

DEPARTMENT OF FINANCIAL SERVICES
2122-01 ITN RM, Statewide Claims and Investigation Services
Statement of Work

Attachment 2

1. Statement of Work (SOW).

The Contractor shall provide Statewide Claims and Investigation Services to the Florida Department of Financial Services' Division of Risk Management. The Contractor is responsible to the Department for the work of any subcontractor. All Deliverables and all tasks required by this Contract are the responsibility of the Contractor and shall be performed in compliance with all applicable statutes, rules, policies, and procedures.

2. Definitions.

In this Contract, the following terms shall be defined as set forth below:

- a. Business Days – Monday through Friday, inclusive, except for the days State holidays are observed in accordance with section 110.117, Florida Statutes (F.S.), and emergencies as designated by the Department's Contract Manager.
- b. Business Hours – 8:00 a.m. until 5:00 p.m. Eastern Standard Time on all Business Days.
- c. Calendar Days – All days, including weekends and holidays. With respect to due dates and deliverables, if the last day counted falls on a weekend or holiday, the due date will be the next Business Day thereafter.
- d. Claimant – Property, Liability, or Workers' Compensation claimant.
- e. Contract – The agreement that results from Invitation to Negotiate #2122-01 ITN RM between the Department and the selected Respondent.
- f. Department – The Department of Financial Services.
- g. Division of Risk Management (Division) – A part of the Department of Financial Services.
- h. EDI – Electronic Data Interchange.
- i. Level 2 Criminal Background Screening – A background screening pursuant to Chapter 435, F.S., which is used to identify criminal history.
- j. SSAE 18 (SOC 1) Type II Audit – The Statement on Standards for Attestation Engagements audit standard that focuses on the internal controls covering financial reporting.
- k. SSAE 18 (SOC 2) Type II Audit – The Statement on Standards for Attestation Engagements audit standard that focuses on the internal controls related to security, data availability, confidentiality, privacy, and processing integrity.
- l. State – The state of Florida.
- m. State Liability and Property Claims – These types of claims involve general liability, automobile liability, federal civil rights, employment discrimination, and property damage to State and university buildings and contents.
- n. Statewide – All counties in the state of Florida.

- o. Workers' Compensation Claims – These types of claims involve State employees, volunteers working for State agencies and universities, and other persons considered State employees under Florida Statutes.

3. Duration.

a. Term.

The term of the Contract is four (4) years to begin on the Effective Date as indicated in the Contract Signature Page. The Department shall have the right to terminate or suspend the Contract by providing the Contractor with nine (9) months written notice.

b. Renewals.

The Contract may be renewed, by mutual agreement, in accordance with section 287.057(14), F.S., for a period not to exceed four (4) years from the end of the original Contract term. Renewal pricing, to which the Contractor shall be bound, will be paid in accordance with Attachment 3, Price Response; however, the Department may negotiate for lower pricing. Renewals are contingent upon satisfactory performance evaluations by the Department, and subject to the availability of funds.

4. Services to be Provided by the Division.

The Division will:

- a. assign claims to the Contractor, identifying the type of assignment and what information is being requested;
- b. review and approve reports and other documentation submitted by the Contractor;
- c. provide clarification to the Contractor, as needed, regarding Division operations and liability, property and Workers' Compensation policies;
- d. provide the Contractor access to the Division's claims management system;
- e. provide Division claims management system training to the Contractor's staff; and
- f. provide office space and network access for the Contractor's On-site Coordinator as described in Section 5.2.3., 7., Type III: Investigation of Possible Insurance Fraud for Workers' Compensation and State Liability and Property Claims.

5. Services to be Provided by the Contractor.

The Contractor shall provide claims processing and investigation services for Workers' Compensation, general liability, automobile liability, federal civil rights, employment discrimination, and property damage to State buildings, when assigned by the Division, to assist the Division's in-house claims staff in bringing claims to closure.

5.1 Administrative Set-Up.

The Contractor shall begin performing the requirements for Administrative Set-Up, described in this SOW, upon execution of the Contract. The Contractor shall, within sixty (60) Calendar Days of the effective date of the Contract, complete the following Administrative Set-Up requirements:

a. Implementation Plan.

The Contractor shall develop an Implementation Plan to support the services required under this Contract.

- b. **Implementation Schedule.**
The Contractor shall develop an Implementation Schedule. At a minimum, the Implementation Schedule will include:
 - i. required work broken into tasks;
 - ii. specific durations for each task;
 - iii. task start and end dates;
 - iv. dependencies; and
 - v. assigned resources.
- c. **Policies and Procedures.**
The Contractor shall submit policies and procedures for all of Section 5.2, Statewide Claims and Investigation Services, as applicable, by a mutually agreed upon date, prior to services commencing.
- d. **Division Approval Required.**
The Contractor shall, during Administrative Set-Up outlined in Section 5.1, submit to the Division all written documents that require approval by the Division, as provided by this SOW, prior to commencing the delivery of Statewide Claims and Investigation Services.
- e. **Disaster Recovery Plan.**
The Contractor shall provide a Disaster Recovery Plan for Division approval, by a mutually agreed upon date, prior to services commencing.
- f. **Training.**
 - i. The Contractor shall ensure that adjusters are available to receive the Division's claims management system training, which at the discretion of the Division, shall be in-person at the Division's facilities or remotely, prior to services commencing.
 - ii. The Contractor shall, upon written request by the Division, provide the Division training on any Contractor system(s) that is required to be used by the Division, prior to services commencing. The Contractor will provide access to all users requested by the Division.
- g. **Weekly Status Report.**
The Contractor shall provide a Weekly Status Report until the requirements of Section 5.1, Administrative Set-Up, are completed.

5.2 **Statewide Claims and Investigation Services.**

The Contractor shall, when requested in writing by the Division, begin performing the services specified in this Section 5.2, Statewide Claims and Investigation Services.

5.2.1 Type I: Special Investigation/Field Contact.

A. **Workers' Compensation Claims.**

1. Type I Workers' Compensation Claim assignments involve State employees, volunteers working for State agencies, and other persons considered State employees as defined in Chapter 440, F.S.

2. The Contractor shall, for Type I Workers' Compensation Claim assignments, provide the services for a special investigation/field contact to include, but not be limited to the following:
 - a. obtaining recorded statements, in person, from the injured employee, witnesses, and the injured employee's employer. Since recorded statements may not always be appropriate or required, interviews may be conducted in lieu of recorded statements, as directed by the Division;
 - b. inspecting the accident scene, including taking photographs;
 - c. obtaining accident reports, medical reports, court records, death certificates, and similar documents;
 - d. determining possible subrogation claims which would include obtaining affidavits for Special Disability Trust Fund claims; and
 - e. verifying continued disability or dependency, as defined in Chapter 440, F.S.
3. The Contractor shall, within one (1) Business Day after receipt of a Type I Workers' Compensation Claim assignment from the Division, provide written acknowledgement of the assignment to the Division. Such written acknowledgement shall include, at a minimum, the name of the Contractor's investigator assigned to the claim file, the assigned investigator's telephone number, and email address.
4. The Contractor shall complete Type I Workers' Compensation Claim assignments within twenty-one (21) Calendar Days from assignment acknowledgement, unless an extension is provided in writing to the Contractor by the Division.

