

REQUEST FOR PROPOSALS
ADDENDUM # 1

ISSUED: September 30, 2008

RFP NUMBER: CSP902409
INDEX NUMBER: DAS071K
UNSPSC CODE: 84131500

The state of Ohio, through the Department of Administrative Services, Office of Procurement Services, for the Department of Administrative Services, Office of Risk Management, is requesting proposals for:

Property and Casualty Insurance, Broker of Record, for the State of Ohio

Reason for Addendum: This Addendum is issued to notify potential offerors of changes to the Request for Proposal. Remove and replace pages 1,5,17,19 and add pages 52 through 55.

PROPOSAL DUE DATE: November 14, 2008 at 1:00 p.m.

OPENING LOCATION: Department of Administrative Services
Office of Procurement Services
4200 Surface Rd.
Columbus, OH 43228-1395

REQUEST FOR PROPOSALS

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INDEX NUMBER: DAS071K
UNSPSC CATEGORY: 84131500

The State of Ohio, through the Department of Administrative Services, Office of Procurement Services, on behalf of the Department of Administrative Services, Office of Risk management, is requesting proposals for:

Property and Casualty Insurance, Broker of Record, for the State of Ohio

RFP ISSUED: September 19, 2008
INQUIRY PERIOD BEGINS: September 19, 2008
PRE-PROPOSAL CONFERENCE: September 26, 2008
INQUIRY PERIOD ENDS: October 31, 2008 at 8:00 A.M.
PROPOSAL DUE DATE: November 14, 2008 by 1:00 P.M.

Proposals received after the due date and time will not be evaluated.

OPENING LOCATION: Department of Administrative Services
Office of Procurement Services
4200 Surface Road
Columbus, OH 43228-1395

*This RFP consists of five (5) parts and 11 attachments, totaling 55 consecutively numbered pages. Please verify that you have a complete copy.

*Change from 10 to 11 Attachments

PART TWO: STRUCTURE OF THIS RFP

*ORGANIZATION. This RFP is organized into five (5) parts and 11 attachments. The parts and attachments are listed below.

PARTS:

Part One	Executive Summary
Part Two	Structure of this RFP
Part Three	General Instructions
Part Four	Evaluation of Proposals
Part Five	Award of the Contract

ATTACHMENTS:

Attachment One	Work Requirements and Special Provisions
Part One	Work Requirements
Part Two	Special Provisions
Attachment Two	Requirements for Proposals
Attachment Three	General Terms and Conditions
Part One	Performance and Payment
Part Two	Work & Contract Administration
Part Three	Ownership & Handling of Intellectual Property & Confidential Information
Part Four	Representations, Warranties, and Liabilities
Part Five	Acceptance and Maintenance
Part Six	Construction
Part Seven	Law & Courts
Attachment Four	Contract
Attachment Five	Offeror Profile Summary
5-A	Offeror Profile Form
5-B	Offeror Prior Project Form
5-C	Offeror Prior Project Form
5-D	Offeror Prior Project Form
Attachment Six	Offeror References
Attachment Seven	Offeror's Candidate Summary
7-A	Offeror's Candidate References
7-B	Offeror's Candidate Education, Training, Licensure, and Certifications
7-C	Offeror's Candidate Experience
Attachment Eight	Offeror Performance Form
Attachment Nine	Proposal Labels
Attachment Ten	Cost Summary Form
*Attachment Eleven	Current Policies in Force

*Change from 10 to 11 Attachments and add Attachment Eleven

Claims Management & Loss Control Support

1. Advocate for the State on any disputed or problem claims.
2. Assist in the expediting, resolution, negotiation, and settlement of claims and coverage questions.
3. Review all loss notices submitted by ORM and notify the carrier of claims and possible claims as requested by ORM staff.
4. Provide answers to the State, and obtain clarification from insurers, underwriters, or adjusters regarding coverage or claims questions.
5. When requested, provide ORM staff with status reports and loss runs.
6. Provide value added loss control and inspection as requested by ORM.
7. Analyze loss experience to determine possible adverse frequency and/or severity trends and report findings.
8. Attend claims related meetings, as requested, with ORM, and other representatives of the State.

