

Office of the Special Deputy Receiver  
222 Merchandise Mart Plaza  
Suite 960  
Chicago, IL 60654  
312-836-9500  
[www.osdchi.com](http://www.osdchi.com)

**REQUEST FOR QUALIFICATIONS  
FOR POOL OF QUALIFIED  
CLAIMS EXAMINERS**

**Deadline for responding – December 22, 2017**

**November 30, 2017**

## **BACKGROUND**

By order of the Circuit Court of Cook County, Illinois (the “Supervising Court”), Lumbermens Mutual Casualty Company, American Manufacturers Mutual Insurance Company, and American Motorists Insurance Company (collectively, “Lumbermens” or the “Estate”) were placed into liquidation pursuant to the provisions of the Illinois Insurance Code (the “Code”).

The Director of Insurance of the State of Illinois (the “Director”) is the statutory and court affirmed liquidator (the “Liquidator”) of Lumbermens. As Liquidator, the Director marshals the assets of the insurance company and liquidates such assets as appropriate, while managing the business and affairs of the company under the supervision of the Supervising Court. The Liquidator’s duties also include the evaluation of claims filed against the Estate’s assets and, to the extent funds are available, the prorated distribution of Estate assets on claims allowed by the Supervising Court.

The Code authorizes the Director to appoint a Special Deputy as her attorney-in-fact and agent to supervise the day-to-day administration of the insurance companies that have been placed into conservation, rehabilitation or liquidation. The Office of the Special Deputy Receiver (the “OSD”), an Illinois not-for-profit corporation, supports the activities of the Special Deputy. The OSD is located at 222 Merchandise Mart Plaza, Suite 960, Chicago, Illinois 60654; (312) 836-9500.

**THE OSD INVITES INTERESTED FIRMS TO SUBMIT THEIR STATEMENT OF QUALIFICATIONS TO PROVIDE CLAIMS EVALUATION SERVICES, AS DESCRIBED BELOW, ON BEHALF OF THE LUMBERMENS LIQUIDATION ESTATE.**

## **SCHEDULE OF EVENTS**

This Request for Qualifications will be governed by the following schedule:

<b>Release of RFQ</b>	<b>November 30, 2017</b>
<b>Deadline for Written Questions</b>	<b>December 8, 2017</b>
<b>Responses to Questions</b>	<b>December 15, 2017</b>
<b>Statements of Qualifications are Due</b>	<b>December 22, 2017</b>
<b>Statement of Qualifications Evaluation Completed</b>	<b>January 8, 2018</b>
<b>Notification of Award</b>	<b>January 12, 2018</b>

## **SCOPE OF WORK**

The Liquidator is seeking to retain temporary claims evaluation services for purposes of assisting OSD Claims Department staff with the evaluation of Lumbermens' claims that are not covered by state guaranty funds. The anticipated term of this project is two (2) years. The claims evaluation activities include:

1. Verifying and applying coverage;
2. Assessing liability and damages;
3. Completing entry of data into the OSD's claims management system;
4. Issuing claim notices of determination; and
5. Resolving objections to claim determinations.

### Mandatory Service Specifications

- A. The claims evaluation team (the "Team") will work on the premises at the OSD, under the supervision of the OSD's Claims Department, and will utilize the OSD's claims management system.
- B. After a brief training period, the Team will be expected to meet a claims performance metric comparable to that used for evaluating the performance of permanent OSD Claims Department staff.
- C. The Team's work will be measured by OSD's Claims Department management team both for production and quality.
- D. Claim exposures include, but are not limited to, general liability, workers' compensation, commercial auto, construction defect, environmental impairment, lead paint, toxic tort, professional liability, business owner's liability and product liability.
- E. Examiners whose resumes you submit must possess:
  - At least 8 years multi-line claims experience including a general knowledge of Commercial and Personal Lines claims handling at the primary and excess levels.
  - The ability to successfully evaluate, negotiate and settle complex claims in preparation for adjudication in accordance with OSD standards.
  - A Bachelor's Degree or experience commensurate with a mid to senior level claims examiner.