B. State Liability and Property Claims.

1. Type I State Liability and Property Claim assignments of this type include:
 - a. automobile accidents involving State employee drivers;
 - b. general liability claims (including professional malpractice) alleging negligence of State employees in conducting State program operations or maintenance of State premises;
 - c. claims alleging federal civil rights violations by State employees acting under color of State law;
 - d. employment discrimination claims filed against State agencies; and
 - e. property damage claims filed by State agencies for damage to State owned buildings and contents due to covered perils including, but not limited to, fire, wind, flood, or lightning.
2. Services required by the Contractor for Type I State Liability and Property Claim assignments include, but are not limited to:
 - a. assessing the extent and nature of injuries or damages sustained;
 - b. investigating accident/incident factors leading to establishment of the degree of liability, if any, on the part of State government;
 - c. interviewing involved persons or witnesses;

- d. taking photographs or statements;
 - e. obtaining accident reports, medical records, photographs, court records, and similar documents; and
 - f. conducting other claims activities as required to bring the claim to conclusion.
3. For Type I State Liability and Property Claim assignments, the Contractor shall adhere to the communications requirements set forth below:
- a. The Contractor shall, within one (1) Business Day after receipt of Type I, State Liability and Property Claim assignment, provide written acknowledgement to the Division. Such written acknowledgement shall include, at a minimum, the name of the Contractor's investigator assigned to the claim file, the assigned investigator's telephone number, and email address.
 - b. The Contractor shall contact the parties involved in the Type I State Liability and Property Claim investigation assignment within two (2) Business Days after receipt of the assignment from the Division.
 - c. The Contractor shall complete Type I State Liability and Property Claim assignments within twenty-one (21) Calendar Days from assignment acknowledgement, unless an extension is provided in writing to the Contractor by the Division.

5.2.2 Type II: External Full Handling and Processing of a Claim.

Claims assigned for external full handling and processing may include permanent assignments, such as in the case of out-of-State claims; temporary assignments for a finite or specific period of time; and/or special assignments for which the Division may require additional assistance. Claims assigned for external full handling and processing shall be the responsibility of the Contractor, except for the following responsibilities, which shall be retained by the Division:

- findings of permanent total disability;
- attorney assignments; and
- settlement authority.

A. Workers' Compensation Claims.

1. Workers' Compensation Claims may be either existing or new claims and will be assigned to the Contractor for full handling and processing. This includes, but is not limited to:
 - a. determining compensability;
 - b. coordinating, paying, and reviewing medical benefits in collaboration with the Division's medical case management Contractor;
 - c. coordinating, paying, and reviewing indemnity benefits;

- d. requesting assignment of defense counsel if a claim becomes litigated and assisting the defense attorney as needed;
 - e. completing any required EDI forms;
 - f. referring claims for investigation and/or surveillance to maintain efficiency and identify potentially fraudulent claims upon prior written approval of the Division; and
 - g. requesting settlement authority and taking action to settle and close claims when appropriate and/or handling a claim until a Claimant is no longer eligible for benefits.
2. The Division will assign Type II Workers' Compensation Claims to the Contractor for full handling and claims processing, which shall include a full and comprehensive investigation.
 3. The Contractor shall submit to the Division a summary of the claim ten (10) Calendar Days prior to mediation. This summary shall include a completed authorization request form, and a recommended settlement amount. For claims that are not settled, the Contractor shall assist legal counsel during the legal process as necessary.
 4. The Contractor shall submit a Quarterly Status Update of Workers' Compensation claims ten (10) Calendar Days following completion of the previous quarter.
 5. The Contractor shall process all claims related bills and payment requests through the Division's claims management system. The Division will issue checks for all approved payment requests. All processed bills and payment requests shall be in accordance with Division policies and procedures. The Contractor shall ensure all associated invoices and supporting documentation are uploaded to each associated claim within the Division's claims management system.

B. State Liability and Property Claims.

1. State Liability and Property Claims may be existing or new claims and will be assigned to the Contractor for full handling and processing. This includes, but is not limited to:
 - a. Interviewing witnesses, photographing the scene of an accident, and collecting medical bills and documentation of wage losses and other damages;
 - b. determining liability of the insured agency;
 - c. drafting and submitting a request for authority from the appropriate Division program administrator;
 - d. contacting the counsel representing the claimant and negotiating a settlement when possible;
 - e. requesting assignment of defense counsel if plaintiff files a lawsuit and assisting the defense attorney as needed once litigation commences; and
 - f. requesting settlement checks as needed and closing the file after litigation is concluded.

2. The Division will assign Type II State Liability and Property Claims to the Contractor for full handling and claims processing, which shall include a full and comprehensive investigation.
3. The Contractor shall submit to the Division a summary of the claim ten (10) Calendar Days prior to mediation. This summary shall include a completed authorization request form, and a recommended settlement amount. For claims that are not settled, the Contractor shall assist legal counsel during the legal process as necessary.
4. The Contractor shall submit a Quarterly Status Update of State Liability and Property claims ten (10) Calendar Days following completion of the previous quarter.
5. The Contractor shall process all claims related bills and payment requests through the Division's claims management system. The Division will issue checks for all approved payment requests. All processed bills and payment requests shall be in accordance with Division's policies and procedures. The Contractor shall ensure all associated invoices and supporting documentation are uploaded to each associated claim within the Division's claims management system.

5.2.3 Type III: Investigation of Possible Insurance Fraud for Workers' Compensation and State Liability and Property Claims.

1. The Contractor shall, for Type III claim assignments, investigate possible fraudulent claims involving Workers' Compensation and State Property and Liability claimants, as well as vendors providing goods or services related to a claim, or any other person or organizations associated with a claim. Services billed under Type III should include, but not be limited to, preparing a referral to Division of Investigative and Forensic Services (DIFS), communicating with DIFS, State attorney offices, and defense counsel, and assist in the preparation of the case for prosecution.
2. The Contractor shall possess expertise in the investigation of insurance claims for potential fraud and be qualified and capable to function as the Division's Special Investigations Unit (SIU), as required by section 626.9891, F.S.
3. The Contractor shall, at no additional cost to the Division, dedicate one (1) qualified Florida-licensed investigator, for Type III and Type IV service coordination and close consultation with Division staff. This coordinator (hereinafter referred to as "On-site Coordinator") shall work onsite within the Division in Tallahassee, Florida, at least two (2) Business Days per week, or more as deemed necessary and requested in writing by the Division.
4. The Contractor's On-site Coordinator shall be approved by the Division and shall be prepared to begin work, on-site within the Division no later than fourteen (14) Calendar Days from the date services commence.
5. Prior to Division approval of the Contractor's proposed On-site Coordinator, the Contractor shall obtain a background check, including fingerprinting, through the Florida Department of Law Enforcement on the proposed

individual. The Division reserves the right to reject proposed staff based on background check results. The Contractor shall be responsible for payment of, and retaining records relating to, employee background and security checks, which records are exempt from Chapter 119, F.S.

6. The Contractor shall submit to the Division a Quarterly Fraud Investigation Report by the fifteenth (15th) day of the month following the quarter in which services were rendered.
7. The Division will provide office space and network access for the Contractor's Division-approved On-site Coordinator.