Account Management

1. Service existing insurance policies including loss reporting, reviewing coverage issues, assisting in collection of losses, reporting values, issuing binders and certificates of insurance as necessary and processing policy changes in a timely manner.
2. Providing invoicing and billing as instructed by the ORM and calculating premium allocations and provide back-up reports.
3. Review advantages and disadvantages of alternate programs;
4. Keep ORM informed of significant changes and/or trends in the insurance marketplace and, provide an annual forecast of market conditions.
5. Conduct feasibility studies, risk retention recommendations, and analysis of the State's costs of risk.
6. If requested, act as an advisor to the state for specialty insurance coverages that may be outside the normal market of the selected broker, and as authorized, negotiate coverages and rates and provide recommendations to ORM.
7. Present for ORM's consideration, in a clear and understandable format, an evaluation of the results of each solicitation, with a comprehensive financial analysis and recommendations for selection of an insurer (or insurers/reinsurer) or risk management plan for each exposure.

The selected Broker of Record shall also be prepared to provide professional services and dedicated personnel necessary to perform additional services including, but not limited to, the following as requested by the State:

1. Provide evaluation, training, and education relative to loss control, safety, claims management, and related topics in the area of risk management.
2. Provide recommendations for State contract staff as to risk related issues in State contractual arrangements.
3. Provide premium allocation services for charges to State agencies.
4. Alternative risk finance consulting.
5. Environmental risk consulting.
6. Business interruption/business continuity consultation.
7. Cyber risk analysis and consulting.
8. CAT/probable maximum loss modeling.

Provide the following reports annually or when requested by ORM:

1. Prepare annual marketing strategy reports identifying significant changes and/or trends in market conditions and propose a marketing strategy for the State's major loss exposure areas prior to policy/contract renewal.
2. The report must include a schedule of policies in force, coverage provisions, premiums, and limits of liability, loss experience for the policy period and recommendations for possible adjustments to the coverage or alternate risk-financing vehicle for the next policy year. The report should provide a summary of broker support services rendered during the prior year, including service improvement recommendations.

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The successful Offeror awarded a Contract from this RFP and performing the duties of this project shall provide the State with full transparency regarding any and all related compensation.

*Delete next to last paragraph from page.

ATTACHMENT TWO: REQUIREMENTS FOR PROPOSALS

PROPOSAL FORMAT. Each Proposal must include sufficient data to allow the State to verify the total cost for the Project and all of the Offeror's claims of meeting the RFP's requirements. Each Proposal must respond to every request for information in this attachment whether the request requires a simple "yes" or "no" or requires a detailed explanation. Simply repeating the RFP's requirement and agreeing to comply will be an unacceptable response and may cause the Proposal to be rejected.

These instructions describe the required format for a responsive Proposal. The Offeror may include any additional information it believes is relevant. An identifiable tab sheet must precede each section of a Proposal, and each Proposal must follow the format outlined below. All pages, except pre-printed technical inserts, must be sequentially numbered. Any material deviation from the format outlined below may result in a rejection of the non-conforming Proposal.

Each Proposal must contain the following information, chronologically in order, as listed below:

1. Cover Letter
2. Certification
3. Offeror Disclosure of Location of Services and Data
4. Signed Contracts
5. Offeror Profile and Prior Projects
6. Offeror References
7. Staffing Plan
8. Personnel Profile Summary
9. Work Plan
10. Support Requirements
11. Performance Bond – Not Required
12. Conflict of Interest Statement
13. Assumptions
14. Proof of Insurance
15. Payment Address
16. Contract Performance
17. W-9 Form and Additional Vendor Information Form
18. Declaration Regarding Material Assistance/Non-assistance to a Terrorist Organization (DMA)
19. Affirmative Action Plan
20. Cost Summary Form

REQUIREMENTS:

1. Cover Letter. The cover letter must be in the form of a standard business letter and must be signed by an individual authorized to legally bind the Offeror. The cover letter will provide an executive summary of the solution the Offeror plans to provide. The letter must also have the following:
 - a. A statement regarding the Offeror's legal structure (e.g., an Ohio corporation), Federal tax identification number, and principal place of business.
 - b. A list of the people who prepared the Proposal, including their titles.
 - c. The name, phone number, fax number, e-mail address, and mailing address of a contact person who has authority to answer questions regarding the Proposal.
 - d. *A list of all subcontractors, if any, that the Offeror will use on the Project if the Offeror is selected to do the Work. In addition, the Contractor must provide a list of the tasks each of the subcontractors will be performing.
 - e. For each proposed subcontractor, the Offeror must attach a letter from the subcontractor, signed by someone authorized to legally bind the subcontractor, with the following included in the letter:
 - 1) The subcontractor's legal status, tax identification number, and principal place of business address.
 - 2) The name, phone number, fax number, e-mail address, and mailing address of a person who is authorized to legally bind the subcontractor to contractual obligations.
 - 3) A description of the work the subcontractor will do.
 - 4) A commitment to do the work if the Offeror is selected.
 - 5) A statement that the subcontractor has read and understood the RFP and will comply with the requirements of the RFP.
 - 6) A statement that the Subcontractor will maintain any permits, licenses, and certifications required to perform work.

