



Insurance
Corporation
of British
Columbia

Request for Expression of Interest (EOI)

EOI 28007 DEBT COLLECTION SERVICES

Issued: January 31, 2008

Insurance Corporation of British Columbia
Corporate Procurement
300 – 132 West Esplanade
North Vancouver, BC V7M 1A2
Attention: Patricia Baird

Response Date

5 Copies by February 7, 2008

Please include a CD-ROM copy with your response.
Reference the EOI on the front of the envelope or package.
Faxed and email replies will **not** be accepted.

A printed version of this document is available for pick-up upon request.
Please return Appendix B - Response Notification Form by February 4, 2008

Submit enquiries in writing to the Authorized Contact Person:

Name: Patricia Baird Title: Strategic Sourcing Analyst
Phone: (604) 443-4656
Fax: (604) 661-1300
Email: patricia.baird@icbc.com
By: February 5, 2008

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1. OUTLINE

The Insurance Corporation of British Columbia (ICBC) invites you to respond to this EOI for the goods and/or services described herein.

This EOI is an inquiry and request for information only and does not imply either a commitment by ICBC to proceed with the work contemplated or a commitment by ICBC to purchase. We will advise **only** if ICBC decides to proceed further with you by way of Competitive Bid, Purchase Order or Purchase Agreement.

ICBC reserves the right in its sole discretion not to proceed with the work, to proceed by way of competitive bid, to issue one or more further requests for information by EOI or otherwise with respect to the work, to negotiate a contract individually with any respondent to this EOI for all or part of the work, or to negotiate a contract individually with any third party who did not respond to this EOI for all or part of the work. If ICBC elects to proceed by way of competitive bid, or if ICBC elects to request more information by way of a further EOI or by any other method, ICBC may, in its sole discretion, create a bid list using any or all respondents to this EOI in ICBC's sole discretion and choose to send any further requests for information, EOI's, or an RFP only to those respondents.

This EOI should not be considered a request for or an authorization to perform any work or supply any goods. Any development work undertaken by you, and any costs of replying to this EOI will be at your own expense. In the event you have any questions regarding this EOI, please contact the authorized contact person noted on the covering page.

The information provided to you in this inquiry is confidential and proprietary. It must be kept strictly confidential and must not be released to anyone outside your company. All responses submitted pursuant to this EOI will become the property of ICBC. All information received will be held in confidence by ICBC, subject to the disclosure provisions of the *Freedom of Information and Protection of Privacy Act* ("FOIPPA"), or any other disclosure obligations imposed upon ICBC at law including, but not limited to, any request, requirement, decision or order of the British Columbia Utilities Commission ("BCUC") or other regulatory body with jurisdiction over ICBC.

2. ICBC INTRODUCTION

ICBC is a provincial Crown Corporation established in 1973 to provide universal auto insurance to BC motorists. In addition, the Corporation is responsible for driver licensing, vehicle registration and licensing.

Further details of ICBC can be accessed through our website "Inside ICBC" at www.icbc.com.

3. SCOPE

ICBC invites Expressions of Interest from qualified service providers with demonstrated knowledge, expertise and experience in providing services for a non-exclusive debt collection service to collect monies owed to ICBC and the Provincial Government resulting from unpaid fine-related debt, premium debt, and other types of debt.

4. SERVICES REQUIRED

The services of collection agencies are required for the tracing of delinquent debtors and for the collection of outstanding accounts receivable. The type of account ICBC would refer to third-party collection agencies would vary depending on the business needs, but generally third-party collection agencies would receive accounts where ICBC collection activities have already taken place. At the time of referral, the third-party collection agencies would be given a list of accounts including debtor information, debt type, principal and interest outstanding. This listing may include companies as well as individuals. The third-party collection agencies would also be given instructions as to the minimum amount to collect on the account and settlement conditions.

Collection agency services would include, but may not be limited to:

- registering a judgment in the Land Title office against land owned by the debtor;
- executing against property or chattels owned by the debtor after receiving written instructions from ICBC;
- the ability to remit the gross of all payments collected;
- providing a full time single point of contact for ICBC during business hours of 8:00 a.m. to 6:00 p.m., Monday-Friday.

5. MINIMUM REQUIREMENTS

Interested parties should:

- be able to recognize the debtor profile and select an appropriate collection approach;
- be able to produce correspondence on behalf of ICBC;
- be able to make every effort to locate a debtor;
- have the capacity to deal with ICBC debtors who are not residents of BC and/or Canada;
- be able to exchange data and records electronically over a secure environment;
- have flexible remittance options, i.e. insurance-related debt to ICBC and fine-related debt to Government;
- be able to retain the ICBC information in electronic format (or in the case of correspondence, hard copies) in such a manner that it will be readily accessible by ICBC by electronic means acceptable to ICBC, at any time during ICBC business hours without charge and without prior approval by the Contractor, for one year after the Debt is closed, then archived for a further six years;
- be able to record activities on an account, provide payment reports and detailed monthly reports, and to report the status of all accounts older than 90 days on a monthly basis;

- be able to provide free on-line/real-time access to all accounts assigned by ICBC;
- be able to provide account history acceptable as evidence in a court of law;
- maintain confidentiality of ICBC provided information

6. BACKGROUND

ICBC maintains an in-house Customer Collections Department with approximately 75 employees. The Customer Collections Department retains the services of third-party collection agencies to supplement its own collection activities when they have been unsuccessful. Total debt referred to third-party collection agencies from May, 2004 to December 31, 2007 was approximately \$103,000,000.00. ICBC makes no representation or warranties as to the minimum or maximum volume of services requested in the debt collection services EOI.

