

ACTION ITEM

Actuarial and Underwriting Committee Meeting, December 12, 2017

Board of Governors Meeting, December 13, 2017

CONTRACT ID:	Business Process Outsourcing (BPO) Inbound and Outbound Call Center Services RECOMMENDED VENDORS: NINE (9) VENDORS LISTED BELOW
BUDGETED ITEM:	Yes. Funding for these contracts is included in the 2018 Annual Operating Budget and will be included in subsequent budgeting years.
CONTRACT AMOUNT:	The cost of the contracts, including renewals, is estimated at and shall not exceed \$47,850,803. Payments are to be based primarily on the volume and duration of the telephone calls handled by the vendors each month. The requested contract amount is based on recent history and potential variances in volumes due to market, legislative, and catastrophe related impacts.
CONTRACT TERM(S):	The contracts will have a five (5) year base term. Contracts may be renewed for an additional three (3) year renewal term and then a final two (2) year renewal term.
PURPOSE / SCOPE:	<p>This Action Item requests Citizens Board of Governors approval to authorize staff to enter into contracts with nine (9) vendors for the purpose of handling telephone calls in the five (5) service categories listed below. Vendors may also provide other related services as technologies and business needs evolve.</p> <p>Citizens currently has contracts for this work with five (5) vendors. Those contracts were entered in 2013 and are set to expire in May 2018. The reasons for outsourcing the work remain the same as in 2013 -- to increase internal efficiencies, allow for scaling as business conditions change, and to provide flexibility to support future technologies and initiatives.</p>
PROCUREMENT METHOD:	<p>On August 15, 2017, Citizens issued ITN No.: 17-0013 for BPO Inbound and Outbound Call Center Services. Seventeen (17) responses were received, fourteen (14) of the responses met Citizens' mandatory requirements and twelve (12) of those were advanced to negotiations.</p> <p>On December 5, 2017, the negotiation team awarded nine (9) vendors to provide the services. The award was structured as follows (in ranked order):</p> <ul style="list-style-type: none">• <u>First Notice of Loss/Claims Inquiry Calls (24x7x365 support).</u><ul style="list-style-type: none">○ Primary Vendor: 1. Y&Y Holdings, LLC ("Agility Marketing")○ Contingent Vendors: 1. Rose International, Inc. 2. Faneuil, Inc. ("Faneuil") 3. BinTech Partners, Inc. ("Bankers Financial") 4. Blue Cod Technologies, Inc. ("Blue Cod") 5. Etech Global Services LLC ("Etech") 6. Intelenet America, LLC ("Intelenet")

PROCUREMENT METHOD (CONT.)

- Tier I Calls (Basic Support - 8am-5:30pm M-F). This category is for basic inquiries and technical support requests from Policyholders, Agents, Mortgagees, and FMAP callers.
 - Primary Vendors:
 1. MacNeill Group, Inc.
 - Contingent Vendors:
 1. Y&Y Holdings, LLC (“Agility Marketing”)
 2. Blue Cod Technologies, Inc. (“Blue Cod”)
 3. BinTech Partners, Inc. (“Bankers Financial”)
 4. Intelenet America, LLC (“Intelenet”)
- Tier II Calls (Specialized Support - 8am-5:30pm M-F). This category requires highly trained representatives to handle more technical and specialized inquiries from policyholders and agents. These representatives may provide risk-based underwriting advice and support.
 - Primary Vendors:
 1. MacNeill Group, Inc.
 - Contingent Vendors:
 1. Blue Cod Technologies, Inc. (“Blue Cod”)
 2. BinTech Partners, Inc. (“Bankers Financial”)
 3. Intelenet America, LLC (“Intelenet”)

- Catastrophe Response Calls (If Needed Upon 72-Hour Notice and Written Task Orders). A panel of six (6) vendors have been selected for this category. Additional vendors may be needed depending on the size of the CAT event. Payments may include cost reimbursements to vendors for annual Mock CAT readiness exercises.

1.	Y&Y Holdings, LLC (“Agility Marketing”)	4.	Intelenet America, LLC (“Intelenet”)
2.	Rose International, Inc.	5.	BinTech Partners, Inc. (“Bankers Financial”)
3.	Faneuil, Inc. (“Faneuil”)	6.	Etech Global Services, LLC (“Etech”)

- Outbound Calls (Written Task Orders). A panel of eight (8) vendors have been selected for this category. Citizens has no current plan to use the vendors for this service but this service may become a more attractive option over time as business needs prevail.

1.	Y&Y Holdings, LLC (“Agility Marketing”)	5.	Faneuil, Inc. (“Faneuil”)
2.	MacNeill Group, Inc.	6.	Etech Global Services, LLC (“Etech”)
3.	BinTech Partners, Inc. (“Bankers Financial”)	7.	Nettel USA, Inc.
4.	Rose International, Inc.	8.	Intelenet America, LLC

Vendors identified as “Contingent Vendors” will be utilized when in Citizens’ best interest. No vendor is guaranteed a minimum percentage or allocation of any work type.

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RECOMMENDATION:

Citizens staff requests that the Actuarial and Underwriting Committee approve and recommend that Citizens Board of Governors:

- a) Approve the recommended awards and resulting contracts to the recommended vendors as set forth in this Action Item;
- b) Authorize staff to take any appropriate or necessary actions consistent with this Action Item; and
- c) Approve contracts for BPO Inbound and Outbound Call Center Services not to exceed \$47,850,803.

CONTACTS:

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