Aug 5, 2020

To: All Potential Respondents

From: Kathy Harper, Purchasing Agent

Subject: RFP06217179 Group Errors and Omissions

**Addendum One Answers to Questions**

**Please amend the subject RFP to include answers to the following timely received questions:**

Q1. Pleased provide loss runs for the past three years and current policy copy to avoid going to the same carrier.

A1.   Please see attached most recent quarterly loss run listing for the Iowa group program. This is a detailed loss run report of incurred claims for the policy years 2003 – 2020 at 6/30/2020. Please note that the incurred amount for open claims includes payments and reserve amounts set by the adjusters (the estimated amount needed for damages and claims expenses to close the open claims) but does not include any amounts incurred but not reported (IBNR), loss development amounts (a factor used by actuaries to determine the ultimate loss incurred), or administrative costs (the insurer’s costs to provide the program, including their staffing costs and expense allocations, program administration, marketing, and claims adjustment costs). All of these factors are additional costs for the program.

Q2. Section 4.3.3 states that approximately 90-120 in advance of the inception or renewal date the commission will furnish an up to date list of licensees.  Section 4.5.1. states that the billing notice must go out at least 105 days before the inception or renewal date.  The two sections somewhat conflict with each other.  What is the correct timeline for sending billing notices out?

A2. In reviewing the RFP, it is agreeable that a discrepancy exists in the language that could become problematic. If the Commission is to require billings to be sent to each licensee 105 days prior to inception (or renewal) date, then it will be the responsibility of the Commission to assure that the Vendor has received an up to date electronic schedule (via email) of all active licensees to assure the 105 day deadline has been met.

Typical practice with the current group provider is that a request is made in late August or early September, the Commission will provide a current list of all active licensees. This is approximately 120 days in advance of the inception or renewal date.

Q3. What additional details are you willing to provide, if any beyond what is stated in bid documents concerning how you will identify the winning bid?

A3. The scoring breakdown will be posted prior to the closing date and time for this RFP.

Q4. Was this bid posted to the nationwide fee bid notification website at www.mygovwatch.com/free?

A4. No.

Q5. Other than your own website, where was this bid posted?

A5.  The RFP was posted to the State of Iowa Targeted Small Business website as well as the State of Iowa Bid Opportunities website

Q6.  Would you extend the deadline for submitting a proposal by one week from August 12, 2020 to August 19, 2020?

A6. No.

Q7. Can you provide the total number of licensed individuals and firms who participated in the state E&O program for each of the following policy periods:

1-1-2015 to 1-1-2016

1-1-2016 to 1-1-2017

1-1-2017 to 1-1-2018

1-1-2018 to 1-1-2019

1-1-2019 to 1-1-2020

1-1-2020 to 6-30-2020

A7. Please see number of licensed individuals and firms who participated in the Iowa group program for each of the following periods (at 6/30/2020).

POLICY PERIOD 1st Quarter 4th Quarter

1-1-2015 to 1-1-2016 7,098 7,713

1-1-2016 to 1-1-2017 7,228 7,849

1-1-2017 to 1-1-2018 7,297 7,947

1-1-2018 to 1-1-2019 7,410 8,208

1-1-2019 to 1-1-2020 7,719 8,406

1-1-2020 to 6-30-2020 7,800

Q8. Please provide a detailed six (6) year loss run for the E&O program valued as of 6-30-2020.

A8. Please see response to Q1.

Q9. Please provide a quarterly loss summary valued as of the first quarter of policy years 2015, 2016, 2017, 2018, 2019 and 2020.

A9. Please see response to Q1.

Q10. What have been the per licensee and firm E&O State Program rates for the $100,000/$100,000 limits with $0 deductible for claims or defense for the past six (6) years?

A10. **POLICY PERIOD Per Licensee/Firm Premium for Iowa Group Program**

1-1-2015 to 1-1-2016 $148

1-1-2016 to 1-1-2017 $148

1-1-2017 to 1-1-2018 $148

1-1-2018 to 1-1-2019 $148

1-1-2019 to 1-1-2020 $148

1-1-2020 to 6-30-2020 $148

Q11. Approximately, how many days after the Proposal Due Date (August 12, 2020) will the Notice of Intent to Award be released?

A11. We are not able to provide a date for issuing the Notice of Intent.

Q12. Will the addresses submitted by the commission include email addresses?  Want to be sure able to comply with 4.5.2.

A12. Pursuant to Iowa Code § 22.7(67), at this time the Commission would be unable to share email addresses of licensees to a third party. It would be the expectation of the awarded vendor that in the process of administering the errors and omissions insurance program, that information would be collected and stored in its records for all licensees that choose to purchase insurance coverage through the group program. In the event that the Commission is given an exemption to this code section, then email addresses will be shared with the program manager at the time the electronic schedule of all actives licensees is provided.

On July 1, 2013 legislation was passed, making electronic mail address of individuals collected by state departments and agencies confidential. See SF 396.

Q13. Section 4.5.5 states the first data transmit of licensee data is due 10 days after the renewal billing due date which based on 4.5.3 is 20 days before the renewal date.  Is the typical first submission date around December 21st. We want to be sure we have a complete understanding of the requirement.

A13. During the renewal period, the current vendor sends a weekly list of all Iowa real estate licensees that have purchased errors and omissions insurance through the group program since the last download submitted. Pursuant to the language in the RFP, the latest the awarded vendor would send the data transmit of licensee data would be December 21st.

**Please acknowledge receipt of this addendum by signing in the space provided below, and return this letter with your offer (do not send back separately).**

I hereby acknowledge receipt of this addendum.

Signature Date

Typed or Printed Name