The ICBC Customer Collections Department collects debts owed to ICBC, and fines owed to the Provincial Government. Outstanding debts include:

- Insurance premium adjustments
- Defaulted Autoplan12 loans and Payment Plans
- Claims recoveries with Judgment
- Amounts recoverable by subrogation with Judgment;
- Dishonoured (returned) cheques;
- Driver point premiums;
- Motor vehicle violation fines;
- Non-motor vehicle fines;
- Handling fees and interest; and
- Other debt types

Many debts are collected by ICBC's in-house Collections Department using a variety of collection tools, including its ability to refuse to issue insurance and/or driver's licences. The Collections department retains third-party collection agencies for collecting past-due accounts that meet pre-determined criteria.

7. OBJECTIVES OF EOI

Through the information obtained, ICBC expects to gain an in-depth understanding of a supplier's:

- Composition of business and expertise;
- Commitment to excellent customer service;
- Operational workflow and processes;
- Ability to provide value-added services;
- Flexibility to adjust to demand fluctuations;
- Innovative practices that provide cost savings

8. INFORMATION REQUIREMENTS

Interested parties should include sufficient information with this response to demonstrate their expertise as follows:

- Identify the collection activities which can be provided based on the time periods listed:
 - First 30 days from referral date
 - To 60 days
 - To 90 days
- Provide a description of:
 - how debtors would be contacted and the collection approach taken, based on the activity service levels above
 - the process used to locate a debtor (local and international)
 - your process for recording information, updating frequencies and type of medium used
 - how you would prepare and maintain an account history acceptable into evidence;

9. TECHNOLOGY

ICBC is increasing its use of web-based technology for business and communication purposes, including account review and payment automation. Please describe in detail your firm's:

- Present e-business and web capabilities;
- Future e-business and web application plans;
- Payment remittance abilities including invoicing capabilities using XML and related security provisions
- Ability to apply interest using same rules as ICBC
- Ability to recall files and update systems
- Commitment to communicating with ICBC via the Internet; and,
- Electronic data abilities including hardware, software, archiving, storing, receiving
- System and operating environment used for data storage
- Data security

9.1. Back-up and Recovery Strategies

Please describe your protocols for back-up and recovery for both operational and disaster recovery scenarios and how it would relate to this project.

10. TRANSITION

In your response, please describe at a high level a transition plan appropriate for the services recommended, including:

- Methodology;
- Training requirements;
- Typical roles and responsibilities;
- Anticipated effort of transition;
- Risk management techniques applied in your approach;

- Estimated transition timeline;
- Current work load

11. REPORTING

Your reporting capabilities are an essential element of any business relationship. Please describe in detail:

- Full extent of your reporting capabilities including:
 - Availability in paper and electronic formats,
 - File format for electronic files,
 - Ability to customize reports, and,
 - Degree of manual support typically required.

Where possible, please include examples of generic reports in an appendix.

12. CLIENT SERVICES

It is ICBC's expectation that all members of your client service team have the appropriate level of competence, experience and credentials to provide superior client related services.

Excellent client services include more than accepting and following instructions and communicating in a timely manner. It encompasses an enhanced relationship involving mutual trust, dedication, support and management of client expectations.

In your response, please describe in detail and provide examples that demonstrate:

- Your commitment to client services;
- How you expect to work with ICBC to achieve the objectives outlined above;
- A high-level plan describing how you would deliver excellent client services;
- How your service team would demonstrate:
 - ICBC is a valued client,
 - Respect, courtesy and professionalism in dealing with ICBC staff,
 - Flexibility to meet changing demands,
- Your approach to:
 - Assisting ICBC with debt collection,
 - Accountability for quality and service delivery,
 - Correction of service delivery deficiencies,
 - Commitment to integrity and innovation to foster and promote a results-based, client service focus with staff.

Suppliers are encouraged to describe the qualities, services and attributes that distinguish them from their competition.

13. KEY PERFORMANCE INDICATORS

In your response, please describe in detail any KPI's currently in place within your organization to measure performance. As ICBC expects to work with a supplier to further develop measurable and meaningful KPI's, your suggestions are encouraged.

