

Questions and Answers for FIGA Invitation to Negotiate.

1. Question: **What is the due date for the response? Is it 7/1/22 or 7/8/22?**
Answer: **The due date is 7/1/22 by 4:00 pm Eastern.**
2. Question: If a firm is already on the Field Assignment Program, are they eligible to a TPA firm and if so can they receive claim assignments for both programs simultaneously?
Answer: A firm can be on both the Field Adjuster Panel and the TPA Panel, however they cannot handle both simultaneously. If a firm on the Field Adjuster Panel is handling TPA claims, then they will be paused from handling any Field Assignments while they are handling any TPA work. So, yes they can be on both Panels however they will not receive assignments for both at the same time, it will be one or the other. Note that this Invitation to Negotiate is strictly for TPA Desk Adjusters and not any field work.
3. Question: If we are on the current TPA Panel and we received an extension contract from 5/31/2022 forward, should we sign the extension or wait and see if we get selected on this Initiation to Negotiate?
Answer: Sign the extension as that will be a 'bridge' between 5/31/2022 and if/when any new contract is entered into. Any new contracts from the Invitation to Negotiate will supersede and void any prior existing contracts.
4. Question: Can you provide a list of the Board of Directors?
Answer: The list of Board Members is available on the www.figafacts.com site under Corporate Information.
5. Question: Can you provide a complete list of FIGA employees?
Answer: Some of our staff is listed on the www.figafacts.com site under Staff. We do not publish a complete list of employees.
6. Question: Can you clarify 'Original Signatures must be submitted on the form provided'?
Answer: Page 1 needs to be signed by a corporate representative of the firm submitting the proposal and listing their title with that firm. The page can be copied / scanned to be a part of the proposal. This signed and completed cover page or copy of the signed and completed cover page needs to be returned with the proposal.
7. Question: Does the 6-page limit refer to the Company Profile or everything under Tab 3?
Answer: Under Page 6, Letter C- Company Profile the 6 pages applies to the Company Profile and the redacted sample report has a 10-page maximum making a total of 16 pages for Tab C.
8. Does the TPA have access to ImageRight?
Answer: FIGA will provide the TPAs access to ImageRight which is where documents are viewed. stores documents. There is no direct fee for this. ImageRight stores documents.
9. Does the TPA have access to LightSpeed?
Answer: FIGA will provide the TPA Adjusters access to LightSpeed which is FIGA's Claims Management System where all notes and financials are kept. Documents are kept in ImageRight.
10. Does the TPA issue claim denials?
Answer: All requests for any denial letters are sent to FIGA for review and approval before being issued. The desk adjuster drafts the denial letter for FIGA approval.

11. What is the claim payment process?

Answer: The TPAs will have a certain amount of authority to adjust the claims. Amounts above the authority level will be reviewed by FIGA and communicated back to the TPA, who after settling the claim will enter the payments in LightSpeed. All claim payments are handled in the LightSpeed claims management system.

12. Who is responsible for experts, attorneys and other expenses such as weather reports, etc.?

Answer: FIGA reviews, approves, authorizes requests and pays for other expenses deemed necessary. These are part of the claim file and submitted by the TPA desk adjuster. These expenses are paid within the LightSpeed claims file. FIGA has a panel of Defense firms who the adjusters will work with. FIGA does not turn claims over to the defense attorneys to handle and resolve. The adjuster maintains control of the claim and handles it to closing.

13. How is the process of utilizing expert witnesses and vendors done?

Answer: FIGA reviews and authorizes all requests for vendors and or witnesses as it deems necessary.

14. Under paragraph 4, Section F- Tab 6- Cost of Services, Would FIGA be receptive to an "Open" fee and a "Closed" fee? An example would be \$200 to open the claim, and \$200 fee at the time of closing?

Answer: FIGA is open to fees where the TPA can manage their expenses, make a profit, provide quality adjusters and promptly close claims. Note that the majority of claims that FIGA receives are the claims where the insolvent carriers have not been able to close them for any number of reasons. I would not limit your fee proposals to the suggested amounts but price the work for what you as a TPA needs in order to address the items above (your expenses, profit, quality adjusters and being able to promptly close claims). In other words, FIGA is open to fee proposals that are related to claim closings and the example in the question would be considered. This is an Invitation to Negotiate which includes fees. Litigated claims are handled till they are closed.

15. What is FIGA's definition of a 'closed claim'?

Answer: A closed claim is where all exposures have been accounted for and are resolved with the insured, their representative (PA, ATTY or other), any AOB or other, paid or denied. Additionally, where any and all fees for any expenses have been paid and resolved. In essence, where there are no outstanding items left open on the claim and it is closed in LightSpeed.

16. What is FIGA's method of scoring the responses?

Answer: FIGA will have an evaluation committee review and score each proposal given the responses listed within each Tab. The minimum and maximum scores are listed on page 9 of the Invitation to Negotiate. Given the nature of the insolvencies that FIGA receives, it is important to be able to quickly ramp up adjusters to meet the claim handling needs and provide pricing commensurate with the needs. Areas of scoring may include but not be limited to the TPA's size and ability to provide scale, years of TPA experience (Tab 3), adjusting expertise with different lines of business (Tab 4), and cost of services (Tab 6) are some of the scoring factors.

17. What training is provided for LightSpeed and ImageRight?

Answer: FIGA provides training based on train the trainer or group training sessions which is determined by FIGA based on the insolvency and familiarity with FIGA. Typically, these training sessions are performed via Microsoft TEAMS. FIGA provides access to a trainer via scheduled TEAMS sessions if additional training is needed. FIGA will train regarding any forms, letters, formats or any timelines for reporting, reserving and or diary.