5.2.4 Type IV: Surveillance.

1. Type IV claim assignments require surveillance investigation on Workers' Compensation and State Liability and Property Claims. The Division retains discretion regarding Contractor assignment for observational activities on claims in litigation and may elect to use the Contractor for specific claims. Surveillance may include, but is not limited to, observation of the claimant's daily activities to substantiate or invalidate alleged losses, verification of claim details, internet and social media data mining, and other claims investigation activities as directed by the Division.
2. The Contractor shall, within one (1) Business Day after receipt of a Type IV surveillance assignment, provide acknowledgement of the assignment to the Division. Such written acknowledgement of the assignment shall include, at a minimum, the name of the investigator assigned to the file, their telephone number, and email address.
3. The Contractor shall submit to the Division an Assignment Summary Report within three (3) Calendar Days following the completion of each assignment.

5.2.5 Type V: Appraisals.

1. Automobile Property Damage Appraisal.
Automobile property damage appraisal assignments shall require the Contractor to determine and document the reasonable cost to repair the damage to a passenger type automobile or a single unit truck. If the damaged vehicle is determined to be a total loss, the Contractor's appraiser is to notify Division staff, prepare a vehicle condition report, and order a vehicle total loss evaluation report. These claims shall also include those for third party automobile total loss. For these claims, the Contractor shall settle the claim within the authority received from Division staff and arrange for the sale of the salvage.
2. Heavy Equipment and Structural Property Damage Appraisal.
Heavy equipment and structural property damage assignments shall require the Contractor to determine and document the reasonable cost to repair the damage to heavy equipment or structural property. If the vehicle or structural property is determined to be a total loss, the appraiser is to immediately notify Division staff, prepare a condition report, and where applicable, order a total loss evaluation report. This type of assignment may

also include structural damage appraisals required in claims being processed by the Division's property insurance program that provides coverage for State and university owned and leased buildings, and contents damaged by covered perils including, but not limited to, fire, wind, flood, or lightning.

3. Marine Surveys.

Marine survey assignments shall require the Contractor to determine the reasonable cost to repair or replace damaged marine property or equipment.

4. For Type V appraisal assignments listed above the Contractor shall:
- a. Submit to the Division within one (1) Business Day after the receipt of a Type V appraisal assignment, written acknowledgement of the assignment. Such written acknowledgement shall include, at a minimum, the name of the Contractor's staff assigned to the appraisal, the assigned staff's telephone number, and email address.
 - b. Contact the owner of the equipment or facility where the equipment is located within two (2) Business Days from the receipt of the assignment from the Division. The Contractor shall notify the Division within three (3) Business Days of assignment when the inspection is scheduled.
 - c. Submit appraisal to the Division within seven (7) Business Days from the receipt of the assignment from the Division, unless a mutually agreeable alternative timeline is established.
 - d. Ensure all appraisals provided to the Division are accompanied by photos that clearly show the area(s) of damage.
 - e. Notify Division staff if a supplement is requested in order to obtain the Division's approval. If the supplement is approved by the Division, the Contractor shall submit it to the Division within one (1) Business Day after completion, including a copy of the repair facility's W-9.

5.2.6 Type VI: Temporary Catastrophe Adjusters.

1. Type VI, temporary catastrophe adjusters will appraise and adjust property damage claims to State and university property (buildings and contents) following a catastrophic event.
2. The Contractor shall guarantee the availability of a minimum of ten (10) temporary catastrophe adjusters, for which the Division will pay an annual retainer fixed fee.
3. The Contractor shall, when requested in writing by the Division following a catastrophic event, provide a minimum of ten (10) claims adjusters to deploy and provide full claims handling of property damage claims within two (2) Business Days of the Division's written request.
4. The Contractor shall have the ability to provide additional adjusters to assist in the event of a catastrophic event, within ten (10) Business Days of the Division's written request.
5. The Contractor shall ensure that all Type VI, temporary catastrophe adjusters, have the equipment needed to appraise and adjust property damage claims.

6. Adjusters shall not be employees or agents of the State and shall remain employees of the Contractor.
7. The Contractor shall submit a Monthly Summary Report for each adjuster deployed detailing the number of hours, tasks, and details of services provided for the prior month.

5.2.7 Reporting.

1. General Reporting Requirements.
 - a. The Contractor shall develop reports using formats approved in advance by the Division and that comply with the requirements established by the Division. When reporting requirements are not established in this SOW, the Division will provide the Contractor with instructions and submission timeframes. The Division reserves the right to modify established reporting formats resulting from changing priorities or management direction.
 - b. Report due dates specified in the Contract may be modified, if approved in advance and in writing by the Division.
 - c. The Contractor shall develop and submit to the Division all Contract reports at no additional cost to the Division.
2. Assignment Summary Reports.
 For Types I, II, III, and IV assignments as specified in Section 5.2, the Contractor shall submit to the Division written Assignment Summary Reports as specified in Table 1.

<u>Table 1</u>		
ASSIGNMENT SUMMARY REPORTS AND DUE DATES		
Assignment Type	Workers' Compensation Claims	State Liability and Property Claims
Type I: Special Investigation/Field Contact	Fifteen (15) Calendar Days following completion of assignment.	Ten (10) Calendar Days following completion of assignment.
Type II: External Full Handling and Processing of Claim	Quarterly Status Update ten (10) Calendar Days following completion of the previous quarter.	Quarterly Status Update ten (10) Calendar Days following completion of the previous quarter.
Type III: Investigation of Possible Insurance Fraud	Ten (10) Calendar Days following completion of the assignment.	
Type IV: Surveillance	Three (3) Calendar Days following completion of the assignment.	

3. Unless otherwise specified in the Contract or requested in writing by the Division, all Assignment Summary Reports specified in Table 1, Assignment Summary Reports and Due Dates, shall include, but not be limited to:
 - a. The date on which the assignment was issued to the Contractor by the Division.
 - b. A brief description of the assignment, including the assignment type.
 - c. The name, address, telephone number, and email address of the Contractor's assigned adjuster/investigator.
 - d. The Claimant's name, the Division's claim number, the date of the accident, and the Claimant's employer.
 - e. Summary of the Contractor's findings in accordance with specific information requested by the Division for that assignment.
 - f. A summary of any written statement(s), if applicable, and the electronically recorded statement(s), if requested by the Division. If recorded statements are obtained, the Contractor shall not transcribe the entire statement unless requested to do so by the Division.

4. Type III Quarterly Fraud Investigation Report.
 - a. For Type III assignments, as specified in Section 5.2.3, the Contractor shall submit to the Division at no additional charge, a written Quarterly Fraud Investigation Report by the fifteenth (15th) day of the month following the quarter in which services were rendered.
 - b. Quarters shall be based on the calendar year (January 1 – March 31, April 1 – June 30, July 1 – September 30, and October 1 – December 31).
 - c. The format of the Quarterly Fraud Investigation Report shall be agreed upon by the Division and the Contractor and shall include a thorough summary of the Contractor's referrals, activities, and findings. Report content shall include information such as:
 - i. total new Special Investigation Unit (SIU) referrals made during the last quarter;
 - ii. total SIU referrals to date;
 - iii. open SIU files;
 - iv. open surveillance files;
 - v. savings for fraud investigations;
 - vi. total DIFS referrals to date;
 - vii. total arrests;
 - viii. total warrants issued;
 - ix. total convictions;
 - x. total restitution awarded;
 - xi. Physical Therapy (PT) files reviewed/investigated;
 - xii. PT files with additional reviews;
 - xiii. Temporary Total Disability (TTD) files reviewed/investigated;
 - xiv. TTD files with additional reviews;
 - xv. Temporary Partial Disability (TPD) files reviewed/investigated;
 - xvi. TPD files with additional reviews;

- xvii. medical only files reviewed/investigated;
 - xviii. medical only files with additional reviews;
 - xix. litigated files reviewed/investigated;
 - xx. litigated files with additional reviews;
 - xxi. impairment rating files reviewed; and
 - xxii. undetermined status files reviewed/investigated.
- d. Ad Hoc Reporting.
The Division reserves the right to request the Contractor to conduct ad hoc analyses and provide ad hoc reports, such as utilization assessments, costs and total spending. In such instances, the Division will make the request in writing to the Contractor and will establish a deadline for submission. The Contractor shall provide ad hoc analyses and ad hoc reports to the Division at no additional cost to the Division.

