



DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES
DIVISION OF PROCUREMENT SERVICES
 STATE OF MAINE

PROCUREMENT JUSTIFICATION FORM (PJF)

This form must accompany all contract requests and sole source requisitions (RQS) over \$5,000 submitted to the Division of Procurement Services.

INSTRUCTIONS: Please provide the requested information in the white spaces below. All responses (except signatures) must be typed; no hand-written forms will be accepted. See the guidance document posted with this form on the Division of Procurement Services intranet site (Forms page) for additional instructions.

PART I: OVERVIEW			
Department Office/Division/Program:		DPFR / Insurance	
Department Contract Administrator or Grant Coordinator:		Vanessa J. Sullivan 207-624-8468	
(If applicable) Department Reference #:			
Amount: (Contract/Amendment/Grant)	\$ 750,000	Advantage CT / RQS #:	20240117 1981
CONTRACT	Proposed Start Date:	2/1/2024	Proposed End Date: 6/30/2025
AMENDMENT	Original Start Date:		Effective Date:
	Previous End Date:		New End Date:
GRANT	Project Start Date:		Grant Start Date:
	Project End Date:		Grant End Date:
Vendor/Provider/Grantee Name, City, State:		Noble Consulting Services, Inc. 211 N. Pennsylvania St., Suite 2350 Indianapolis, IN 46204 VS 00 00 02 1827	
Brief Description of Goods/Services/Grant:		Financial Examination Services	

PART II: JUSTIFICATION FOR VENDOR SELECTION			
Check the box below for the justification(s) that applies to this request. (Check all that apply.)			
<input type="checkbox"/>	A. Competitive Process	<input type="checkbox"/>	G. Grant
<input type="checkbox"/>	B. Amendment	<input type="checkbox"/>	H. State Statute/Agency Directed
<input checked="" type="checkbox"/>	C. Single Source/Unique Vendor	<input type="checkbox"/>	I. Federal Agency Directed
<input type="checkbox"/>	D. Proprietary/Copyright/Patents	<input type="checkbox"/>	J. Willing and Qualified
<input checked="" type="checkbox"/>	E. Emergency	<input type="checkbox"/>	K. Client Choice
<input type="checkbox"/>	F. University Cooperative Project	<input type="checkbox"/>	L. Other Authorization

Please respond to ALL of the questions in the following sections.

PART III: SUPPLEMENTAL INFORMATION

1. Provide a more detailed description and explain the need for the goods, services or grant to supplement the response in Part I.

The Maine Bureau of Insurance (“MBOI”) is charged with the financial oversight of domestic insurance companies pursuant to 24-A M.R.S.A. Subject to National Association of Insurance Commissioners (“NAIC”) accreditation requirements, the MBOI needs to engage an examination firm with specific skills related to certain products offered by Unum Life Insurance Company of America (“ULA”). ULA is Maine’s largest domestic insurance company and presents an insurer with extremely complex accounting and reserving matters.

The Provider will deliver a complete, NAIC accreditation compliant, examination to the MBOI of the following Maine domiciled entities: ULA; Starmount Insurance Company; and Unum.

Unum Life Insurance Company of America (“ULA”) is Maine’s largest domestic insurance company and presents complex accounting, investment, and reserving matters. Unum Insurance Company and Starmount Life Insurance Company are also domiciled in Maine and part of the group coordinated examination effort. In addition to the Maine domiciled insurance entities, Maine, as the lead state, is responsible for the larger group coordinated examination effort under the NAIC’s procedures and accreditation requirements. This is a significant undertaking that requires significant staffing resources and expertise.

Noble Consulting Services, Inc. (“NCS”) performed the Unum Group coordinated examination as of December 31, 2018, and has demonstrated an understanding of the Unum Group. It is expected that this experience will result in examination and coordination efficiencies. NCS will provide the needed staffing to perform the examination, including an investment specialist. NCS will deliver complete, NAIC accreditation compliant, examination files to the MBOI in a timely manner.

2. Provide a brief justification for the selected vendor to supplement the response in Part II. Reference the RFP number, if applicable.

- a. Presently, sufficient staffing and expertise is not available within the MBOI and the DPFR.
- b. The MBOI has worked with the Provider in the past. The Provider charges reasonable rates. The Provider has delivered several quality examination reports. The Provider, compared to industry peers, provides cost effective, efficient insurance company examinations, and delivers NAIC complaint exam files.
- c. Other governmental resources (local, state, or federal agencies) external to the DPFR are not available to perform the service more efficiently or more cost effectively than the requested sole source.

3. Explain how the negotiated costs or rates are fair and reasonable; or how the funding was allocated to grantee.

NCS hourly rates presented, below, are competitive. Additionally, NCS examination efficiencies result in less overall examination costs borne by examined Maine insurance companies.

PART III: SUPPLEMENTAL INFORMATION

Staff Level	Hourly Rates
Investment Specialist	\$250
Supervisor	\$170
Examiner-in-Charge	\$160
Senior Examiner	\$145
Staff Examiner	\$125

4. Describe the plan for future competition for the goods or services.

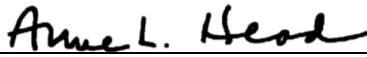
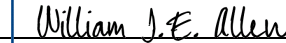
Ideally, in the future, the MBOI will be able to fully staff its exam team and conduct this examination with in house examiners; however, it is likely that even if fully staffed the MBOI would need to supplement their staff with qualified experts (e.g., actuarial, investment, information technology, reinsurance specialists) and additional examination staff to meet the demands of large coordinated examination efforts such as the Unum Group.

PART IV: AMERICAN RESCUE PLAN ACT (ARPA) / MAINE JOBS & RECOVERY PLAN (MJRP)

Does this request utilize ARPA/MJRP funds?

 Yes – If Yes, please attach the approved Business Case(s). No – If No, proceed to Part V.**PART V: APPROVALS**

The signatures below indicate approval of this procurement request.

Signature of requesting Department's Commissioner (or designee):			
Typed Name:	Anne L. Head	Date:	02/ 21 /2024
Signature of DAFS Procurement Official:	DocuSigned by: 		
Typed Name:	william J.E. Allen	Date:	2/28/2024