

ADDENDUM # 1

(please sign and return with the submittal)

QUESTIONS AND ANSWERS:

Note: Spelling, grammar, and punctuation of the questions are shown exactly as submitted by the potential respondents.

No.	Question	Answer
1.	Am I reading this correctly in that this is for just “surge” times when there are excessive claims?	The purpose of the RFP is to help the City manage their large capacity of claims, which is currently in the “surge” status. However, the goal is to maintain a long-term relationship and continue to push a fair number of claims to the Third-Party Administrators (TPAs) so that internal adjusters are focusing on specific claims (police and Employment Practices Liability (EPL)---related claims) and claims in litigation.
2.	As you might guess we’re trying to understand the claims volume and potential staffing requirements. Is that available by line of coverage?	Currently, information on claims volume and potential staffing requirements are not available by line of coverage.
3.	Pertaining to section 3.1 A, I have a few questions: Sub section 7 titled “Vehicle Appraisal Services”, are you referring to the appraising of vehicle damage or appraising a vehicle once it has been deemed a total loss?	With regards to Section 3, Scope of Work, Subsection 1, MINIMUM QUALIFICATION CRITERIA, Paragraph A, Item 7, which states, “Vehicle Appraisal Services” this service category includes both the appraising of vehicle damage and appraising a vehicle once it has been deemed a total loss. Please also reference Section 3, Scope of Work, Subsection 12, VEHICLE DAMAGE APPRAISAL, for more information.
4.	Pertaining to section 3.1 A, I have a few questions: Sub section 6 titled “Limited Adjustment Services”, can you give a bit more of a description of what this section or scope of work is?	Section 3, Scope of Work, Subsection 1, MINIMUM QUALIFICATION CRITERIA, Paragraph A, Item 6, is a service category available under this RFQu. In particular, it is the service category for Limited Adjustment Services. Please also reference Section 3, Scope of Work, Subsection 11, LIMITED INVESTIGATION/ADJUSTMENT SERVICES, for more information.
5.	Pertaining to section 3.1 A, I have a few questions: Sub section 5 titled “Subrogation and Recovery services for all property and liability claims, as required”	General liability claims and Auto Claims-subrogation would be for the property of vehicle claims. You can subrogate for partial auto liability claims. There may be

	the first part of subrogation and recovery for property losses appears self-explanatory, can you go into a bit more detail about the reference to "liability claims"?	instances of subrogation on property claims.
6.	Pertaining to section 3.1 A, I have a few questions: If a vendor were to be awarded only the recovery/subrogation portion of the offering, since that does not require any physical presence or accident scene response, would a physical office be required in Phoenix Arizona be required? I wanted to add that we currently do business with Glendale and Maricopa, and they do not require us to maintain a physical presence for the subrogation/recovery services we perform for them.	<p>Please reference Change 2 below. Delete the following sections: Section 2, Instructions, Subsection 15, Qualification Criteria, Paragraph B, Item 2, and Section 3, Scope of Work, Subsection 1, MINIMUM QUALIFICATION CRITERIA, Paragraph B, Item 2, both of which state, "Offerors must have and maintain an office in the Phoenix Metropolitan area."</p> <p>Since this condition has been deleted it is no longer a requirement.</p>
7.	Pertaining to section 3.1 A, I have a few questions: If a file was being subrogated and the total value of the physical damage was over \$15,000 and the amount recovered was the full amount being requested, would approval be needed or just if the amount being offered more than \$7,500 under the amount of damages sustained by the City?	<p>The City of Phoenix does not require any approval to recover full payment for damaged property.</p> <p>However, this question is unclear, so if we have not answered it please resubmit the question with more detail.</p>
8.	Are we to submit more than one proposal per service category (7 listed) we are applying for?	That is allowable. Please reference Section 3, Scope of Work, Subsection 1, MINIMUM QUALIFICATION CRITERIA, Paragraph B, Item 7, which states, "Offerors may submit proposal(s) for one or more of the services requested." (page 16)
9.	3.5.H. special consultant expenses are not in house- they are vended out, correct? Does the City expect us to incur these expenses and for us to be reimbursed? or do we direct vendor to be direct hired by the City?	Reference Section 3 Scope of Work, Subsection 5, GENERAL REQUIREMENTS APPLICABLE TO THE SERVICE, Paragraph H, which states, "H. Subcontracting for investigation/adjustment/appraisal services is not allowed without the express written approval of the City. Express City authorization is required to use special consultants to provide technical services such as Independent Medical Examinations. Authorized special consultant expenses will be reimbursed at actual cost in addition to the per claimant adjustment fee."



