these services outsourced to a 3rd party?

Answer: No, they are not outsourced. With respect to this RFP, be advised that Broker must provide services through an on-staff account representative that is a Florida licensed general lines agent, per Section 1.1 of the RFP. If Broker may rely on an independent contractor or other third party to perform any of the services, this should be described in response to Section II, Question 6 of Attachment B.

6. **Question:** Reference- Exhibit 1 Citizens Current Policies: Are there any lines of coverage where your current broker uses a wholesale broker for placement? If so, can you provide the name(s) of the wholesale broker and the commissions earned/disclosed.

Answer: No, our current Broker did not use a wholesale broker for placement of our current policies.

7. **Question:** Reference- Exhibit 1 Citizens Current Policies: Can Citizens provide a copy of the insurance policies for all lines of coverage within Exhibit 1?

Answer: Refer to Exhibit 4 for policies that can be provided at this time. Several policies are not included due to possible copyright constraints. Upon execution of the awarded contract, Citizens and Broker will meet to discuss Citizens' existing coverages and to consider any potential new coverages, per Section 3.3 of Attachment D, Draft Contract. Citizens will ensure that Broker has policy information necessary for that discussion.

8. **Question:** Reference- Exhibit 1 Citizens Current Policies: Can Citizens provide a copy of most recent loss summary for all lines of coverage within Exhibit 1?

Answer: See answer to question 1 above.

9. **Question:** Reference- Exhibit 1 Citizens Current Policies: Cyber & Directors' & Officers Coverage- Can Citizens provide a copy of the most recent market submission presented by your broker. If this cannot be released, can Citizens provide a copy of most recent Cyber & D&O applications and/or supplemental applications

Answer: The market submission report cannot be provided at this time. It is subject to copyright constraints and may be subject to additional confidentiality protections. Refer to Exhibit 5 for a copy of Citizens' most recent application for D&O insurance. The Cyber application cannot be provided at this time as it contains confidential information relating to Citizens' IT systems and security programs. This information can be provided to the awarded Broker upon execution of the contract.

10. **Question:** Reference- Exhibit 1 Citizens Current Policies: Does Citizens have a business continuity, incident response, and disaster recovery plan that contemplates malware and/or ransomware attacks? If so, have those plans been tested in the last 12 months?

Answer: Yes.

FAILURE TO FILE A PROTEST WITHIN THE TIME PRESCRIBED IN SECTION 627.351 (6)(e), F.S., CONSTITUTES A WAIVER OF PROCEEDINGS. SEE SECTION III, WHAT ARE THE RULES?, WITHIN THE SOLICITATION DOCUMENT FOR DETAILS REGARDING HOW AND WHERE TO FILE A PROTEST.