18. What is the DSO (day sales outstanding) for invoices to be paid?

Answer: For FIGA, each TPA is asked to submit an invoice approximately every 2 weeks that must include an excel spreadsheet of what they are billing. That excel is imported into a billing system that attempts to verify the fees. Fees are then reviewed for accuracy and final approval. As FIGA invoices as paid, 5% is withheld and only paid when the claim remains closed at the 90-day mark. If the claim did not remain closed, the claim is reviewed monthly until it is closed and the 5% holdback can be paid.

19. Can the TPA adjusters work remotely or do they have to reside in Florida?

Answer: Yes, the adjusters can work remotely, do not have to be located in Florida and do not have to work at a specific TPA office location.

20. Does the proposed closed fee per file need to include Desk and Field Resources?

Answer: This proposal is strictly for TPA desk work only and does not involve or include any field assignments. Field work is handle via a round robin system of assignments. Please see question #2.

21. What States does this involve?

Answer: This is for the Florida Insurance Guaranty Association (FIGA) who only handles claims in Florida. No other states other than Florida.

22. Are these claims that have been previously worked or are they new claims?

Answer: Primarily they are claims that have been previously worked however we do receive new claims as well as reopened claims also. The large majority are previously worked claims.

23. Does the TPA have to fund the claim payments or do we just submit the payment request?

Answer: FIGA funds the claim payments which are handled within the FIGA claims Management system, which is currently LightSpeed. Claim payments are entered into LightSpeed.

24. What is the definition of 'technical disagreement' per Page 6, Tab 3- Company Profile?

Answer: This could be a disagreement between the desk adjuster, field adjuster, expert or client. A technical disagreement would mostly reference how the claim is being handled relating to the scope of damage or coverage issues.

25. Can or should Field Services be included in a response to this Invitation to Negotiate?

Answer: This Invitation to Negotiate is strictly for TPA Desk Adjusting services only and does not include any field component. Field Adjusting is not part of this solicitation. See questions # 2 and # 20.

26. Can you provide an estimated break out of litigated versus non-litigated claims?

Answer: Any estimated breakout of litigated versus non-litigated claims would depend upon each insolvency and it is very hard to predict. Litigated claims could be between 20% and 60% of the total claims volume.

27. What is FIGA's method of assigning claims to the TPAs?

Answer: FIGA will communicate with the TPA firm or firms regarding the number of assignments and the number of adjusters the TPA can provide. Assignments are then typically bulk assigned to the TPA manager, who will then electronically assign the claims to the individual adjusters within their firm. Assignments are made in LightSpeed which is FIGA's claims management system. The TPA adjusters work the claims out of LightSpeed and documents are located in ImageRight.

28. Is there any payment made on a claim that has been reassigned and not closed?

Answer: Typically, there is no payment for a claim that is not closed.

29. How are reopened claims handled and billed?
Answer: If the claim was previously handled by a TPA, upon reopening it will go back to that TPA for resolution. If the reason for the claim being re-open is premature closure or incomplete adjustment by the TPA, then the TPA should not bill for the supplement. If it reopens from the insolvent carrier, it is handled like a new assignment and invoiced accordingly.
30. How are claims billed if they go into litigation?
Answer: FIGA provided this solicitation for TPA Claims Services. Pricing is requested for non-litigated and litigated closed claims, however long they may be open. Typically, FIGA claims do not go beyond 18 months being open and typically much less.
31. What % claims are in different lines of business?
Answer: We cannot address the future we can only address what we have now which is primarily personal lines homeowners. In the past we have had large commercial, auto, PIP, environmental and similar. It is solely dependent upon the carrier that goes insolvent as to what claims FIGA receives.
32. How are Field Assignments made and how are reports handled?
Answer: Field assignments are made by the TPA adjuster where the assignments go into a round robin assignment process. The reports are submitted back in, dropped into ImageRight where the desk adjuster reviews the reports and adjusts the claims. The desk adjuster would pay the invoice in LightSpeed. Any follow up with the field adjuster would be the desk adjuster's responsibility.
33. When does the last policy expire?
Answer: If this pertains to the insolvent company, the claim is transferred to FIGA and there is typically, a two-year statute that we work within. If the question pertains to this Invitation to Negotiate, any TPA receiving a contract, under Page 3, #2, Item C- Term of Contract says that the base term is 2 years with two one-year options making a total of a 4-year contract.
34. Is Workers Comp a part of this solicitation?
Answer: No.
35. Do you have current plans for a Field Assignment solicitation?
Answer: There are no current plans for a field assignment solicitation.
36. Will background checks be required?
Answer: Background checks are the responsibility of the TPA and not the responsibility of FIGA. There is a requirement for the TPA to verify that the desk adjuster is current on their Florida adjuster license while on assignment.
37. How many companies are part of the TPA Panel now?
Answer: Currently around 8 or 9 which is not sufficient for our needs. Our goal is to expand that list to provide adequate scale for any events.
38. If a respondent is selected, can they refer to their own restoration service?
Answer: This would fall in line with question #2 and not be allowed as FIGA typically does not get involved in restorations or repairs or Options to Repair.
39. Historically, what is the average number of property claims or litigated claims assigned to a single TPA firm from an insolvency?
Answer: It can vary depending upon how the TPA can scale up. For example, if 1 insolvency transferred 2,500 claims to FIGA, we might look for 2 TPAs to handle that insolvency with an average pending of no more than 75 per adjuster.

40. What is the average day to close for non-litigated or litigated claims?

Answer: It varies from insolvency to insolvency. Our goal is to close claims as fairly and as quickly as we can. The best claim is a closed claim.