		Special consultants are subcontractors who will be retained by the Contractor as needed (subject to written approval from the City) and will be subject to all Terms and Conditions that apply to subcontractors.
10.	3.5.I.1. Is restoration services contractor list already made or is that expected to be made with this RFP?	Please reference Section 3, Scope of Work, Subsection 5, GENERAL REQUIREMENTS APPLICABLE TO THE SERVICE, Paragraph I, Item 1, which states, "It will be the contractor(s) responsibility to contact a restoration service contractor off the City of Phoenix qualified list, which will be provided by the Risk Management Division."
11.	3.5.K. Can this be virtual audit?	Yes, if "the Contractor's database allows for City staff access". Please reference Section 3, Scope of Work, Subsection 5, GENERAL REQUIREMENTS APPLICABLE TO THE SERVICE, Paragraph K, which states, "City staff and City-hired consultants may, at any time, perform file audits or review any single City file at the Contractor's office, or via electronic means if the Contractor's database allows for City staff access."
12.	3.6.B.9. Can we hire outside medical bill company to obtain these records? What happens if we cannot get bills?	The Contractor may only hire an outside medical bill company at the express direction of the Risk Management Division. If there is an issue with getting outside medical bills, the Contractor will notify the Risk Management Division who will escalate to process, internally.
13.	3.6.B.17. Can these meetings be virtual?	Yes, at the discretion of the Risk Management Division. Please reference Section 3, Scope of Work, Subsection 6, REQUIRED ACTIVITIES - FULL-SERVICE CLAIM ADJUSTMENT, Paragraph B, INVESTIGATION AND ADJUSTMENT ACTIVITIES, Item 17, 17. MEETINGS WITH CITY STAFF, which states, "These meetings will be at no additional charge to the City and will be conducted at times and locations established by the Risk Management Division."
14.	3.6.B.18. Are we expected that we will have access to STARS or will our	Contractors who provide services under Full-Service Claim Adjustment will be



	communications be via email or dropbox between us and the inside adjuster?	provided with access to the City's Risk Management system, currently STARS.
15.	What is "prompt inspection"? How do you measure this?	The phrase "prompt inspection" is not located in the request for qualification, RFQu-25-0552, Claims Adjusting, Damage Appraisal, and Subrogation Services.
16.	Subrogation/Recovery is exempt and therefore does not require a liability adjusting license. If we were to limit bidding to non-liability, Subrogation/Recovery only, would be correct in assuming that would not be a requirement for an "adjusters license"?	Please reference Change 3 below. Add a qualifying condition underneath the following sections: Section 2, Instructions, Subsection 15, Qualification Criteria, Paragraph B, Item 1; Section 3, Scope of Work, Subsection 1, MINIMUM QUALIFICATION CRITERIA, Paragraph B, Item 1; and Section 4, Evaluation Process, Subsection 1, MINIMUM QUALIFICATION CRITERIA, Paragraph B. The condition to be added is "a. The requirement for an Arizona Insurance Adjuster's license is waived where the service that the offeror has submitted for is exempt, or a non-liability service, and therefore does not require a liability adjusting license."

CHANGES

Change 1 – Section 1, Instructions, Subsection 1.4, Timeline – Schedule of Events is amended. The Written Inquiries Due Date is extended to March 3, 2025, at 2:00 p.m. (All times are local Phoenix time.)

Change 2 – Delete the following sections: Section 2, Instructions, Subsection 15, Qualification Criteria, Paragraph B, Item 2, and Section 3, Scope of Work, Subsection 1, MINIMUM QUALIFICATION CRITERIA, Paragraph B, Item 2, both of which state, "Offerors must have and maintain an office in the Phoenix Metropolitan area."

Change 3 – Add a qualifying condition underneath the following sections: Section 2, Instructions, Subsection 15, Qualification Criteria, Paragraph B, Item 1; Section 3, Scope of Work, Subsection 1, MINIMUM QUALIFICATION CRITERIA, Paragraph B, Item 1; and Section 4, Evaluation Process, Subsection 1, MINIMUM QUALIFICATION CRITERIA, Paragraph B. The condition to be added is "a. The requirement for an Arizona Insurance Adjuster's license is waived where the service that the offeror has submitted for is exempt, or a non-liability service, and therefore does not require a liability adjusting license."

The balance of the specifications and instructions remain the same. Bidder must acknowledge receipt and acceptance of this addendum by signing below and returning the entire addendum with the bid or proposal submittal.

Name of Company: _____

Address: _____

Authorized Signature: _____

Print Name and Title: _____