



March 28, 2017

This letter and the following (Revised Appendix Z and Q&A) will serve as Amendment #1 to NYSIF's Request for Proposals (RFP) for Collection Services, bid number 2017-09-ADM. Material in this Amendment supersedes any contradictory material in the RFP.

RFP Section 1.F. "Method of Award / Distribution of Work" is hereby revised to include the following:

"NYSIF anticipates multiple awards; however, NYSIF reserves the right to award to one Contractor. Accounts will be selected by NYSIF for the initial referral to Contractors so that all Contractors will receive approximately the same number of accounts and dollar value. All referrals are made at NYSIF's discretion. NYSIF may make referrals to each Contractor in such amount, value and interval, or none at all, as it sees fit. At NYSIF's discretion Contractor performance may be used as a factor for subsequent referrals. NYSIF reserves the right to recall any and all accounts from a Contractor determined to be underperforming in comparison to other Contractor(s) and to refer such accounts to another Contractor(s). Whenever possible, NYSIF will attempt to provide Contractors with advance notice of referrals to assist Contractors with their staffing and financial planning."

Please note that the due date for the submission of bids **remains unchanged**.

All bids are due 4/6/17, by 2:00 p.m.(eastern).

Sincerely,

Cynthia McGrath
Contract Management Specialist

APPENDIX Z FEE SCHEDULE PROPOSAL

Bidder _____ DBA, if any _____ Federal ID # _____ Type of Firm _____ Address _____ _____ _____	Contact _____ Title _____ Email Address _____ Telephone # _____ Fax # _____ Web Address _____ _____
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Referrals made in 2015 resulted in the following category outcomes. This is to be used for informational purposes only. No minimum amount of work is guaranteed.

Category	% of total referrals in 2015
Non-Judgment Full Collection	66%
Pre Litigation/Suit Not Filed Collection	5%
Litigation/Judgment Full Collection	25%
Second Referrals	2%
Bankruptcy Collection Services	2%

Only percentages may be bid. Hourly rates or flat fees will not be allowed. Bidders that submit rates other than percentages will be deemed non-responsive. All fees are a percentage of amounts collected. This percentage will be fixed for the term of the agreement. No escalations allowed.

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|--|---------|
| 1. Fee for 3 rd Party Collection (prior to referral to attorney) | _____ % |
| 2. Fee for Pre Litigation/Suit Not Filed Collection Services (after file forwarded to attorney) | _____ % |
| 3. Fee for Litigation (suit must be filed) | _____ % |
| 4. Fee for Litigation (suit must be filed), and recovery is made by NYS Dept. of Taxation & Finance Statewide Offset Programs* | _____ % |
| 5. Fee for Second Referrals | _____ % |
| 6. Fee for Bankruptcy Collections | _____ % |

* NYS Department of Taxation and Finance Statewide Offset Program is a program NYSIF has not implemented to date, but anticipates implementing during the proposed contract term. Section 171-f of the Tax Law, enacted by Chapter 55 of the Laws of 1992, authorizes the offset of debts owed to the state agencies against tax refunds and certain other state payments. The Department of Taxation and Finance, in cooperation with the Division of the Budget and the Office of the State Comptroller, administers the Statewide Offset Program