*Change word from tests to tasks.

ATTACHMENT ELEVEN
 INSURANCE POLICIES IN FORCE

SELF-INSURED PROGRAMS

VEHICLE LIABILITY PROGRAM 17,327 VEHICLES \$2,000,000 PER OCCURRENCE

MOTORCYCLE OHIO	
Vehicle Liability:	\$2,000,000 per occurrence
General Liability:	\$2,000,000 per occurrence
Excess Medical Payments:	\$10,000 per occurrence
Professional Educator's Liability:	\$2,000,000 per occurrence
Inland Marine:	Actual Cash Value, \$500 deductible

INSURANCE POLICIES IN FORCE

BLANKET BOND			
Covers all state employees, including elected & appointed officials for employee dishonesty and faithful performance of duty			
Primary Coverage:	\$250,000 per occurrence	\$500 Deductible	
Excess:			
Secretary of State	\$1,125,000 per occurrence		
Water Development Authority	\$250,000 per occurrence		
Ohio Veterans Home	\$3,500,000 per occurrence		
Public Utilities Commission	\$3,500,000 per occurrence		
Bureau of Motor Vehicles	\$75,000 per occurrence		
Rehabilitation Services Commission	\$200,000 per occurrence		
BWC Board of Directors	\$750,000 per occurrence		
Additional Coverage:			
Ohio Veterans Home	Form B - Forgery or Alteration	\$250,000 per occurrence	\$2,500 Deductible
Ohio Veterans Home	Form C - Theft inside/outside	\$350,000 per occurrence	\$5,000 Deductible
Public Utilities Commission	Form C - Theft inside/outside	\$5,000 per occurrence	\$500 Deductible

ATTACHMENT ELEVEN
 INSURANCE POLICIES IN FORCE - CONTINUED

CATASTROPHIC PROPERTY			
Total Building Values:	\$5,074,422,902		
Policy Dates:	7/1/2008 - 7/1/2009		
Limits	Real Property	\$250,000,000 per occurrence	\$100,000 Deductible
	Personal Property	\$10,000,000 per occurrence	\$100,000 Deductible
	Earth Movement	\$100,000,000 per occurrence	\$100,000 Deductible
	Flood	\$100,000,000 per occurrence	\$100,000 Deductible
	Flood - Zone A	\$10,000,000 per occurrence	\$500,000 Deductible
	Boiler & Machinery	\$200,000,000 per occurrence	\$50,000 Deductible
	Course of Construction	\$25,000,000 per occurrence	\$100,000 Deductible
	Debris Removal	\$10,000,000 or 25% of PD Loss	\$100,000 Deductible
	Fine Arts	\$20,000,000 per occurrence	\$10,000 Deductible
	Misc Unnamed Locations	\$5,000,000 per occurrence	\$100,000 Deductible
	Terrorism	\$250,000,000 per occurrence	
Scheduled limits	MARCS Towers	\$108,232,949	\$10,000 Ded
	MARCS Equipment	\$102,817,805	\$10,000 Ded
	ODOT Brine Making Equipment	\$5,082,000	\$10,000 Ded
	DAS EDP/Contents	\$101,160,014	\$10,000 Ded
	DAS State Printing	\$9,374,333	\$10,000 Ded
	DPS SOCC EDP	\$8,208,859	\$10,000 Ded
	TAX SOCC EDP	\$13,183,492	\$10,000 Ded
	BWC EDP/Contents	\$60,000,000	\$10,000 Ded
	CSRAB Fine Arts	\$17,723,000	\$10,000 Ded
	Agriculture EDP/Contents	\$9,930,814	\$10,000 Ded
	DPS Digital License Plate System	\$775,050	\$10,000 Ded
	OPI Equip/Inventory	\$14,123,906	\$10,000 Ded
	State Library Contents	\$1,500,000	\$10,000 Ded
	House of Representatives EDP/BPP	\$4,100,000	\$10,000 Ded