5.2.8 Internal Quality Assurance Plan.

1. At no additional charge, the Contractor shall develop, finalize, and maintain a written, up-to-date Internal Quality Assurance Plan to ensure its appropriate administration of all responsibilities specified in this SOW. The Contractor shall submit its Final Internal Quality Assurance Plan to the Department's Contract Manager within thirty (30) Calendar Days after Contract execution. The Division reserves the right to direct the Contractor to modify its Final Internal Quality Assurance Plan as needed.
2. At a minimum, the Contractor's Final Internal Quality Assurance Plan shall include how the Contractor shall meet the performance standards and requirements specified in this SOW, including but not limited to:
 - a. Ensuring adequate, qualified adjusters will be available to respond to the Division's assignments and complete the services specified in the Contract.
 - b. Ensuring detailed policies and procedures are in place to provide high quality service delivery.
 - c. Conducting orientation and training of new employees (including any subcontractors), subsequent monitoring of employee and subcontractor performance, and interventions to be used when Contract functions are not adequately performed by employees or subcontractors.
 - d. Escalating within its own organization technical problems, staffing shortages or other issues that threaten to, or prevent, the Contractor from meeting the terms and conditions of the Contract.
 - e. Ensuring timely dissemination of required Contract reports as specified in the Contract.
 - f. Adhering to response requirements specified in the Contract.
 - g. Adhering to information technology and data submission requirements specified in the Contract.
 - h. Ensuring confidentiality and protection of Claimant and other confidential information.

5.2.9 Information Technology (IT) Requirements.

1. The Contractor shall access the Division's claims management system in order to perform the services specified in this SOW.
2. The Contractor shall ensure that all Contractor staff that have access to the Department's network complete the Department's Security Awareness Training within ten (10) Business Days from the date the Contract is executed, or a mutually agreed upon timeframe.
3. All electronic transmission of reports and supporting documentation containing Personally Identifiable Information (PII) and Personal Health Information (PHI) as defined by the Health Insurance Portability and Accountability Act (HIPAA) must be encrypted to meet privacy standards. The Contractor shall ensure that the operation of all of its systems is performed in accordance with State regulations and guidelines related to security and confidentiality and meet all privacy and security requirements of PII, and PHI as defined by HIPAA regulations. The Contractor shall immediately inform the Department's Contract Manager of any incidents whereby PII and/or PHI data may have been released inappropriately.

5.2.10 Staffing Requirements.

1. General Staffing Requirements.
 - a. The Contractor shall assign work under this Contract to adjusters who possess the requisite licensure, knowledge, skills, and abilities required to perform the services in this SOW.
 - b. The Contractor shall assign work under this Contract to adjusters who have more than three (3) years of claims adjusting experience, unless approved in writing by the Division.
 - c. The Contractor shall maintain staffing levels, strategically located throughout the state of Florida, that is sufficient to perform the services and meet the requirements specified in this SOW.
 - d. All adjusters provided to perform the services required for this Contract must possess and maintain a Florida adjuster license.
 - e. The Contractor shall recruit qualified staff as needed to implement all aspects of the services required in this SOW.
 - f. The Contractor shall, when requested in writing from the Division, provide temporary adjusters to replace or assist Division adjusters with Workers' Compensation, property, and liability claims and/or claims related special projects.
 - g. The Contractor shall, within five (5) Business Days of the Division's request, provide the proposed temporary adjusters, which shall be approved in advance by the Division.
 - h. The Contractor shall, within five (5) Business Days of the Division's request, ensure that approved temporary adjusters are available to receive the Division claims management system training, which at the discretion of the Division, shall be in person at the Division's facilities or remotely.

- i. The Contractor shall ensure that adjusting staff utilize the Division's claims management system to process claims, maintain notes regarding claims, and indicate when claims are closed.
 - j. The Contractor shall submit, along with a monthly invoice, a Monthly Summary Report for each temporary adjuster which includes the number of hours, tasks, and details of services provided for the prior month.
 - k. The Contractor shall invoice the Division within thirty (30) Calendar Days after the end of each month in which temporary adjusting services were provided.
 - l. The Contractor shall, throughout the term of this Contract, have the ability to provide at least three (3) temporary Workers' Compensation adjusters, three (3) property, and three (3) liability claims adjusters. The number of adjusters shall be determined by the Division. If the Division determines that additional adjusters are needed beyond the required minimum of three (3) in each area, the Contractor will be notified and shall use its best efforts to provide additional adjusters.
 - m. In the event the Division determines that the Contractor's staff or staffing levels are not sufficient to complete the services specified in this SOW, it may advise the Contractor in writing and the Contractor shall have thirty (30) Calendar Days to remedy the identified staffing deficiencies to the satisfaction of the Division. The Contractor shall reassign any staff whose continued presence would be detrimental to the completion of the services in this SOW.
 - n. The Contractor shall have the ability to accommodate non-English speaking persons (including, but not limited to, Spanish and Creole), as well as the hearing impaired and/or others who require special assistance.
2. Background Checks.
- The Contractor's staff provided to perform the work described herein must undergo a background check at the expense of the Contractor. Review and approval of this background check, which, at a minimum, is the equivalent of a Level 2 Criminal Background Screening including fingerprinting as described in section 435.04, F.S., is required for the Contractor's staff before he or she will be allowed to perform work under the Contract. The Contractor must advise the Contractor's staff that: 1) the fingerprints will be used to check the criminal history records of the FBI, and 2) procedures for obtaining a change, correction, or update of an FBI identification record are described in 28 C.F.R. 16.34. Results will be used to determine the Contractor's staff eligibility for access to the Department's systems. The Department will provide detailed instructions for fingerprinting upon Contract execution.
3. Key Staff.
- At a minimum, the Contractor shall assign the following Key Staff to the Contract:
- a. Contract/Account Manager.

The Contractor shall designate a primary contract/account manager to work directly with the Department's Contract Manager and the Division's program staff in providing the services specified in this SOW. The Contractor's contract/account manager shall have authority to revise processes and procedures, and assign additional resources, as needed, to maximize the efficiency and effectiveness of services provided under the Contract. The Contractor's contract/account manager shall be available to meet with Division staff in person, or by telephone during Business Hours at the request of the Division, to discuss any aspect of the Contract, such as the status of the Contract activities or assignments, Contractor performance, Contractor payment, outstanding issues, reports, and deliverables.

