***This is being issued by the State of Maine under 5 M.R.S.A, Chapter 152 §1728-A***

**STATE OF MAINE**

**Department of Administrative and Financial Services**

*Risk Management Division*



**REQUEST FOR INFORMATION – Solicitation # 2023-1**

**AGENT/BROKER SERVICES FOR CYBER INSURANCE**

|  |  |
| --- | --- |
| **Request for Information**  **Coordinator** | All communication regarding this RFI **must** be made in writing through the RFI Coordinator identified below.  **Name:** Sheena Greenlaw **Title:** Risk Assessor  **Contact Information:** [sheena.greenlaw@maine.gov](mailto:suzanne.m.murphy@maine.gov) |
| **Intent to Respond & Questions Due** | Intent to Respond and all questions **must be received** by the Coordinator identified above by **01/12/2023, no later than 5:00 p.m., local time** |
| **Submissions Due** | **Must be received by: 01/23/2023, no later than 5:00 p.m., local time**  **Submission Address:** [sheena.greenlaw@maine.gov](mailto:suzanne.m.murphy@maine.gov) |

TABLE OF CONTENTS

[Public Notice 3](#_Toc398203735)

**[DEFINITIONS AND ABBREVIATIONS 4](#_Toc398203737)**

[**PART I INFORMATION SOUGHT**](#_Toc398203741)  **5**

[PART ii SUBMISSION REQUIREMENTS](#_Toc398203746)  8

**Appendix A:** [**Intent to Respond**](#_Toc398203758) **11**

**Appendix B:** [**Submitted Questions Form 12**](#_Toc398203758)

**Appendix C:** [**Respondent Questionnaire Form 13**](#_Toc398203758)

**Appendix D:** [**General Underwriting 14**](#_Toc398203758)

**Appendix E:** [**Loss Information 15**](#_Toc398203758)

**Appendix F:**  [**Insurance Policies 16**](#_Toc398203758)

**Appendix G:** [**market allocation 17**](#_Toc398203758)

**Appendix H:** [**respondent affirmation 19**](#_Toc398203758)

# **PUBLIC NOTICE**

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**State of Maine**

**Department of Administrative and Financial Services**

**Request for Information #2023-1**

**AGENT/BROKER SERVICES FOR CYBER INSURANCE**

The State of Maine, Department of Administrative and Financial Services/Office of the State Controller, Risk Management Division, is seeking cyber insurance policies from agents or brokers qualified and licensed to design, market and service a cyber insurance program.

**No insurance agent or broker is authorized to approach any insurer or reinsurer in relation to this Request for Insurance solicitation until given written permission to do so by the coordinator. Failure to comply with this restriction or reserving or “tying up” a market may lead to disqualification from the bidding process, at the State’s discretion.**

A copy of the RFI can be obtained at the following website:

[https://www.maine.gov/dafs/bbm/procurementservices/vendors/rfps](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.maine.gov%2Fdafs%2Fbbm%2Fprocurementservices%2Fvendors%2Frfps&data=05%7C01%7CSuzanne.M.Murphy%40maine.gov%7C2125506bb40c42efedd708daee691c01%7C413fa8ab207d4b629bcdea1a8f2f864e%7C0%7C0%7C638084432452110799%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=x%2BlHhDnKR5MQEX6gIJpRTLbR1tqDzqdj2vkOqrjRhE4%3D&reserved=0)

Submissions must be received via e-mail, by [sheena.greenlaw@maine.gov](mailto:suzanne.m.murphy@maine.gov), no later than 5:00 pm, local time on 01/23/2023.

**\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\***

**Request for Information**

**DEFINITIONS/ACRONYMS**

The following terms and acronyms shall have the meaning indicated below as referenced in this Request for Information:

1. **RFI:** Request for Information
2. **State:** State of Maine
3. **Department:** Department of Administrative and Financial Services
4. **FOAA:** Maine Freedom of Access Act
5. **Respondent:** Any individual or organization submitting a response to this RFI
6. **RMD**: Risk Management Division

**State of Maine - Department of Administrative and Financial Services**

**RFI # 2023-1**

**AGENT/BROKER SERVICES FOR CYBER INSURANCE**

# **PART I INTRODUCTION**

**A. Purpose and Background**

This Request for Information (RFI) is an information gathering and market research tool, not a formal solicitation of a specific requirement (such as in a “Request for Proposals” document). The Department of Administrative and Financial Services(“Department”) is seeking information regarding broker services for the State cyber insurance program from interested parties as defined in this RFI document.