Signature: _____ Title: _____

Typed Name: _____ Date: _____

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#	Question	NYSIF Response
1	Please confirm the due date for this procurement is 4/6/2017 .	See RFP calendar (page 5)
2	What is the date by which you will answer these questions?	See RFP calendar (page 5)
3	Please describe your level of satisfaction with your current vendor(s), if applicable.	Not relevant to this procurement
4	What is the total dollar value of accounts available for placement now by category, including any backlog?	There is no backlog and new placements will be made on a go forward basis.
5	What is the total number of accounts available for placement now by category, including any backlog?	There is no backlog and new placements will be made on a go forward basis.
6	Have all cases been fully adjudicated by the time of placement?	Policies are billed to the cancellation date either by estimated or actual charges before placement.
7	If applicable, will accounts held by any incumbent(s) or any backlog be moved to any new vendor(s) as a one-time placement at contract start up?	Not anticipated at this time.
8	What computer software system do you use to manage your accounts/inventory?	Not relevant to this procurement
9	Do you have any plans of changing that system in the future, and why/why not?	Not relevant to this procurement
10	Do you subscribe to any offset programs?	Not currently. In process of participating in New York Statewide Offset Program (SWOP)
11	What are the contingency rates of the current vendors?	Not relevant to this procurement
12	What are the historic liquidation/recovery rates of the current vendors?	Not relevant to this procurement
13	What is the estimated size of the existing portfolio (the backlog) in terms of both the number of accounts and the dollar amount outstanding? The average balance owed per account? Per debtor?	Our current collection agency portfolio is \$49 million with an average account balance of \$6,558
14	What is the age of the oldest accounts in the portfolio?	Our current collection agency portfolio oldest accounts are nine years old.
15	What is the estimated size, in terms of both the number of accounts and dollars outstanding, of annual referrals going forward (i.e. new/future placements)?	Not known.
16	If applicable, who is your current collection provider? If applicable, how long has your current collection provider been under contract?	Not relevant to this procurement
17	If applicable, what is your current collection provider's annual recovery rate (i.e. on accounts placed for one year)?	Not relevant to this procurement
18	If applicable, what is the fee percentage (e.g. 33% of all monies collected on all referred accounts) charged by your current collection provider?	Not relevant to this procurement
19	If applicable, how much collection fees were paid to/earned by your current collection provider this past calendar year? The year prior to that?	Not relevant to this procurement
20	If applicable, how many dollars and what number of accounts were collected by your current collection provider this past calendar year? The year prior to that?	Not relevant to this procurement
21	Will accounts referred to your current collection provider be recalled and re-referred to the collection provider chosen pursuant to this procurement process? And if so, can bidders propose a higher fee percentage for these previously worked accounts (i.e. second placements)?	See appendix Z regarding second referrals

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22	Are litigation services required/desired? If so, can bidders propose a higher fee percentage for accounts requiring litigation services?	The services required for this procurement are detailed in the RFP. Please see the RFP Appendix Z for fees required for this procurement. "Incomplete or altered Fee Schedules may result in disqualification"
23	We assume that you do not/will not allow your collection providers to add convenience and/or payment processing fees in addition to their contingency fees? If such fees are allowed, can you clarify that you will require bidders to fully disclose the amounts to be charged so the same can take the same into consideration when evaluating pricing?	Additional fees will not be allowed. "Prices set forth shall be the total amount that the State shall be obligated to pay the bidder, should they be awarded a contract." (RFP Section 3.D.)
24	What is the anticipated award date for this contract?	The award date is undetermined at this time as there are several variables that contribute to the timetable, including outside agency approvals. However, the anticipated contract start date is 9/1/17
25	What are your in-house collection methods (e.g. number of mailings, calls, etc.) used on the referred accounts prior to referral to your collection provider?	Policyholders are sent monthly statements, outbound calls are made prior to cancellation and pre-referral collection letters are sent. Policyholders are given an opportunity to make payment or dispute the charges.
26	How will account/collection information or data be communicated to the successful bidder (i.e. electronic via an FTP site)?	Electronic via an FTP site. NYSIF sends a referral file to collection agency Collection Agency transmits remittance file and Other than remittance file, format specified by NYSIF
27	If a collection provider does not have three years' experience in New York State Workers' Compensation and Disability Benefits insurance premium collection, are they disqualified from being considered to be awarded this contract?	Bidders must meet all mandatory items to be considered for award
28	What are the collection efforts (calls/letters/etc.) performed internally prior to placement?	Policyholders are sent monthly statements, outbound calls are made prior to cancellation and pre-referral collection letters are sent. Policyholders are given an opportunity to make payment or dispute the charges.
29	What is the average age of accounts at time of placement?	Accounts are placed with the collection agency approximately forty five days after issue of the final bill.
30	As a state agency, is NYSIF exempt from filing fees?	Yes
31	If access to NYSIF's system is granted, what level of information is available?	Transaction and balance history, audit information and basic policy information. Additionally, access to the file repository where files from the agency are maintained.
32	How many collection agencies does NYSIF currently use?	Three
33	If a recovery occurs and a New York City Marshal or County Sheriff was involved, how would NYSIF like the agency to show the poundage and Marshal fees associated with the transaction?	Not reported to NYSIF. Collection agency is to report the total amount collected. Fees are paid based on the rate type, in this case the litigation rate.
34	On page 11, Evaluation Criteria, Section 2, A.3, it states that NY State Certified M/WBE or Small Business Enterprises will receive an additional 5% of the overall score. Do Large business, non-M/WBE bidders have the ability to earn any percentage points for committing to the utilization of NY State Certified M/WBE and/or Small Business subcontractors in support of the contract? If so, what percentage of utilization would gain the Large business non-M/WBE bidder the highest percentage points?	The additional 5% is reserved for New York State Certified Minority/Women Owned Businesses (M/WBE) or Small Business Enterprises as defined in Executive Law Seciton 301(20). There are no additional points given for the utilization of S/M/WBE subcontractors.
35	Exhibit M states that there are no sufficient opportunities to set goals for participation by M/WBE's in support of the contract. Is there a minimum percentage required on Form 106 to qualify a bidder? If a bidder doesn't propose using M/WBE's will they be disqualified?	NYSIF has established a 30% M/WBE participation goal for its contracts. However, there is no minimum percentage required for this procurement. A Bidder will not be disqualified for not meeting the 30% goal.
36	Appendix S requests bidders to demonstrate their commitment to the use of NYS-Certified SDVOB's. Is there a minimum percentage of work to be performed by NYS-Certified SDVOB's to qualify a bidder? If a bidder doesn't list a NYS-Certified SDVOB will they be disqualified?	NYSIF encourages the use of Service-Disabled Veteran-Owned Businesses (SDVOB). However, there is no minimum percentage required for this procurement. A Bidder will not be disqualified for not listing a NYS-Certified SDVOB.
37	Pursuant to the RFP, Bidder must be a collection agency. We are a legal agency acting both as a collection agency and law firm but are a law firm. Would we qualify as a "collection agency" for purposes of bidding?	Please refer to page 13, Technical Specifications, Section 3 Technical Specifications, A. Mandatory Requirements, items 1, 2, and 3.
38	If we are not considered a "collection agency" could we be considered a partner to a qualifying agency?	Awarded/contracted vendors must meet all mandatory requirements. NYSIF will only contract with vendors that meet all the RFP requirements.
39	Please advise the number of collection agencies to be engaged under this RFP.	NYSIF intends to award to multiple bidders, however we reserve the right to award to one bidder.