- b. Temporary Claims Adjusters.
As specified in Section 5.2.10, 1., the Contractor shall commit and guarantee a minimum of three (3) qualified workers' compensation adjusters, three (3) qualified property claims adjusters, and three (3) liability claims adjusters to work within the Division to temporarily replace or assist Division adjusters or claims processors, requested by the Division. All assigned temporary adjusters shall be subject to prior Division written approval.
- c. On-site Coordinator.
As specified in Section 5.2.3, 3., the Contractor shall dedicate one (1) qualified Florida-licensed investigator, who shall work on-site within the Division in Tallahassee, Florida, a minimum of two (2) Business Days, or more as needed and directed by the Division, for Type III and Type IV investigation assignments and close consultation with Division staff.
- d. Removal of Key Staff.
The Contractor shall provide written notification to the Department's Contract Manager of any vacancies in its Division-approved Key Staff within two (2) Business Days of the position(s) becoming vacant, or when the Contractor becomes aware that the position will be vacated, whichever is sooner.
- e. The Contractor shall not remove any Division-approved temporary adjusters or the Division-approved On-site Coordinator without the prior written consent of the Department's Contract Manager. If a Division-approved temporary adjuster or On-site Coordinator must be replaced for reasons beyond the reasonable control of the Contractor, including illness, disability, resignation, or for-cause termination, prior written consent of the Division shall not be required, but the Contractor shall provide written notification to the Department's Contract Manager within one (1) Business Day of the position(s) becoming vacant. If applicable and requested by the Division, the Contractor shall fill the vacant position within ten (10) Calendar Days of the Division's written request.
- f. Availability of Contractor Staff.

The Contractor shall be available to provide assistance to the Division during Business Hours.

5.2.11 SSAE 18 (SOC 1 & 2) Type II Audit and Contractor's Self-Assessment Tool.

1. The Contractor shall have an SSAE 18 (SOC 1 & 2) Type II Audit conducted at no cost to the Division, annually by an independent Certified Public Accounting (CPA) firm (Auditor) in accordance with the professional standards established by the American Institute of Certified Public Accountants (AICPA), unless an alternative audit is mutually agreed upon. The Contractor shall complete the Contractor's Self-Assessment Tool annually with each SSAE 18 (SOC 1 & 2) Type II Audit.
2. The Contractor shall electronically submit the SOC report, within fifteen (15) Business Days of the issuance of the report, to the Department in Adobe Acrobat Portable Document Format (.pdf).
3. The Contractor shall submit a bridge letter, addressing the gap between the report date and the Contractor's year-end, with the SOC report in the event the audit report covers less than a twelve (12) month period.
4. The Contractor shall electronically submit to the Division, within fifteen (15) Business Days of receipt from the Division, a completed Contractor's self-assessment tool.
5. The Contractor shall provide electronically, within ten (10) Business Days, written responses and supporting documentation to the Division for all Division requested audit follow-up review inquiries or requests for additional information.

5.2.12 Contractor Performance.

1. Performance Standards and Financial Consequences.
The Contractor shall notify the Division upon becoming aware of any circumstances that may reasonably be expected to jeopardize the timely and successful completion (or delivery) of any services. The Contractor shall use reasonable efforts to avoid or minimize any delays in performance and shall inform the Division of the steps the Contractor is taking or will take to do so, and the projected actual completion (or delivery) time. If the Contractor believes a delay in performance by the Division has caused or will cause the Contractor to be unable to perform its Contract obligations on time, the Contractor shall notify the Division and use reasonable efforts to perform its Contract obligations on time notwithstanding the Division's delay.
2. The Department's Contract Manager and Division program staff will ensure regular monitoring of the Contractor's performance in accordance with the requirements of the Contract and may determine the need for a financial consequence based upon an evaluation of the severity of a deficiency. Failure by the Contractor to meet the established minimum performance standards may result in the Division, at its sole discretion, finding the Contractor to be out of Contract compliance, and all remedies

- specified in this SOW, in the resulting Contract, and under law, shall become available to the Division.
3. The Division reserves the right to impose financial consequences upon the Contractor for failure to comply with the performance standards set forth below in Table 2, Deliverables, Performance Standards, and Financial Consequences.
 4. Contractor Performance Reporting.
At no additional charge, the Contractor shall submit a quarterly performance report to the Department's Contract Manager that summarizes the Contractor's adherence to each of the performance standards in Table 2, Deliverables, Performance Standards, and Financial Consequences. The report shall be in a format approved by the Division. Quarterly performance reports shall be submitted to the Division by the fifteenth (15th) day of the month following the quarterly reporting period, and in addition to the reporting on each performance standard in Table 2, Deliverables, Performance Standards, and Financial Consequences, and shall include a list of all claims assignments generated by the Division during the reporting period, and the date on which the assignment was received by the Contractor. For each assignment and performance standard, the Contractor shall measure its level of performance in adhering to each of the relevant performance standards provided in Table 2, Deliverables, Performance Standards, and Financial Consequences as follows:
 - i. Exceeded Contract Requirements
 - ii. Met Contract Requirements
 - iii. Did Not Meet Contract Requirements
 5. Corrective Action Plan.
 - a. If the Division determines that the Contractor is out of compliance with any of the provisions of the Contract, the Division may require the Contractor to submit a Corrective Action Plan (CAP) within a specified timeframe. The CAP shall provide an opportunity for the Contractor to resolve deficiencies without the Division invoking financial consequences or more serious remedies, up to and including Contract termination.
 - b. In the event the Division identifies a violation of the Contract, or other non-compliance with the Contract, the Division shall notify the Contractor of the occurrence in writing. The Division shall provide the Contractor with a timeframe for corrections to be made.
 - c. The Contractor shall submit a CAP to the Division within the timeframe specified by the Division and in a format specified by the Division. The Division may require changes to the CAP and provide a specific deadline.
 - d. The Contractor shall implement the approved CAP, within three (3) Business Days of the Division's approval of the CAP.

- e. If the Contractor does not meet the standards established in the CAP within the agreed upon timeframe, the Contractor shall be in violation of the provision of the Contract and shall be subject to financial consequences.

5.2.13 Method of Payment.

1. **Payment for Services Rendered.**
The Contract shall be a fixed price and fixed rate Contract. The Division will pay the Contractor in arrears for service hours completed in accordance with the terms of the Contract at the hourly rates provided in the Contract.
2. The Division will pay the Contractor in arrears for appraisals completed in accordance with the terms of the Contract at the fixed price specified in the Contract. No administrative fees, surcharges, processing charges, or any other kind of fee shall be invoiced.
3. There may be occasional claims filed outside of the state of Florida for which the Contractor shall be required to provide claims adjusting services. The Contractor's hourly service rates for services provided out of the state of Florida shall be the same as Division authorized hourly rates for in-State services.
4. **Reimbursement for Expenses Incurred.**
The Division will only reimburse the Contractor for expenses incurred for out-of-county travel. "Out-of-county" is defined as any county beyond the county where the Contractor's place of business is located, or the Contractor's assigned staff work location, and from which the Contractor's assigned staff is working. Any travel for which reimbursement will be requested by the Contractor must be authorized in writing by the Division in advance. Division-authorized, out-of-county travel expenses will be reimbursed to the Contractor pursuant to the provisions of section 112.061, F.S. The Contractor shall submit invoices for reimbursement of travel expenses incurred to the Division, as instructed by the Department's Contract Manager with all supporting documentation as specified in section 112.061, F.S. For the purpose of computing travel expenses, the Contractor's place of business where the Contractor's assigned staff is assigned to work shall be the site by which all travel expenses shall be computed.
5. Expenses incurred by the Contractor to obtain accident reports, medical reports, photographs, birth certificates, death certificates, court records, or other documents needed to complete an assignment will only be reimbursed by the Division if such expenses are approved in advance by the Division. The Contractor shall submit invoices for reimbursement of such expenses incurred to the Division with original receipts to support the expenses, a description of the assignment and need for the expense, and the associated claim number.
6. **Retainer for Temporary Catastrophe Adjusters.**

The Division will pay an annual retainer to the Contractor in a fixed amount for the guaranteed availability of at least ten (10) temporary catastrophe adjusters as specified in Section 5.2.6., 2.