Only insurance agents and brokers with active licenses issued by the State of Maine, Department of Professional and Financial Regulation, and Bureau of Insurance are invited to respond to this Request for Information. Respondents must provide proof of this eligibility.

No insurance agent or broker is authorized to approach any insurer or reinsurer in relation to this Request for Information solicitation until the coordinator gives written permission to do so. Failure to comply with this restriction or reserving a market may lead to disqualification from the process.

The Department’s objectives are to:

1. Partner with an agent/broker offering the cyber insurance expertise, experience, and market access needed to best insure the State’s exposure for annual policies.
2. Match or improve the existing insurance program’s coverage and terms; and
3. Match or improve the level and quality of services currently provided and
4. Pay competitive premium rates.

**B. Current Conditions**

The current program consists of six separate policies, The State of Maine self-insurance policy and five commercial quasi-agency policies. Under the current program, four policies will expire on March 15, 2023, one will expire June, 17, 2023 and the State of Maine self-insurance policy will expire on July 1, 2023. Historically the Department has remained with a chosen broker/agent for a three to five-year period.

## C. General Provisions

1. All contact with the State regarding this RFI must be made through the aforementioned RFI Coordinator. No other person/ State employee is empowered to make binding statements regarding this RFI.
2. This is a non-binding Request for Information. Therefore, no award shall be made as a result of the RFI process.
3. Issuance of this RFI does not commit the Department to pay any expenses incurred by a Respondent in the preparation of their response to this RFI. This includes attendance at personal interviews or other meetings and software or system demonstrations, where applicable.
4. Issuance of this RFI in no way constitutes a commitment by the State of Maine to issue a Request for Proposal (RFP).
5. All responses should adhere to the instructions and format requests outlined in this RFI and all written supplements and amendments, such as the Summary of Questions and Answers, issued by the Department.
6. All submissions in response to this RFI will be considered public records available for public inspection pursuant to the State of Maine Freedom of Access Act (FOAA) (1 M.R.S. §§ 401 et seq.): [State of Maine Freedom of Access Act](http://www.mainelegislature.org/legis/statutes/1/title1sec401.html)
7. All applicable laws, whether or not herein contained, shall be included by this reference. It shall be the Proposer’s/Vendor’s responsibility to determine the applicability and requirements of any such laws and to abide by them.

# **PART II INFORMATION SOUGHT**

The Department seeks information regarding broker/agent services for the State cyber insurance program and welcomes responses to this RFI, including suggestions and feedback to enhance and expedite all future processes while providing efficient, reliable, and high-quality outcomes.

The Department seeks detailed yet succinct responses that demonstrate the Respondent’s experience and/or familiarity with the subject matter.

1. **General Information**

**Risk Management Division**

The Risk Management Division (RMD) provides insurance advice and services to the State government and designated quasi-state entities. Except for workers' compensation and health insurance, RMD administers all insurance and self-insurance plans and programs for the State of Maine government. The division derives its authority from the statute: 5 MRSA, §1728-A to 1737. Additional detail on RMD and its programs can be found at this link: <https://www.maine.gov/osc/risk-management>

**Maine Tort Claims Act**

The Maine Tort Claims Act (14 MRSA, §8101 - 8118) provides immunity from suit for governmental entities except as expressly provided by the statute. When immunity is removed, any claim for damages must be brought per the terms of the statute. The statute also establishes a limitation on damages. RMD’s self-insurance liability programs are built around this statute.

**Current Management**

The current management of RMD draws on years of experience in the insurance industry to manage the State of Maine’s risk management needs.

**Director: Suzanne M. Murphy, CPCU, ARM, AIC, AINS, MCM, AIE**

Suzanne joined Risk Management in 2016, bringing with her several years of experience as a multi-line claims adjuster, personal lines underwriter, and insurance regulator.

**Risk Assessor: Sheena Greenlaw**

Sheena joined Risk Management in 2019 bringing with her experience in the placement and service of personal lines and yacht insurance.

**Case Manager: G. Scott Kibler**

Scott joined Risk Management in 2004, bringing with him extensive experience in claims handling for public entities. He is the division’s subject matter expert who works closely with legal counsel and outside vendors to provide appropriate claims resolution.

**Loss Control Specialist: Lance Lemieux**

Lance joined Risk Management in 2021, with an extensive background in training, loss prevention, property inspections/valuations, and occupational and fire safety.