ATTACHMENT ELEVEN
 INSURANCE POLICIES IN FORCE - CONTINUED

AUTOMOBILE PHYSICAL DAMAGE		
Policy Dates:	8/27/08 - 8/27/09	
# of Agencies Participating:	24	
# of Vehicles Insured:	146	
Limits:	Comp & Collision ACV	\$500 Deductible

BOARDS & COMMISSIONS PACKAGE POLICY		
# of Boards/Commissions Participating: 18		
Policy Dates	10/14/08 - 10/14/09	
BPP	\$3,636,764	Deductible: \$1,000
EDP	\$1,670,851	Deductible: \$500
Inland Marine	\$259,060	Deductible: \$1,000
GL	\$1,000,000 / \$2,000,000	
Umbrella	\$1,000,000	

MISCELLANEOUS POLICIES

<u>AGENCY</u>	<u>TYPE OF POLICY</u>	<u>LIMITS</u>	<u>POLICY DATE</u>
Adjutant General	Firefighters Liability	\$1,000,000	10/1/08 - 10/1/09
Adjutant General	Firefighters Liability - Excess	\$5,000,000	10/1/08 - 10/1/09
Arts Council	Fine Arts, EDP	Fine Arts \$255,300 EDP \$302,500	10/31/08-10/31/09
Arts Council - Riffe Gallery	Fine Arts	\$500,000	6/22/08 - 6/22/09
CSRAB	Package	BPP \$160,680 IM \$440,421	6/14/08 - 6/14/09
DAS/GSD Facilities Management	General Liability	\$1,000,000 / \$2,000,000	9/12/08 - 9/12/09
DAS Governor's Residence	Fine Arts (on loan)	\$109,125	5/26/08 - 5/26/09
Alcohol & Drug Addiction Svcs	EDP	\$681,073	2/1/08 - 2/1/09
Commerce	Excess Bond (Named Individuals)	\$250,000 each	1/31/08 - 1/31/09
Job & Family Services	Surplus Food Coverage	\$2,026,000	10/1/08 - 10/1/09
DNR	Inland Marine - Fresnel Lens	\$375,000	4/25/08 - 4/25/09

ATTACHMENT ELEVEN
 INSURANCE POLICIES IN FORCE - CONTINUED

DNR, DPS, DOT	Aviation	Liability: \$5,000,000	12/1/07 - 12/31/07
		Hull Coverage: \$4,425,000	
DRC	Specialty Crime Coverage	Form A: \$25,000	4/26/08 - 4/26/09
		Form C (inside & outside) \$25,000	
Taxation	Police Professional Liability	\$5,000,000	1/31/08 - 1/31/09
EPA	EDP / Inland Marine	\$4,952,466	2/20/08 - 2/20/09
E-Tech Ohio	EDP Transmission Equipment	\$9,788,200	4/11/08 - 4/11/09
House of Representatives	Police Professional Liability	\$1,000,000	4/9/08 - 4/9/09
OGTV	Equipment Floater	\$3,771,821	2/13/08 - 2/13/09
Rehabilitation Services Commission	Business Property	BPP \$1,101,587	3/1/08 - 3/1/09
		Food Spoilage \$5,000 / occ	
		Theft \$5,000 / occ	
		CGL \$1,000,000 / \$2,000,000	
School for the Deaf	Commercial Day Care	BPP \$1,000	8/18/08 - 8/18/09
		CGL \$1,000,000	
		Prof Liability \$1,000,000	
Secretary of State	Package	BPP \$2,894,192	2/1/08 - 2/1/09
		CGL \$1,000,000 / \$2,000,000	
Senate	Package	BPP \$850,058	3/12/08 - 3/12/09
		EDP \$98,660	
		CGL \$1,000,000 / \$2,000,000	
Supreme Court	Package	EDP \$2,298,981	6/9/08 - 6/9/09
		Fine Arts \$924,943	
		CGL \$1,000,000 / \$2,000,000	
Treasurer of State	Excess Crime Bond	\$2,750,000	7/1/08 - 7/1/09
Treasurer of State	Excess Crime Bond	\$2,000,000	12/31/07 - 12/31/08
Tuition Trust Authority	Directors & Officers Liability	\$10,000,000	1/1/08 - 1/1/09
Venture Capital Authority	Directors & Officers Liability	\$10,000,000	3/1/08 - 3/1/09
Veteran's Home	Police Professional Liability	\$1,000,000	7/1/08 - 7/1/09