7. Invoice Submission.
The Contractor shall submit all invoices and supporting documentation to the Division as specified by the Department's Contract Manager following the month in which services were rendered, and as specified below. The Division may require electronic invoices or files to be submitted in a format specified by the Division.
8. For Type I, II, III, and IV assignments, the Contractor shall submit monthly invoices and shall submit a separate invoice for each assignment which shall include, at a minimum, the service hours rendered, service(s) provided, and supporting documentation.
9. For Type V assignments, the Contractor shall submit invoices to the Department's Contract Manager upon the completion of each appraisal. Invoices shall include, at a minimum, a copy of the appraisal, photos, and supplement, if applicable.
10. For Type VI assignments, the Contractor shall submit monthly invoices and shall submit a separate invoice for each assignment, which shall include at a minimum, service hours rendered, service(s) provided, and supporting documentation.
11. All invoices must have sufficient supporting documentation to allow for a proper audit of the items or services being billed. In addition to information specified above, all invoices shall include, at a minimum:
 - a. invoice date;
 - b. Contractor's invoice number;
 - c. Division's Contract number;
 - d. State FLAIR Contract number;
 - e. Division's claim number;
 - f. Claimant name;
 - g. description of services rendered, or expenses incurred;
 - h. date(s) services were rendered, or expenses incurred;
 - i. required supporting documentation;
 - j. Contractor's remittance address; and
 - k. Contractor's Federal Employer Identification Number.
12. Invoices must be submitted to the Division within ninety (90) Calendar Days from the date services were performed.
13. The Contractor shall, within fifteen (15) Business Days of Contract execution, ensure a current Electronic Substitute W-9 Form is on file with the State of Florida Vendor website at:
<https://flvendor.myfloridacfo.com/>.
14. The Contractor shall maintain current remittance information in the Vendor Information Portal at:
<https://flvendor.myfloridacfo.com/>.

5.2.14 Deliverables, Performance Standards, Acceptance Criteria, and Financial Consequences.

The Contractor shall provide the Deliverables, meet the performance standards, and be liable for the financial consequences described in Table 2, Deliverables, Performance Standards, and Financial Consequences. All Deliverables must be provided or performed to the satisfaction of the Division to be accepted.

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TABLE 2		
DELIVERABLES, PERFORMANCE STANDARDS, AND FINANCIAL CONSEQUENCES		
Deliverable and Performance Standard	Due Date or Time Period	Financial Consequence
1. Administrative Set-Up		
1.1 Administrative Set-Up (as required by Section 5, 5.1, Administrative Set-Up.)	The Contractor shall complete the Administrative Set-up within sixty (60) Calendar Days after the Effective Date of the Contract, unless a mutually agreeable alternative timeline is established and agreed to, in writing, by the Department's Contract Manager.	<p>Failure to submit an acceptable Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed for the Division's actual costs that result from the Contractor's failure to begin providing Statewide Claims and Investigation Services when required, plus one thousand dollars (\$1,000.00) for each Calendar Day that Administrative Set-Up remains incomplete.</p> <p>Notwithstanding Section 3 of this SOW, the Contract is subject to termination by the Division without notice if it determines that the Statewide Claims and Investigation Services provided are not acceptable as a result of inadequate Administrative Set-Up.</p>
1.2 Implementation Plan (as required by Section 5.1, a., Implementation Plan.)	The Contractor shall submit the Implementation Plan to the Division within ten (10) Business Days from the execution date of the Contract, unless a mutually agreeable alternative timeline is agreed to, in writing, by	Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed fifty dollars (\$50.00) for each Business Day that the Contractor fails to submit the Implementation Plan as required.

	the Department's Contract Manager.	
1.3 Implementation Schedule (as required by Section 5.1, b., Implementation Schedule.)	The Contractor shall submit the Implementation Schedule to the Division within ten (10) Business Days from the execution date of the Contract, unless a mutually agreeable alternative timeline is agreed to, in writing, by the Department's Contract Manager.	Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed fifty (\$50.00) for each Business Day that the Contractor fails to submit the Implementation Schedule as required.
1.4 Policies and Procedures (as required by Section 5.1, c., Policies and Procedures.)	The Contractor shall submit written policies and procedures to the Division, for all of Section 5.2 requirements, as applicable, by a mutually agreed upon date, prior to services commencing.	Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed fifty dollars (\$50.00) for each Business Day that the Contractor fails to submit written policies and procedures as required.
1.5 Division Approval (as required by Section 5.1., d., Division Approval Required.)	The Contractor shall, during Section 5.1, Administrative Set-Up, submit to the Division all written documents that require Division approval within this SOW, prior to services commencing.	Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed fifty dollars (\$50.00) for each Business Day that the Contractor fails to submit written documents as required.
1.6 Disaster Recovery Plan (as required by Section 5.1, e., Disaster Recovery Plan.)	The Contractor shall provide a Disaster Recovery Plan for Division approval, within thirty (30) Calendar Days of the Effective Date of the Contract, unless a mutually agreeable alternative timeline is established.	Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed fifty dollars (\$50.00) for each Business Day that the Disaster Recovery Plan is not submitted.
1.7 Training – Division System (as required by Section 5.1., f., i., Training.)	The Contractor shall, within five (5) Business Days of the Division's written request, ensure that adjusters are available to receive the Division's claims	Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed one hundred dollars (\$100.00) for each Business

	management system training which, at the discretion of the Division, shall be in-person at the Division's facilities or remotely, prior to services commencing.	Day beyond the agreed upon completion date that the training on the Division's claims management system remains incomplete.
1.8 Training – Contractor's System(s) (as required by Section 5.1, f., ii., Training.)	The Contractor shall, prior to services commencing, provide training on any Contractor system(s) that is required to be used by the Division, within five (5) Business Days of the Division's request.	Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed one hundred dollars (\$100.00) for each Business Day beyond the agreed upon completion date that training on the Contractor's system(s) remains incomplete.
1.9 Weekly Status Report (as required by Section 5.1, g., Weekly Status Report.)	The Contractor shall submit a Weekly Status Report confirming the tasks that were performed during the prior week and lists the projected tasks for the following week every Friday by close of business, or a mutually agreed upon timeline, once the Contract is executed until Section 5.1 is completed.	Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed fifty dollars (\$50.00) for each Business Day that the Contractor fails to submit a Weekly Status Report as required.
2. Type I Assignments – Special Field Investigations for Workers' Compensation Claims		
2.1 Acknowledgement of Assignment (as required by Section 5.2.1., A., 3., Workers' Compensation Claims.)	The Contractor shall provide written acknowledgement of the assignment to the Division within one (1) Business Day of receipt of assignment from the Division.	Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed fifty dollars (\$50.00) for each Business Day that the Contractor fails to provide written acknowledgement of the assignment to the Division.
2.2 Complete the Assignment (as required by Section 5.2.1,	The Contractor shall complete the assignment within twenty-one (21)	Failure to submit the Deliverable and/or meet the specified time criteria shall

