

MARYLAND STATE TREASURER’S OFFICE

Louis L. Goldstein Treasury Building
80 Calvert Street, Room 109
Annapolis, Maryland 21401

QUESTIONS AND ANSWERS FOR REQUEST FOR PROPOSALS FOR INSURANCE BROKER SERVICES FOR AVIATION COVERAGES AND TRANSIT COVERAGES

RFP #AV/TR-04182023

Number	Question	Response
1	Please provide the current/expiring fee for 2.5 Aviation, 2.5.1 and 2.5.2.	Expiring Fee 2.5.1: \$22,000 Expiring Fee 2.5.2: \$30,000
2	Please provide the current/expiring fee for 2.6 Transit, 2.6.1, 2.6.2, and 2.6.3	Expiring Fee 2.6.1: \$25,000 Expiring Fee 2.6.2: \$25,000 Expiring Fee 2.6.3: Included in 2.6.2 Fee
3	Section 2.9 Compensation, Paragraph 4 states that “. . . Contractor must agree to return to the State of Maryland, within 30 days of receipt, any and all commission income . . . earned as a result of the State’s coverage(s).” Please confirm that “any and all commissions” should include those commissions earned from owned intermediaries, including domestic, London, and Bermuda facilities. In	This is correct, “any and all commissions” includes commissions earned from owned intermediaries, including domestic, London, and Bermuda facilities.

	other words, the proposer should propose a “global fee”.	
4	The State has included the current excess transit liability tower schematic. Will the State provide similar details for the aviation-related placements?	Information on the aviation programs beyond what is described in RFP section 2.5 will be provided to the broker awarded the contract.
5	What is the expiring Annual Fixed Fee for the Aviation and Transit Coverages charged by the incumbent Broker(s) of Record? Is there any insurance commission paid to the current Broker(s) or intermediary or wholesaler? If so, on which lines of insurance coverage?	Please see responses to questions 1 and 2 for fees. There are no commissions currently paid to brokers on the aviation or transit programs. Please refer to Section 2.9, compensation.
6	How long has the current broker been on the account?	Approximately 5 years.
7	Can you share your strategy of why this Solicitation is being conducted at this time...is there a particular service concern that has prompted the RFP?	The contract term expires September 30, 2023 and a new contract will be awarded in accordance with the Competitive Sealed Proposals (CSP) method per COMAR (Code of Maryland Regulations) Chapter 21.05.03.
8	Can you provide an updated spreadsheet of the current policies, insurance companies, brokers, premiums, and fees in place at this time? A. Please provide copies of all policies. B. Please provide detailed loss runs for 5-10 years, for each line of coverage included under this RFP? C. Have you experienced any major claim events or challenges in claim handling?	The current policies, carriers and premiums are listed on the State Treasurer’s Office webpage at: https://www.treasurer.state.md.us/insurance/commercial-insurance-policies.aspx Please see responses to questions 1 and 2 for fees. A. Policies will be provided to the broker awarded the contract. B. Loss runs will be provided to the broker awarded the contract. C. Claims issues will be provided to the broker awarded the contract.
9	Please outline the list of risk control services currently provided by the carrier and the broker.	Broker loss control staff coordinate inspections by insurance companies, review resulting recommendations and provide guidance. Broker loss control staff typically participate in claim

		<p>review meeting between carriers and State agencies and are a resource for sample risk management programs. Other valued broker services besides loss control include 24/7 claims assistance, expert opinions, online certificate issuance, educational resources and publications on relevant risk topics.</p>
10	<p>What are the State’s top risk management strategic goals, objectives, and priorities for the next 3-5 years?</p>	<p>Mitigate exposure to risk, reduce the total cost of risk and maintain the stability of commercial insurance programs.</p>
11	<p>What type of risk management loss control consulting services is your current Broker(s) providing? What types of consulting services other than loss control is your current broker(s) providing? Which of these are of value, and most important to you today?</p>	<p>Please see response to question 9.</p>
12	<p>What type(s) of consulting and advisory services is the State interested in receiving going forward?</p>	<p>The State is interested in continuing to receive the services described in the response to question 9. Potential changes to services provided will be discussed with the broker awarded the contract.</p>
13	<p>What type of risk management information system do you use? Is it currently meeting your needs?</p>	<p>Trending and analysis of liability claims utilizing the State’s claim management system (CMS) for self-insured programs, carrier loss runs for commercial insurance programs, tracking carrier recommendations and agency compliance for loss prevention, reviewing industrywide loss metrics available from brokers, STRIMA, etc.</p>
14	<p>What types of analytical tools do you use to determine your risk capacity, risk appetite, and risk tolerance for discrete risks, and how do you ensure that your risk financing program is aligned?</p>	<p>Commercial insurance policies are procured to cover catastrophic liability claims and to fulfill obligations derived from State contracts, statutes and regulations. Benchmarking for other states purchasing similar commercial insurance policies is useful to compare limits.</p>