**Assistant Risk Assessor: Jen Maddox**

Jen joined Risk Management in 2015 and provides a variety of administrative support for all positions.

In addition, RMD has available the resources of other State agencies and utilizes counsel from the Office of the Attorney General.

**Insurance Administration**

The insurance program consists of both self-insurance and commercial insurance policies. The professional staff uses sound underwriting practices to analyze loss exposure, provide proper insurance coverage, maintain appropriate pricing, and administer insurance programs. State agencies are assisted with certificates of insurance, contractual insurance clauses, and exposure identification. Every three to five years, each large commercial policy is put out to bid to secure the best coverage terms and pricing for the State.

**Claims Processing**

Procedures are in place for the reporting of all claims or potential claims by participating agencies. Prompt reporting is essential to allow RMD to meet its service standards.

**Loss Prevention**

By statute, RMD is authorized to expend up to five percent of the self-insurance fund balances for loss prevention programs each fiscal year. The existence and innovative use of this program allows the state to take positive action when a loss control need is identified.

**System Support**

Origami was implemented in 2019 and is the database for the RMD insurance program.

**PART III KEY RFI EVENTS AND PROCESSES**

1. **Questions**

**1. General Instructions**

1. It is the responsibility of each interested party to examine the entire RFI and to seek clarification, in writing, if they do not understand any information or instructions.
2. Interested parties should complete **Appendix A – Intent to Respond** and **Appendix B** – **Submitted Questions Form** for submission of questions.
3. **Appendix A & B** must be submitted by e-mail and received by the RFI Coordinator, as soon as possible but no later than the date and time specified on the cover page,.
4. Submitted Questions must include the RFI Number and Title in the subject line of the e-mail. The Department assumes no liability for assuring accurate/complete/on-time e-mail transmission and receipt.

**2. Question & Answer Summary**

Responses to all questions will be compiled in writing and posted on the following website: http://www.maine.gov/dafs/bbm/procurementservices/vendors/rfps. It is the responsibility of all interested parties to go to this website to obtain a copy of the Question & Answer Summary. Only those answers issued in writing on this website will be considered binding.

1. **Submissions:**
2. **Responses Due**

Submissions must be received as soon as possible but no later than the date and time specified on the RFI cover page.

1. **Delivery Instructions**

Submissions must be sent via email to the RFI Coordinator listed on the cover page of this RFI document.

1. **Format**

Responses to this RFI may be developed in a manner that suits the respondent. A list of key questions is included within the RFI and all submissions regardless of the format will be reviewed. Respondents are asked to be brief and to respond to as many questions as possible within the RFI. Number each response to correspond to the relevant question or instruction of the RFI to allow comparison and clarity.

**C. Department Provisions:**

The Department will:

1. Provide general underwriting information (**Appendix D**)
2. Provide a loss run for each policy as of 12/2022 **(Appendix E)**
3. Provide copies of the expiring insurance policies (**Appendix F**)

The Respondent will submit:

* 1. A completed Respondent Questionnaire Form (**Appendix C**)
  2. A summary of Respondent’s experience with:
* cyber market placements
* government and public entities
* services offered to the Department (any fee for services must be clearly stated)
  1. A list of those insurers with which you are licensed to place cyber insurance in the State of Maine (**Appendix G**) and which you would desire to approach with this account.
  2. A completed Respondent Affirmation Form. **(Appendix H)**
  3. A list of all current litigation in which the Respondent is named and a list of all closed cases that have closed within the past five (5) years in which the Respondent paid the claimant either as part of a settlement or by decree.  For each, list the entity bringing suit, the complaint, the accusation, the amount, and the outcome.