A., 4., Workers' Compensation Claims.)	Calendar Days from receipt of the assignment or by the extension date approved by the Division.	result in the Contractor being assessed fifty dollars (\$50.00) for each Business Day until the assignment is completed.
2.3 Assignment Summary Report (as required by Section 5.2.7, Table 1, Assignment Summary Reports and Due Dates.)	The Contractor shall submit an Assignment Summary Report within fifteen (15) Calendar Days following completion of the assignment.	Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed fifty dollars (\$50.00) for each Business Day until the Assignment Summary Report is submitted.
3. Type I Assignments – Special Field Investigations for State Liability and Property Claims		
3.1 Acknowledgement of Assignment (as required by Section 5.2.1, B., 3., a., State Liability and Property Claims.)	The Contractor shall provide written acknowledgement of assignment to the Division within one (1) Business Day of receipt of assignment from the Division.	Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed fifty dollars (\$50.00) for each Business Day that the Contractor fails to provide written acknowledgement of assignment to the Division.
3.2 Contact the Parties Involved in the Investigation (as required by Section 5.2.1, B., 3., b., State Liability and Property Claims.)	The Contractor shall contact the parties involved in the investigation within two (2) Business Days of receiving the assignment from the Division.	Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed fifty dollars (\$50.00) for each Business Day that the parties involved in the investigation are not contacted.
3.3 Complete the Assignment (as required by Section 5.2.1, B., 3., c., State Liability and Property Claims.)	The Contractor shall complete the assignment within twenty-one (21) Calendar Days from receipt of assignment or report in writing the specific claims activities required to bring the claim to conclusion.	Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed fifty dollars (\$50.00) per assignment, per Business Day, until the assignment is completed.

<p>3.4 Assignment Summary Report (as required by Section 5.2.7, Table 1, Assignment Summary Reports and Due Dates.)</p>	<p>The Contractor shall submit an Assignment Summary Report within ten (10) Calendar Days following completion of the assignment.</p>	<p>Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed fifty dollars (\$50.00) per assignment, per Business Day, until the Assignment Summary Report is submitted.</p>
<p>4. Type II Assignments – External Full Handling and Processing of a Claim for Workers’ Compensation Claims</p>		
<p>4.1 Summary of the Claim Prior to Mediation (as required by Section 5.2.2, A., 3., Workers’ Compensation Claims.)</p>	<p>The Contractor shall submit a summary of the claim ten (10) Calendar Days prior to mediation.</p>	<p>Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed one hundred dollars (\$100.00) per claim, per Calendar Day, until the summary of the claim is submitted.</p>
<p>4.2 Quarterly Status Update (as required by Section 5.2.7, Table 1, Assignment Summary Reports and Due Dates.)</p>	<p>The Contractor shall submit a Quarterly Status Update ten (10) Calendar Days following completion of the previous quarter.</p>	<p>Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed fifty dollars (\$50.00) per assignment, per Calendar Day, until the Quarterly Status Update is submitted.</p>
<p>5. Type II Assignments – External Full Handling and Processing of a Claim for State Liability and Property Claims</p>		
<p>5.1 Summary of the Claim Prior to Mediation (as required by Section 5.2.2, B., 3., State Liability and Property Claims.)</p>	<p>The Contractor shall submit a summary of the claim ten (10) Calendar Days prior to mediation.</p>	<p>Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed one hundred dollars (\$100.00) per assignment, per Calendar Day, until the</p>

		summary of the claim is submitted.
5.2 Quarterly Status Update (as required by Section 5.2.7, Table 1, Assignment Summary Reports and Due Dates.)	The Contractor shall submit a Quarterly Status Update ten (10) Calendar Days following completion of the previous quarter.	Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed fifty dollars (\$50.00) per assignment, per Calendar Day, until the Quarterly Status Update is submitted.
6. Type III – Investigation of Possible Insurance Fraud for all Claims		
6.1 Investigator (as required by Section 5.2.3, 3., Type III – Investigation of Possible Insurance Fraud for Workers’ Compensation and State Liability and Property Claims.)	The Contractor shall provide an investigator (On-site Coordinator) to work on-site at the Division for at least two (2) Business Days every week within fourteen (14) Calendar Days from the date services commence.	Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed one hundred dollars (\$100.00) per week when the investigator (On-site Coordinator) works less than two (2) Business Days on-site at the Division, unless otherwise approved by the Division.
6.2 Assignment Summary Report (as required by Section 5.2.7, Table 1, Assignment Summary Reports and Due Dates.)	The Contractor shall submit an Assignment Summary Report within ten (10) Calendar Days following the completion of each assignment.	Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed fifty dollars (\$50.00) per assignment, per Calendar Day, until the Assignment Summary Report is submitted.
6.3 Quarterly Fraud Investigation Report (as required by Section 5.2.7, 4., Type IV Quarterly Fraud Investigation Report.)	The Contractor shall submit a Quarterly Fraud Investigation Report by the fifteenth (15 th) day of the month following the quarter in which services were rendered.	Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed fifty dollars (\$50.00) per assignment, per Calendar Day, until the Quarterly Fraud Investigation Report is submitted.

7. Type IV – Surveillance		
7.1 Acknowledgement of Assignment (as required by Section 5.2.4, 2., Type IV: Surveillance.)	The Contractor shall provide written acknowledgement of assignment to the Division within one (1) Business Day of receipt of assignment from the Division.	Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed fifty dollars (\$50.00) for each Business Day that the Contractor fails to provide written acknowledgement of assignment to the Division.
7.2 Assignment Summary Report (as required by Section 5.2.7, Table 1, Assignment Summary Reports and Due Dates.)	The Contractor shall submit an Assignment Summary Report within three (3) Calendar Days following the completion of each assignment.	Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed fifty dollars (\$50.00) per assignment, per Calendar Day, until the Assignment Summary Report is submitted.
8. Type V - Appraisals		
8.1 Acknowledgement of Assignment (as required by Section 5.2.5, 4., a., Type V: Appraisals.)	The Contractor shall submit acknowledgement of assignment to the Division within one (1) Business Day of receipt of assignment.	Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed fifty dollars (\$50.00) per assignment, for each acknowledgement of assignment that is not submitted.
8.2 Contact the Owner (as required by Section 5.2.5, 4., b., Type V: Appraisals.)	The Contractor shall contact the owner within two (2) Business Days from the receipt of the assignment from the Division.	Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed fifty dollars (\$50.00) per assignment, for each Business Day the Contractor does not contact the owner.
8.3 Appraisal (as required by Section 5.2.5, 4., c., Type V: Appraisals.)	The Contractor shall submit the appraisal to the Division within seven (7) Business Days from the receipt of the	Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed fifty dollars