## GUIDELINES

Interested firms are to provide the OSD with a thorough Statement of Qualifications using the following guidelines:

A. Statements of Qualifications must be submitted, in writing, by **December 22, 2017** to:

Ellen Fickinger  
Senior Manager, Claims  
Office of the Special Deputy Receiver  
222 Merchandise Mart Plaza  
Suite 960  
Chicago, Illinois, 60654

- B. Statements of Qualifications must include the resumes of at least 8 claims evaluators for the OSD's consideration.
- C. Statements of Qualifications must include a statement as to your understanding of the assignment, its scope and duration.
- D. Statements of Qualifications must set forth your hourly rates, and any additional charges your firm bills its clients including, but not limited to, job administration and out-of-pocket expenses. We understand that any administrative costs identified in your Statement of Qualifications are only estimates, and your billings will be based on actual hours. Please consider this a formal notice that these estimates are not to be exceeded unless there is prior approval from this office
- E. Statements of Qualifications must also include a statement that the firm's hourly rates will be fixed for the first 24 months of this engagement, except for increases that may arise from changes in the scope of the project (i.e. increased claims difficulty or other unforeseeable developments).
- F. This RFQ does not commit the OSD to select or enter into a contract with any firm. OSD reserves the right to reject any and all Statements of Qualifications, or to enter into contracts with more than one firm.
- G. Statements of Qualifications must provide that you will immediately report to the Special Deputy Receiver any defalcations or other irregularities you may discover during the course of your work, and that you will not extend your services beyond the date agreed to, without the prior approval of the Claims Manager, Ellen Fickinger.
- H. Statements of Qualifications should also provide any additional information about your firm which you feel would be relevant or helpful to the OSD and its evaluation of your submission. The information contained herein shall be used for the sole purpose of responding to this RFQ. Dissemination of OSD information beyond the pool of qualified bidders is considered inappropriate.

- I. Late Statements of Qualifications will not be considered.
- J. Interested firms may submit questions regarding this RFQ up until 5:00 p.m., CST, on **December 8, 2017**, by e-mail to Claims Manager Ellen Fickinger at [efickinger@osdchi.com](mailto:efickinger@osdchi.com).
- K. Except as provided in this RFQ and as otherwise necessary for the conduct of business operations previously established with the OSD, interested firms may not communicate with OSD personnel who are involved in the review, evaluation, or selection of processes with respect to this RFQ. The OSD will disqualify firms who engage in prohibited communications of a material nature, as determined by the OSD.
- L. The sections of a Statement of Qualifications sections are to be formatted as follows:
  - Firm Application Form and Cover Letter
  - Complete Appendix A, “Request for Qualifications-Vendor Application Form” and attach this form to the cover letter. An individual authorized to bind the firm must sign the letter. The letter must stipulate that the quoted rates, charges, and costs will be valid for a period of at least 180 days.

**PROCESS FOR SUBMITTING  
STATEMENTS OF QUALIFICATIONS**

- **Content of Statements of Qualifications**  
The Statements of Qualifications must be submitted using the format as indicated in the guidelines.
- **Preparation of Statements of Qualifications**  
Each Statement of Qualifications shall be prepared simply and economically, avoiding the use of elaborate promotional material beyond those sufficient to provide a complete, accurate and reliable presentation.
- **Number of Submissions**  
Submit five (5) copies of your Statement of Qualifications in sufficient detail to allow for thorough evaluation and comparative analysis.
- **Submission of Statements of Qualifications**  
Complete written Statements of Qualifications must be submitted to:

Ellen Fickinger  
Senior Manager, Claims  
Office of the Special Deputy Receiver  
222 Merchandise Mart Plaza, Ste. 960  
Chicago, IL 60654