14. RESPONDENT INFORMATION

Interested suppliers are asked to include the following information with their response:

- A brief corporate profile including:
 - Principal contact and senior professionals,
 - Contact information, including name, title, address, e-mail address, telephone and facsimile numbers,
 - Location of head office and support facilities,
 - History including years of operation and experience, membership status
 - Number of employees,
 - Core or leading edge competencies,
 - Client and/or account service principals and key personnel,
 - Partnerships, alliances, consortiums or sub-contractors that may be used in conjunction with the work,
 - Current financial or annual report.
- Include a brief outline of
 - Quality assurance program(s) in place;
 - Experience, membership status and any training programs specific to collection services your company provides to employees;
- Include current resumes of dedicated personnel you would propose for this project with a description of their experience with projects similar in nature and size, any professional and/or technical certifications, length of employment with your company and related experience within the past 5 years;
- Identify what contingencies are in place to minimize staff turnover of dedicated accounts

15. ADDED VALUE SERVICES

ICBC is interested in added value services. Responses should identify what value-added services would be made available to ICBC within the debt collection services EOI.

16. REFERENCES

Provide references from three clients for whom you have delivered projects of a similar nature and size. Include company name, location, contact information, length of association, services provided, total service cost and date services were provided;

17. RESPONSE NOTIFICATION FORM

Interested parties should return the Response Notification Form attached as Appendix B by February 4, 2008 as an indication of their interest.

18. FOIPPA PROVISIONS

The following provisions of the Freedom of Information and Protection of Privacy Act (“FOIPPA”) contain restrictions which are relevant to the subject-matter of this EOI:

1. Provisions which place restrictions on service providers of public bodies (ICBC is a public body under FOIPPA) from storing, accessing or disclosing personal

information outside Canada;

2. Provisions which extend the restrictions that apply to public bodies regarding the collection, use, storage and disclosure of personal information to public body employees, public body services providers and employees or associates of service providers;
3. Provisions which contain an obligation to report to government any foreign demand for disclosure of personal information that is not authorized under FOIPPA;
4. Provisions providing whistle-blower protection for employees who report a foreign demand for disclosure of personal information; and,
5. Offence and penalty provisions for contravening the notice requirements, the whistle-blower protection provisions or the restrictions placed on storing, accessing or disclosing personal information outside Canada.

Please note that the above provisions of FOIPPA apply directly to anyone who enters into a contract to perform services for ICBC. It is suggested that respondents to this EOI review FOIPPA requirements with legal counsel. A copy of the Act is available at www.oipcbc.org/legislation.htm.

Please detail your ability to comply with the requirements of FOIPPA, and in particular, your ability to comply with the restrictions on storing, accessing or disclosing personal information outside Canada.

19. OWNERSHIP OF RESPONSES

Responses submitted pursuant to this EOI will become the property of ICBC. All information received will be held in confidence by ICBC, subject to the disclosure provisions of the FOIPPA, or any other disclosure obligations imposed upon ICBC at law including, but not limited to, any request, requirement, decision or order of the BCUC or other regulatory body with jurisdiction over ICBC. Notwithstanding the foregoing, ICBC may use some information submitted to form or refine requirements for Debt Collection Services. Please clearly indicate in your submission any information or elements of your submission that are patented, trademarked, copyrighted, or otherwise proprietary to you. Please enclose proof of such proprietary nature where possible (e.g. trademark certificate).

20. SUBMISSION FORMAT

ICBC prefers your response to be organized in a three-ring binder including a title page, executive summary and table of contents, with your response laid out in the format and section numbering of this EOI, separated by section dividers. Additional information or promotional material may be included as appendices.

Please complete and return Appendix A Cost Information with your response.

21. NEXT STEPS

ICBC may, after review of the submitted information, request a presentation and/or site visit.

APPENDIX A – COST INFORMATION

ICBC's preference is for price information in Canadian Dollars, PST extra. For your information, ICBC is GST exempt.

ICBC will pay a collection fee on eligible amounts; please propose collection fees for the following services:

Government Debt

BC Residents and Non B.C. Residents

- For First Run Accounts (debt referred to an outside collection agency for the first time during an existing contract period).
- For Reassigned Accounts (debt that has been referred to an outside collection agency at least once before during an existing contract period).

ICBC Debt

BC Residents and Non B.C. Residents

- For First Run Accounts (debt referred to an outside collection agency for the first time during an existing contract period).
- For Reassigned Accounts (debt that has been referred to an outside collection agency at least once before during an existing contract period).

APPENDIX B – RESPONSE NOTIFICATION FORM

EOI Title: Debt Collection Services
EOI Number: 28007

To acknowledge your intent to respond to this EOI and to receive any amendments or further information, please return this form by February 4, 2008 to:

Attention: Patricia Baird, Strategic Sourcing Analyst
Insurance Corporation of British Columbia
Corporate Procurement, Supply Management
Suite 300 – 132 West Esplanade
North Vancouver, BC V7M 1A2
Fax: 604-661-1300

Your details:

Company Name: _____
Street Address: _____
City/Province: _____ Postal Code: _____
Mailing Address: _____

Phone Number: _____ Fax Number: _____
Contact Person: _____
E-Mail: _____

WE WILL BE RESPONDING TO THIS EOI.

UNLESS IT CAN BE SENT BY FAX, FURTHER CORRESPONDENCE ABOUT THIS EOI SHOULD BE SENT BY:

COURIER – COLLECT
(PROVIDE COURIER NAME AND ACCOUNT NO.)

SIGNATURE: _____ DATE: _____