15	Aside from this RFP, when was the last time an RFP was issued for Insurance Brokerage Services?	<p>This Office issues RFPs for Insurance Brokerage Services for several types of coverages and all are listed on our website at:</p> <p>https://www.treasurer.state.md.us/procurement.aspx</p> <p>and</p> <p>https://www.treasurer.state.md.us/procurement/procurement_archives.aspx</p>
16	What do you want to see more of/enhancements to improve your program?	Changes will be discussed with the broker awarded the contract.
17	How do you hope to improve the current vendor relationship?	Changes will be discussed with the broker awarded the contract.
18	Will all questions proposed by interested bidders and answers thereto be shared with the other identified bidders/respondents to the RFP?	<p>Yes, all questions received with our responses are located here.</p> <p>This can be retrieved by either accessing the E-Maryland Market Place Advantage (eMMA) Website at:</p> <p>https://emma.maryland.gov/page.aspx/en/bpm/process_manage_extranet/57304</p> <p>or on the State Treasurer’s website at</p> <p>https://www.treasurer.state.md.us/procurement/rfp_av_tr_04182023-rfp.aspx</p>
19	Which claims handling services and procedures are provided by the broker and/or TPAs? Which is being used under this program?	Broker claims staff act as a liaison between the State and insurance companies and advocate on the State’s behalf.
20	The RFP states First Policy Effective June 30, 2024. As respects “First Policy”, is there more than one policy in place?	As per sections 2.5 and 2.6 of the RFP, there are five programs in place within the scope of this RFP. Many are layered programs with multiple policies. The first program to be renewed under the

		awarded contract is the Aviation Hull & Liability effective June 30, 2024.
21	Do the operators provide Additional Insured status to Maryland?	This information will be provided to the broker awarded the contract.
22	Is it possible to obtain the full list of quota share participants and their respective share of risk?	This information will be provided to the broker awarded the contract.
23	How was the program structure prior to 2019?	Prior to 2019, aviation hull and liability was insured with a single carrier, please refer to Section 2.5.1.3.
24	How many site visits to any of the Aviation locations does the current broker make on an annual basis?	Typically 2 visits.
25	Is Excess War Liability/TRIA included?	The War, Hi-jacking and Other Perils (Extended Coverage) limit is \$250M.
26	Is it possible to obtain a breakdown of Insured values by aircraft year/make/model?	This information will be provided to the broker awarded the contract.
27	Please advise if there are any third party intermediaries or wholesalers placing the insurance on behalf of the current broker.	The current broker uses wholly owned intermediaries in London to place some of the Transit policies. No intermediaries are used on the Aviation placements.
28	Since August 15, 2020, Airport Liability coverage has been provided on a layered basis with Starr and other carriers. How many layers are included in the coverage?	The information will be provided to the broker awarded the contract.
29	Can you provide the Limits at each layer?	This information will be provided to the broker awarded the contract.
30	Can you provide the Participants at each layer?	This information will be provided to the broker awarded the contract.
31	What was the program structure prior to 2020?	Prior to 2019, Airport liability was insured with a single carrier.

32	Please clarify War, Hi-jacking and Other Perils extended coverage limit, \$250M or \$150M?	The War, Hi-jacking and Other Perils (Extended Coverage) limit is \$250M. There is no separate \$150M limit, it is part of the \$250M limit.
33	Does primary auto liability coverage extend outside the secure fenced-in area, or is "outside the fence" covered only on an excess basis?	Autos "outside the fence" are insured under Airport Liability on an excess basis.
34	Can you re-confirm Profit Commission program is through ACI rather than Insurers?	Yes.
35	May we be provided more specific details of the Profit Commission Endorsement or synopsis of its details?	This is a separate program not part of this RFP.
36	What are the issues/pain points the Airport has seen the last few years?	Information on MAA operations will be provided to the broker awarded the contract.
37	Do you maintain a Law Enforcement Liability policy, and if so at what limit of liability?	A different State agency provides law enforcement personnel for the airport. Their coverage is not within the scope of this RFP.
38	Can you advise any sovereign immunity protections and statutes of limitations that apply to filing claims against the airport?	Insurers may not implead sovereign immunity without the consent of the State.
39	Does the airport operate any "non-aviation" type operations (i.e. Hotels, Golf Courses, Restaurants, etc.)?	Information on MAA operations will be provided to the broker awarded the contract.
40	Does the Airport perform ramp tower work or is this outsourced?	Information on MAA operations will be provided to the broker awarded the contract.
41	Are the EMT's airport employees?	Information on MAA operations will be provided to the broker awarded the contract.
42	Does the program need to include anything related to FBO's operated at the airport?	Not at this time.
43	Who is the current MBE on this program?	SCB Management Consulting.

<p>44</p>	<p>With respect to the MBE participation, what is their current role for the Aviation and Transit Coverages?</p>	<p>The current MBE participant proposed to assist the incumbent contractor with transition of the coverages from the previous contractor and with risk assessment/management services.</p>
<p>45</p>	<p>What services does the MBE perform?</p>	<p>See our response for Question #44.</p>
<p>46</p>	<p>Is the state required to select the lowest bid?</p>	<p>RFP Section 4.9 <u>Award Basis</u> states the following:</p> <p>A Contract shall be awarded to the responsible Offeror(s) submitting the Proposal that has been determined to be the most advantageous to the State, considering evaluation factors and price set forth in this RFP (see COMAR 21.05.03.03F), for providing the goods and services as specified in this RFP.</p> <p>See RFP Section 6 for further award information.</p>

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