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40	Since the claims are commercial claims, which of the credit reporting bureaus would the collection firm need to report to?	NYSIF does not currently report to credit bureaus, but the collection agency must have the ability to report to all major credit bureaus.
41	For complicated bankruptcy litigation, would outside bankruptcy counsel be brought in to aid the collection firm?	No
42	If yes, would bankruptcy counsel be compensated directly by NYSIF or would the collection agency be expected to absorb the cost?	Not applicable
43	What is the minimum threshold for suit?	See RFP section 3.B.1.d.
44	Is the agency reimbursed for the out of pocket disbursements made in connection with suit including the fee of an independent process server?	No
45	Please advise the total dollars collected/paid towards the 2014 and 2015 referrals made to outside collection agency as specified in the RFP.	Not relevant to this procurement
46	Please advise the total fees paid to existing vendors in 2014 and 2015.	Not relevant to this procurement
47	Please advise the total number of firms currently contracted to provide collection services to NYSIF	Not relevant to this procurement
48	Upon expiration of the 5-year contract covered by the RFP, will the agency be allowed to finish the litigation process and continue post judgement collection?	Yes, however NYSIF reserves the right to require the Collection agency to return any specifically requested delinquent account to NYSIF.
49	If not, what is the process?	See response to question 48
50	Is the bidding collection agency required to bid on second placements?	Yes
51	When will the approved collection vendors receive notification	Vendors will be notified once NYSIF has completed the evaluation process. An exact date has not been determined
52	Please advise what contingency fee paid to current vendors	Not relevant to this procurement
53	Please provide a copy of the RFP distribution list	NYSIF procurements are available to the public on NYSIF's procurement page at www.nysif.com/procurement . NYSIF does not monitor or keep a list of potential vendors.
54	Are you able to provide the RFP documents , specifically the Appendices, in Word	NYSIF provides the RFP appendices in .pdf format only.
55	Is it a requirement to prepare a pre-litigation letter before filing suit?	Yes
56	Appendix F does not provide a signature line. Is there a page missing or where should an officer sign this form?	Bidders can sign anywhere on page 2 above the notary.
57	Appendix Z the numbered lines are numbered out of order and the second line from the last (the second 3 listed) should that read "Fee for Second referrals"?	A revised Appendix Z is included with this Amendment
58	How many client references should be provided with our response?	No client references are required.

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#	Question	NYSIF Response
59	Does NYSIF consider attorneys used for litigation “subcontractors” and should Appendix M and Appendix V be completed by attorneys we plan to use under the contract and submitted with our response?	Yes to all parts of this question.
60	What is the anticipated award date for this contract?	Vendors will be notified once NYSIF has completed the evaluation process. An exact date has not been determined
61	Who are your current collection vendors?	Not relevant to this procurement
62	How long have your current vendors provided collection services for your organization?	Not relevant to this procurement
63	Do these vendors receive the same category of accountns? (i.e. 3rd Part Collections prior to referral to attorney, Second referrals for litigation, etc...)	Accounts are referred randomly but NYSIF reserves the right to use other methods of referral.
64	Are you satisfied with the service and performance from your current collection vendors?	Not relevant to this procurement
65	What areas, processes and/or results are you looking to improve or enhance under this new contract?	Not relevant to this procurement
66	What are the correct fees utilized by your current vendor by category of accounts?	Not relevant to this procurement
67	On average, how much does your current vendor collect on a monthly basis?	Not relevant to this procurement
68	How much did your collection vendor recover the past two years? Please provide by the following: Third Party Collections, Second Referrals, Pre Litigation, After Litigation	Not relevant to this procurement
69	What are the current vendor’s historical recovery percentages (liquidity) on accounts over the last three years?	Not relevant to this procurement
70	What are the dollar amounts/contingency fees paid to your current vendors over the last three years (please include by account type if applicable)?	Not relevant to this procurement
71	Of the \$43,384,125 placed with vendors in 2015, how much of that were placed as Second Referrals versus Third Party Collection Referrals?	NYSIF predominantly makes initial referral, this represents approximately 99% of the referrals made. Secondary referrals represents approximately <=1% of the referrals made.
72	After the initial placement, will vendors receive further placements based on their competitive performance on the contract?	Yes
73	What is the required payment apply sequence that will need to be adhered to? Is equally posting a payment over each debt and bucket acceptable?	Remit all funds collected for a policy. Transmit remittance file, format specified by NYSIF, NYSIF’s system will update policyholder’s account. NYSIF’s system will send collection agency an updated referral record reflecting the revised balance. NYSIF reimburses collection agencies based upon the amount collected multiplied by the appropriate collection rate. Rate type of collection, 3 rd party, pre-litigation, litigation, etc. that are provided by the collection agency.
74	What is the reconciliation process for this project?	Portfolio is reconciled between NYSIF and the collection agency on a quarterly basis. Remit all funds collected for a policy. Transmit remittance file, format specified by NYSIF, NYSIF’s system will update policyholder’s account. Reconciliation of funds provided to NYSIF with value reported on remittance file. Amount remitted to NYSIF is to match amount reported in remittance file.
75	What information will be provided on the debtor? SSN, telephone, address?	See technical specifications Section 3.B.a.b.
76	Please confirm that the vendor, for the purposes of this RFP, shall only consider subcontractors those contractors who may be used specifically for work conducted for NYSIF, and that the vendor does not need to consider as a subcontractor those contractors used for the entire agency (such as office machine repair contractors, mailing service, skip trace providers, etc.).	The vendor should consider only subcontractors directly involved in the work provided to NYSIF for this contract.
77	What are the roles of the individuals that make up the evaluation committee?	Contracts will be awarded based on best value to NYSIF. Evaluators will score proposals based on NYSIF’s needs as stated in the RFP. These scores will make up the technical component of a bidder’s final score.
78	Does the contract require any special handling of correspondence?	Yes, including preapproval by NYSIF of demand and other letters. An electronic copy of all letters should be maintained and be accessible and provided to NYSIF when requested.
79	Under General Information, section H, can you confirm if the “goal of 30% MWBE participation for its contracts” is 30% of revenue or 30% of spend in support of the contract?	NYSIF’s goal is for 30% of the spend. However, this is a goal for this procurement, not a requirement
80	Can an officer or sole proprietor be held personally individually liable for the debt?	A sole proprietor is personally liable for legally enforceable debt to NYSIF. An officer of a corporation will only be personally liable for the corporation’s debt under certain, specific circumstances.
81	Does NYSIF require credit reporting at the individual level on sole proprietors and/or responsible officers?	NYSIF does not currently report to credit bureaus, but the collection agency must have the ability to report to all major credit bureaus.