**and received at the OSD’s offices no later than 3:00 p.m. (C.S.T.) on December 22, 2017. Statements of Qualifications will not be accepted after this deadline. Faxed or e-mailed Statements of Qualifications will not be accepted.**

- **Inquiries**

Any questions regarding this RFQ must be directed to:

Ellen Fickinger  
Senior Manager, Claims  
312-836-9718  
EFickinger@osdchi.com

## **CONDITIONS FOR STATEMENT OF QUALIFICATIONS ACCEPTANCE**

The OSD may in its sole discretion: (a) reject a Statement of Qualifications if it is non-responsive or non-compliant with the requirements set forth in this RFQ; or (b) waive minor discrepancies in any Statements of Qualifications. All materials submitted in response to this RFQ become the property of the OSD and will not be returned. The OSD reserves the right to utilize any ideas from the Statements of Qualifications.

## **EVALUATION AND AWARD**

This RFQ does not commit the OSD to select or enter into a contract with any firm responding to this RFQ. The OSD reserves the right to reject any and all Statements of Qualifications. The OSD will use an evaluation committee to review and evaluate Statements of Qualifications.

### Evaluation of Compliance

The OSD will determine whether the offer complied with this RQP. We must reject your offer if it is received after 3:00 p.m. (C.S.T.) on **December 22, 2017**. Failure to meet other requirements will affect our evaluation and may result in rejection.

Please be advised that any engagement will be subject to approval by the Director of Insurance and the Supervising Court.

## **STANDARD TERMS AND CONDITIONS**

The OSD recognizes that although it is a private not-for-profit corporation organized under the laws of the State of Illinois, its activities are assigned by the Illinois Director of Insurance when acting in the capacity of statutory and court-affirmed Receiver of insurance companies. The OSD further recognizes that its representation of the Director of Insurance, as Receiver, arises from the powers of attorney given by the Director to her attorney-in-fact. Accordingly, it is the policy of the OSD not to contract with any person or entity that is in violation of the laws of the State of Illinois or is barred from contracting with the Illinois Department of Insurance, under Illinois Public Act 095-0971, or otherwise. OSD Requests for Qualifications and resulting contracts require vendor compliance with state law.

All costs arising from or related to a firm's developing and submitting a Statement of Qualifications are the sole responsibility of the responding firm.

All Statements of Qualifications submitted become the property of the OSD.

All Statements of Qualifications must state that they remain firm for 90 days from opening.

This RFQ does not commit the OSD to select an Awardee or enter into a contract with any party. The OSD reserves the right to rescind or revoke this RFQ prior to the execution of a contract with an Awardee. The OSD may in its sole discretion: reject a Statement of Qualifications if it is non-responsive or non-compliant with the requirements set forth in this RFQ; or waive minor discrepancies in any Statement of Qualifications. All materials submitted in response to this RFQ shall become the property of the OSD and will not be returned.

The OSD reserves the right to reject all Statements of Qualifications; to reject individual Statements of Qualifications for failure to meet any requirement; to award by item, part or portion of an item, group of items, or total; and to waive minor defects. We may seek clarification of the Statement of Qualifications from you at any time, and failure to respond is cause for rejection. Clarification is not an opportunity to materially change the Statement of Qualifications. Submission of a Statement of Qualifications confers on you no right to an award or to a subsequent contract. The RFQ process is for the OSD's benefit only and is to provide the OSD with competitive information to assist in the selection process. All decisions on compliance, evaluation, terms and conditions will be made solely at our discretion and made to favor the OSD.

You may submit your Statement of Qualifications by mail, courier service, or hand-delivery. We do not allow computer, fax, or other electronic submissions. We must actually receive Statements of Qualifications by the date and time specified herein. It will not be sufficient to show that you mailed or commenced delivery before the due date and time. All times are State of Illinois local times.

The content of a Statement of Qualifications submitted by a firm is subject to verification. Misleading or inaccurate Statements of Qualifications will result in disqualification.

Statements of Qualifications become the property of the OSD and these and late submissions will not be returned. Your Statement of Qualifications will not be confidential, unless you request in your Statement of Qualifications that we treat certain information as proprietary. We will not honor requests to treat entire Statements of Qualifications as confidential or proprietary. You must show the specific legal grounds that support an assertion that specified material in your Statement of Qualifications is proprietary. Regardless, we will disclose the successful firm's name and the price, and in presenting a petition for approval of the award to the Circuit Court of Cook County, Illinois, the OSD and the Director, as Liquidator, reserves the right to disclose the names of all firms that submitted a Statement of Qualifications, and copies of all such Statements of Qualifications. If you request confidential treatment, you must also submit an additional copy of your Statement of Qualifications with proprietary information deleted. This copy must describe the general nature of the material removed and shall retain as much of the Statement of Qualifications as possible. You agree the OSD may copy the Statement of Qualifications to facilitate evaluation and any necessary court approval. You warrant that such copying will not violate the rights of any third party.

Firms must be prepared for the OSD to accept their Statement of Qualifications as submitted, but contract negotiations may be necessary or desirable, at the OSD's sole option. If negotiations do not result in an acceptable agreement, the OSD may reject the Statement of Qualifications or revoke the award and may begin negotiations with another firm. Final contract terms must be approved or signed by the appropriately authorized OSD official(s) and approved by the Circuit Court of Cook County, as required by statute.

We will post a notice to the OSD Web site, [www.osdchi.com](http://www.osdchi.com), identifying the apparent awardees. The notice extends the Statement of Qualifications' firm time until we sign a contract, including the obtaining of any required court approval(s), or determine not to sign a contract.

If you are an awardee, you shall not commence, and will not be paid for any billable work prior to the date all parties execute the contract, unless approved in writing in advance by the OSD's General Counsel and either the Procurement Officer.

This RFQ and any resulting contracts are to be governed by the laws of the State of Illinois. Changes in applicable laws and rules may affect the award process or the resulting contract. Firms are responsible for ascertaining pertinent legal requirements and restrictions. Any and all litigation or actions commenced in connection with this RFQ will be brought in the Circuit Court of Cook County, in Illinois. We do not allow binding arbitration.

Any contract entered into between the OSD and an Awardee under this RFQ shall provide that, throughout the term of the agreement, the Awardee shall maintain workers' compensation insurance on all its employees and General Commercial Liability-occurrence insurance in the minimum amounts of \$1,000,000 per occurrence (Combined Single Limit Bodily Injury and Property Damage) and \$2,000,000 Annual Aggregate. All such insurance shall be maintained with reputable insurance companies duly licensed to conduct business in the State of Illinois. Prior to the commencement of work, the Awardee shall provide the OSD with certificates of insurance evidencing that it is maintaining workers' compensation insurance and comprehensive liability insurance.



All fees paid under the contract negotiated with the firm awarded the contract are subject to review pursuant to the provisions of Section 202 of the Illinois Insurance Code, 215 ILCS 5/202. In the event that any fees paid to your firm for services are subsequently disallowed by the Supervising Court under the provisions of Section 202, your firm agrees to promptly reimburse the Receivership Estate(s) from which those fees were paid.

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**OFFICE OF THE SPECIAL DEPUTY RECEIVER**

**REQUEST FOR QUALIFICATIONS VENDOR APPLICATION FORM**

Legal Contractual Name of Corporation:

\_\_\_\_\_

Contact Person for Agreement:

\_\_\_\_\_

Corporate Mailing Address: City, State and Zip Code:

\_\_\_\_\_

E-Mail Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Contact Person for Statement of Qualifications:

\_\_\_\_\_

Title: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

Business Telephone: \_\_\_\_\_

Business Fax: \_\_\_\_\_

Names & Titles of Corporate Board Members (Also list Names & Titles of persons  
With written authorization/resolution to sign contracts)

Names	Title	Phone
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Federal Tax Identification Number: \_\_\_\_\_