**E. Selected Respondent Expectations:**

1. Upon selection of an insurer's program: finalize policy wording, place the insurance and obtain a policy or binder of insurance to be in place on current renewal dates. The original policy or binder must be in the Department’s possession before the policy inception date.
2. Facilitate the scheduling of an introductory meeting with the account team and any agency/broker staff identified as being part of the account team.
3. Assist in developing a well-coordinated claims program and loss control program between the Department and its insurer.
4. Identify and analyze uninsured exposures and the adequacy of existing insurance.
5. Review claims reports to identify trends and training needs.
6. Monitor insurer and reinsurer solvency over the course of the policy term.
7. Keep the Department informed of market conditions, availability of new coverages, and trends in this line of insurance.
8. Assist in subsequent renewal placement.
9. Issue on a timely basis: binders, certificates of insurance, and invoices as needed or as requested. Certificates are expected to be issued within 24 business hours of receipt of the request by our agent/broker.
10. Check policy, endorsements, invoices, claim reports, and any other document received from the insurer for accuracy. Obtain revisions as needed. Maintain an aggressive diary system for document requests.
11. Promptly submit originals of all policies and endorsements to the Department.
12. Facilitate timely issuance of accurate invoices.
13. All premium billing (inception, endorsement, and renewal invoices) are to be broken down for the Department on a per schedule, per vessel basis, and coverage line basis.
14. Serve as the Department’s technical resource on this insurance line.
15. Provide technical review of policy provisions at inception, at annual intervals, and on an ongoing basis, as needed.
16. Serve as a technical resource to identify and meet training needs.
17. Provide a certificate of insurance on a standard Acord form (or the equivalent) evidencing the Respondent’s general liability, professional liability, and any other relevant liability insurance policies that might be associated with the proposed services.

**F. Selection and Evaluation Process**

The Department anticipates selecting **one agent/broker.** This determination will be a consensus evaluation based on Respondent submissions.

**APPENDIX A**

**STATE OF MAINE**

**Department of Administrative and Financial Services**

**INTENT TO RESPOND**

**RFI# 2023-1**

**AGENT/BROKER SERVICES FOR CYBER INSURANCE**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Lead Point of Contact - Name/Title:** | | |  | | |
| **Organization Name (if applicable):** | | |  | | |
| **Tel:** |  | | **Fax:** |  | |
| **E-Mail:** |  | | **Website:** | |  |
| **Street Address:** | |  | | | |
| **City/State/Zip:** | |  | | | |

**APPENDIX B**

**STATE OF MAINE**

**Department of Administrative and Financial Services**

**SUBMITTED QUESTIONS FORM**

**RFI# 2023-1**

**AGENT/BROKER SERVICES FOR CYBER INSURANCE**

|  |  |
| --- | --- |
| **Organization/Responder’s Name:** |  |

|  |  |
| --- | --- |
| **RFI Section & Page Number** | **Question** |
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*\* If a question is not related to any section of the RFI, state “N/A” under “RFI Section & Page Number”.*

*\*\* Add additional rows, if necessary.*

**APPENDIX C**

**STATE OF MAINE**

**Department of Administrative and Financial Services**

**RESPONDENT QUESTIONNAIRE FORM**

**RFI #2023-1**

**AGENT/BROKER SERVICES FOR CYBER INSURANCE**

Firm’s Name:       Mailing Address:      Telephone:     Fax:      Web Site:

Total number of years in business:      Approximate number of personnel in the firm:      Number of these employees devoted to cyber insurance:      Of your firm’s total book of business, what estimated percentage of total premium volume is written for:

State governments      %

Higher education       %

Other public entities?     %

Self-insured pools?      %

Higher education institutions      %

Of your firm’s total book of business, what estimated percentage of total premium volume is comprised of cyber insurance?      %

What percentage of your commercial insurance is written for public entities (vs. non-public?)      %What is your firm’s total premium volume in commercial insurance? $      What is your firm’s total premium volume in the cyber line of insurance? $      Have you previously done similar work for the State of Maine government?

     Yes      No If yes, specify the nature of work and time frame:       Servicing Office (This refers to the office that will service this specific account.)

Mailing Address:       Physical Location:      Telephone:      Fax:

Servicing Personnel (This refers to the personnel who will service these specific accounts.)

Name of account manager:

Email address:

Number of the year(s) of experience

What percentage of our work will be done by the account manager?     %

Please attach a brief resume for each person who will work on this account.

As a minimum, please be sure the following information is included:

• Name and position

• Length of time in the insurance business

• Length of time in this firm

• Nature of their work on this account

• Experience with cyber insurance

• Experience with self-insurance property and casualty pools

• Experience with governmental business

**APPENDIX D**

**STATE OF MAINE**

**Department of Administrative and Financial Services**

**General Underwriting Information**

**RFI** **#2023-1**

**AGENT/BROKER SERVICES FOR CYBER INSURANCE**

This is a summary of the current program.

**Named Insureds** See **Appendix F**

**Policy Term** See **Appendix F**

The State of Maine optimally would like a three-year policy term, with rates guaranteed and an option for two additional years, beyond the first three. The department understands that if an exposure significantly changes or a new exposure is added, rates may be adjusted accordingly.