	assignment from the Division.	(\$50.00) per assignment, for each Business Day the Contractor does not submit the appraisal, unless a mutually agreeable alternative timeline is established.
8.4 Photos of Damage (as required by Section 5.2.5, 4., d., Type V: Appraisals.)	The Contractor shall submit photos of damage at the same time the appraisal is submitted to the Division.	Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed fifty dollars (\$50.00) for each Business Day the photos of damage are not submitted.
8.5 Supplement (as required by Section 5.2.5, 4., e., Type V: Appraisals.)	The Contractor shall notify the Division if a supplement is needed in order to obtain the Division's approval. If the Division approves the supplement, the Contractor shall submit it to the Division within one (1) Business Day after completion.	Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed fifty dollars (\$50.00) for each Business Day the supplement is not submitted.
9. Type VI – Temporary Catastrophe Adjusters		
9.1 Deployment of Temporary Catastrophe Adjusters (as required by Section 5.2.6, 3., Type VI: Temporary Catastrophe Adjusters.)	The Contractor shall deploy a minimum of ten (10) temporary catastrophe adjusters within two (2) Business Days of the Division's written request.	Failure to submit the Deliverable and/or meet the specified time criteria shall result in Contractor being assessed five hundred dollars (\$500.00) for each Business Day until the temporary catastrophe adjusters are deployed.
9.2 Monthly Summary Report (as required by Section 5.2.6, 8., Type VI: Temporary Catastrophe Adjusters.)	The Contractor shall submit a Monthly Summary Report by the tenth (10 th) Business Day of each month that captures the progress of the adjusting efforts following the month in which services were rendered.	Failure to submit the Deliverable and/or meet the specified time criteria shall result in Contractor being assessed fifty dollars (\$50.00) for each Business Day, until the Monthly Summary Report is submitted.

10. Internal Quality Assurance Plan		
10.1 Internal Quality Assurance Plan (as required by Section 5.2.8, Internal Quality Assurance Plan.)	The Contractor shall submit an Internal Quality Assurance Plan to the Department's Contract Manager within thirty (30) Calendar Days after Contract execution, unless a mutually agreeable alternative timeline is established.	Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed fifty dollars (\$50.00) per Business Day, until the Internal Quality Assurance Plan is submitted.
11. Staffing		
11.1 Proposed Adjusters (as required by Section 5.2.10, 1., g., General Staffing Requirements.)	The Contractor shall provide proposed adjusters to the Division within five (5) Business Days of the Division's written request.	Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed fifty dollars (\$50.00) per Business Day, until the proposed adjusters are provided.
11.2 Adjuster Training (as required by Section 5.2.10., 1., h., General Staffing Requirements.)	The Contractor shall ensure adjusters are available to receive adjuster training for the Division claims management system within five (5) Business Days of the Division's request.	Failure to submit the Deliverable and/or meet the specified time criteria shall result in the Contractor being assessed fifty dollars (\$50.00) per Calendar Day adjuster training does not occur within five (5) Business Days of the Division's request.
11.3 Staff Deficiencies (as required by Section 5.2.10, 1., m. General Staffing Requirements.)	The Contractor shall remedy identified staffing deficiencies within thirty (30) Calendar Days from the date written notice is received from the Division.	Failure to submit the Deliverable and/or meet the specified time criteria shall result in Contractor being assessed five hundred dollars (\$500.00) for every Business Day, until the staffing deficiency is remedied.
12. SSAE 18 (SOC 1 & 2) Type II Audit		
12.1 Submission of SSAE 18 (SOC 1 & SOC 2) Type II Audit, or mutually agreed upon alternative audit, Report	The Contractor shall provide the required report and self-assessment tool within fifteen (15) Business Days of the issuance of a final audit	Failure to submit the SSAE 18 (SOC 1 & SOC 2) Type II Audit, or mutually agreed upon alternative audit report and Contractor's self-

<p>and Contractor's Self-Assessment Tool (as required by Section 5.2.11, 1., SSAE 18 (SOC 1 & SOC 2) Type II Audit and contractor's Self-Assessment Tool.)</p>	<p>report, unless a mutually agreeable alternative timeline is established.</p>	<p>assessment tool by the required date shall result in the Contractor being assessed one hundred dollars (\$100.00) for each Business Day beyond the required date that the audit report or the self-assessment tool is not submitted by the Contractor.</p> <p>Failure to correlate the SSAE 18 (SOC 1 & SOC 2) Type II Audit Report with the Contractor's self-assessment tool and identify any potential impact to the Division will result in the Contractor being assessed five hundred (\$500.00) for each omission.</p>
<p>12.2 Bridge Letter (as required by Section 5.2.11, 3., SSAE 18 (SOC 1 & SOC 2) Type II Audit and Contractor's Self-Assessment Tool.)</p>	<p>The Contractor shall provide any required bridge letter within fifteen (15) Business Days of the issuance of a final audit report, unless a mutually agreeable alternative timeline is established.</p>	<p>Failure to submit a bridge letter by the required date shall result in the Contractor being assessed one hundred dollars (\$100.00) for each Business Day beyond the required date that the letter has not been submitted by the Contractor.</p>
<p>12.3 Respond to Division Inquiries (as required by Section 5.2.11, 5., SSAE 18 (SOC 1 & SOC 2) Type II Audit and Contractor's Self-Assessment Tool.)</p>	<p>The Contractor shall respond to Division inquiries with supporting documentation within ten (10) Business Days of the receipt of any inquiry or request, unless a mutually agreeable timeline is established.</p>	<p>Failure to Respond to Division inquiries by the required date shall result in the Contractor being assessed one hundred dollars (\$100.00) for each Business Day beyond the required date that a response is not submitted by the Contractor.</p>
<p>13. Corrective Action Plan</p>		
<p>13.1 Corrective Action Plan (CAP) (as required by Section 5.2.12, 5., a., Corrective Action Plan.)</p>	<p>The Contractor shall submit to the Division a CAP within the timeframe and in the format requested in writing by the Division.</p>	<p>Failure to submit the Deliverable and/or meet the specified time criteria shall result in Contractor being assessed one hundred dollars (\$100.00) for each Business</p>

		Day, until the CAP is submitted.
13.2 CAP Implementation (as required by Section 5.2.12, 5., d., Corrective Action Plan.)	The Contractor shall ensure CAP implementation within three (3) Business Days of the Division's written approval, unless a mutually agreeable alternative timeline is established.	Failure to submit the Deliverable and/or meet the specified time criteria shall result in Contractor being assessed one hundred dollars (\$100.00) for each Business Day, until the CAP implementation is completed.

6. PUR 1000

The following provisions found in Attachment 4, PUR 1000, are not applicable to this Contract:

- Section 2. Purchase Orders;
- Section 3. Product Version;
- Section 4. Price Changes Applicable only to Term Contracts subsections (b), Best Pricing Offer and (e), Equitable Adjustment;
- Section 5. Additional Quantities;
- Section 6. Packaging;
- Section 8. Safety Standards;
- Section 11. Transportation and Delivery;
- Section 12. Installation;
- Section 13. Risk of Loss;
- Section 20. Limitation of Liability;
- Section 27. Purchase Order Duration;
- Section 29. Assignment;
- Section 31. Dispute Resolution;
- Section 32. Employees, Subcontractors, and Agents;
- Section 39. Leases and Installment Purchases; and
- Section 43. Cooperative Purchasing.