**Coverage limits:**  See **Appendix F**

**Loss Information** See **Appendix E**

**Incumbent Agent** Aon Risk Services, Inc. is the incumbent agent and has been since 2014

**Agent Compensation Structure**

The current compensation structure is strictly commission based.

**Billing**

The Department prefers that this policy be issued on an “agency bill” basis and will require various premium breakdowns for internal allocation purposes. The Department desires an annual premium invoice. If subsequent endorsements are issued, a related invoice denoting the additional or return premium at the time of endorsement issuance should be issued. RMD will not approve an invoice for payment until receipt of the policy or the endorsement itself. The State will promptly review each invoice for accuracy and then approve it for payment.

**APPENDIX E**

**STATE OF MAINE**

**Department of Administrative and Financial Services**

**LOSS INFORMATION**

**RFI #2023-1**

**AGENT/BROKER SERVICES FOR CYBER INSURANCE**

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**APPENDIX F**

**STATE OF MAINE**

**Department of Administrative and Financial Services**

**POLICY INFORMATION**

**RFI #2023-1**

**AGENT/BROKER SERVICES FOR CYBER INSURANCE**

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**APPENDIX G**

**STATE OF MAINE**

**Department of Administrative and Financial Services**

**MARKET ALLOCATION**

**RFI# 2023-1**

**AGENT/BROKER SERVICES FOR CYBER INSURANCE**

List those insurers with which you are legally authorized to transact. You may list more than attaching an additional sheet if desired.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Company name: |  | | | | | |
| Group Affiliation: | |  | | **A.M. Best #** |  | |
| A.M. Best Current Rating and Modifier | |  | | FSC: |  | |
| What percentage of your firm’s total commercial cyber insurance book is placed with this company? | | | | | | % |
| What percentage of your firm’s total commercial insurance book is placed with this company? | | | | | | % |
| How many years have you been licensed with this company?  What reinsurer(s) does this company use (if known)? | | | | | |  |
|  | | |  | | | |

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| --- | --- | --- | --- | --- | --- | --- |
| Company name: |  | | | | | |
| Group Affiliation: | |  | | **A.M. Best #** |  | |
| A.M. Best Current rating and Modifier | |  | | FSC: |  | |
| What percentage of your firm’s total commercial cyber book is placed with this company? | | | | | | % |
| What percentage of your firm’s total commercial insurance book is placed with this company? | | | | | | % |
| How many years have you been licensed with this company?  What reinsurer(s) does this company use (if known)? | | | | | |  |
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| --- | --- | --- | --- | --- | --- | --- |
| Company name: |  | | | | | |
| Group Affiliation: | |  | | **A.M. Best #** |  | |
| A.M. Best Current rating and Modifier | |  | | FSC: |  | |
| What percentage of your firm’s total commercial cyber insurance book is placed with this company? | | | | | | % |
| What percentage of your firm’s total commercial insurance book is placed with this company? | | | | | | % |
| How many years have you been licensed with this company?  What reinsurer(s) does this company use (if known)? | | | | | |  |
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| --- | --- | --- | --- | --- | --- | --- |
| Company name: |  | | | | | |
| Group Affiliation: | |  | | **A.M. Best #** |  | |
| A.M. Best Current Rating and Modifier | |  | | FSC: |  | |
| What percentage of your firm’s total commercial cyber insurance book is placed with this company? | | | | | | % |
| What percentage of your firm’s total commercial insurance book is placed with this company? | | | | | | % |
| How many years have you been licensed with this company?  What reinsurer(s) does this company use (if known)? | | | | | |  |
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**APPENDIX H**

**STATE OF MAINE**

**Department of Administrative and Financial Services**

**RESPONDENT AFFIRMATION**

**RFI #2023-1**

**AGENT/BROKER SERVICES FOR CYBER INSURANCE**

Exclusive of insurance policy premium, the Respondent affirms that there is no cost or service fee associated with this RFI to deliver the services required. Respondent income will be derived solely from commissions and/or profit sharing paid by an insurer to the Respondent, both of which will be fully disclosed to the State upon request. I understand that it will not be necessary to enter into a State of Maine Agreement to Purchase Services.

Firm Name:

State of Maine Insurance Department License Number for Firm:

Typed Name of Firm Representative:

State of Maine Insurance Department License Number for Firm Representative:

Date:

Signature of Firm Representative: