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October 2, 2017

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VIA EMAIL: bbillingsley@broward.org

Ms. Brenda J. Billingsley
Director of Purchasing Division
115 S. Andrews Avenue, Room 212
Fort Lauderdale, Florida 33301

***Re: RFP No. R2114349P1, Group Prepaid Legal Insurance Services
Response to LSN***

Dear Ms. Billingsley:

As you know, the undersigned law firm represents U.S. Legal Services, Inc. (“U.S. Legal”) as counsel with regard to the above-captioned RFP. U.S. Legal is compelled to respond to the misrepresentations made by LSN Partners on behalf of The Legal Plan, Inc. d/b/a Preferred Legal Plan (“Preferred Legal”) dated September 6, 2017 and September 22, 2017. Please forward this letter to the Evaluation Committee, as well as the Mayor and County Commissioners ahead of any discussion about this RFP.

Although Preferred Legal’s letters claim they are responding to U.S. Legal’s three-day objection letter, Preferred Legal instead avoids directly addressing some of the key issues raised, and uses the opportunities to repackage and improperly re-propose its services for this RFP. As the prime example, LSN fails to directly address the RFP’s required scope of services, which states, **“The selected proposer shall, at a minimum, duplicate the current prepaid legal plan benefits.** Any enhancements must be identified in the enclosed Current Plan and Proposed Plan Design.” (Emphasis added). Clearly that was a material term of the RFP, and Preferred Legal’s response indicates that it does not fully comprehend it, as is reflected in its proposal.

Throughout its correspondence, Preferred Legal claims that Broward County’s employees will receive a higher level of customer service because they would be dealing with Preferred Legal directly when they need assistance. This claim is false and misleading. The moment an attorney is needed to directly represent a County employee in a specialized area of the law, the employee will be responsible for 100% of those costs. In contrast, under the current plan provided by U.S. Legal and under the new plan proposed by it, many of those specialist attorney hours are covered. If the County were to move forward with Preferred Legal, County employees will be in for an expensive surprise should they require specialized legal services under the plan.

Further, and contrary to Preferred Legal’s allegations, under U.S. Legal’s plan the county employee never deals with the claims process, nor does the County. Attorneys file claims directly with U.S. Legal.

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Preferred Legal goes on to claim that it provides more coverages without limitations or exclusions. This is another false and misleading representation. Not all advice or legal services are covered, only consultations are. Its proposal does not include expenses for actual attorney representation. U.S. Legal also provides unlimited advice and consultations for any legal matter, but its plan actually covers the services of retained lawyers on the matters outlined in its proposal. Further, U.S. Legal's network of lawyers spans the United States, and is not limited to Florida like Preferred Legal's proposed network.

Further, it is false and misleading when Preferred Legal claims its plan will not shift significant costs to Broward County's employees. While Preferred Legal does provide "in-house" guidance to its members, its members pay referred attorneys outside of the "in-house" office for all legal services. Broward County employees will pay significantly more for these services under Preferred Legal's plan, while most of those expenses would be covered under the U.S. Legal proposal.

Although Preferred Legal takes issue with the plan cost chart prepared by U.S. Legal in its three-day objection letter, that chart is accurate. It is derived from the PLP rate of \$125.00 per hour for claims paid by U.S. Legal over the last contract term with Broward County. In fact, the numbers in its chart are conservative. Further, Preferred Legal claims it has more than 25,000 covered clients in the State of Florida. That is a surprising representation, considering the numbers they filed with the Florida Office of Insurance Regulation is about half of that.

A copy of U.S. Legal's three-day objection letter is attached as Exhibit "A". More specific responses to Preferred Legal's misrepresentations are attached as Exhibit "B", and are stated in red, bold, italics and are underlined.

If Preferred Legal receives this award, the County will be rewarding Preferred Legal's failure to follow the rules and comply with the RFP's requirement that its services "shall, at a minimum, duplicate" the current benefits offered. Preferred Legal's proposal should have been eliminated as non-responsive or non-responsible (a determination inexplicably made by the Evaluation Committee before it even reviewed proposals), and U.S. Legal should be the top ranked proposer for this RFP. Although Preferred Legal tries to confuse the issues with misrepresentations, the plain language of the proposals submitted by the proposers sets the record straight. **Again, U.S. Legal would request that the county determine U.S. Legal as the top ranked proposer, and in the alternative, the County should reconvene the Evaluation Committee to consider the significant new information attached hereto and described above, pursuant to Section 21.84 (f) of the Purchasing Code. In the alternative, you should recommend the rejection of all proposals because of the issues set forth above and in U.S. Legal's three-day objection letter.**

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In addition, John Forbes from U.S. Legal, and I, request a meeting with you this week or as soon as possible to discuss the issues raised by us, as well as Preferred Legal.

Respectfully Submitted,



Mark J. Stempler, Esq.
For the Firm

MJS/jhb

Enclosures

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BROWARD COUNTY
PURCHASING DIVISION

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EXHIBIT A



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August 18, 2017

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Ms. Brenda J. Billingsley
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115 S. Andrews Avenue, Room 212
Fort Lauderdale, Florida 33301

***Re: RFP No. R2114349P1, Group Prepaid Legal Insurance Services
Three-Day Objection Letter***

Dear Ms. Billingsley:

The undersigned law firm represents U.S. Legal Services, Inc. (“U.S. Legal”) as counsel with regard to RFP No. R2114349P1, Group Prepaid Legal Insurance Services (the “RFP”). Pursuant to Section 21.84(f) of the Broward County Procurement Code (“Code”), U.S. Legal submits this objection to the Evaluation Committee’s proposed recommendation of ranking posted on August 16, 2017, and provides new significant information for the Evaluation Committee to consider in its evaluation.

Please forward this letter immediately to the Board of County Commissioners and to the Evaluation Committee members.

I. INTRODUCTION

The proposed recommendation of ranking is unfair and incorrect, and violates the basic tenants of public procurement law, because the Evaluation Committee failed to properly consider the RFP specifications and the proposals. This includes the critical requirement that, “**the selected proposer shall, at a minimum, duplicate the current prepaid legal plan benefits.**” The Evaluation Committee failed to consider that the proposal submitted by the Legal Plan, Inc. (d/b/a The Preferred Legal Plan) (“Preferred Legal”) does not meet this minimum and mandatory RFP specification. **Preferred Legal’s plan does not duplicate the current prepaid legal plan benefits. In fact, it falls well short of that, and its plan shifts significant costs directly to Broward County’s employees. Incredibly, the County rewards Preferred for not complying with the mandatory coverage by awarding 20 points for price while it penalizes U.S. Legal with 11.9 points for adherence to the County mandate and taking that mandate into consideration on their price. These ill-deserved extra points allowed Preferred to overcome lower points on merit and be ranked #1. These points are the fruit of poisonous tree and**

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rendered the evaluation process unfair, incorrect and impermissibly tainted. By using actual Broward employee claims experience over 5 years, we project that under Preferred's illusory plan Broward employees would have paid approximately \$776,000 out of pocket. See new information attached hereto as Exhibit "A".

Preferred Legal's proposal is non-responsible. **Shockingly, when the Evaluation Committee determined the proposal was responsible, the members had not even reviewed the proposal or heard oral presentations.** A technical glitch prevented the delivery of the proposals before the first evaluation meeting. **Their determination was based on nothing but blind reliance on the Purchasing Division's recommendation. This violates the RFP terms, the County's Code and Florida law, and renders this recommendation of ranking illusory, arbitrary and capricious. That the County allowed a determination of responsibility and responsiveness to be made at the August 10th meeting, without the committee members having reviewed the proposals, is incomprehensible and calls into question the sanctity of the County's entire procurement process and oversight.** It is also unclear as to whether the Committee reviewed the underlying RFP document with the mandatory coverage language for the same reasons as the technical glitch on proposals.

Because the evaluators had not received the proposals, the initial evaluation meeting had to be prematurely adjourned (after oral presentations and a question and answer session) and reconvened. This gross procedural deviation in the evaluation process caused confusion, and gave Preferred Legal an unfair competitive advantage.

In addition, neither the Purchasing Division nor the Evaluation Committee were able to conduct an apples-to-apples comparison of the proposals, including the price proposals, submitted. Preferred Legal's price submission, which purportedly was the cheapest plan in terms of the upfront monthly cost, will in reality result in County employees potentially paying hundreds or thousands of dollars more than they would under the current prepaid legal plan for standard legal services. Of course Preferred's price was significantly lower because they flagrantly ignored the County's mandated coverage requirement in the RFP and their plan was grossly inferior and not what County asked for. They were rewarded with 20 points for this and given an unfair and winning competitive advantage. **As a result of this blatant bait and switch, Preferred Legal was automatically awarded the maximum number of evaluation points for price, which turned out to be the difference in scoring between the top and second ranked proposers.** The County handcuffed itself to a price evaluation formula that resulted in an unfair competitive advantage to the lowest proposer, which in this case submitted an artificially low price.

Also, these evaluation deviations were caused by, or compounded by, the fact that **the Evaluation Committee heard oral presentations from the proposers before the committee members were even able to review the actual proposals submitted.**

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U.S. Legal also now submits new information about multiple misrepresentations Preferred Legal made to the Evaluation Committee. The Evaluation Committee may have come to a different conclusion had it been aware of these facts. Based on this fatally flawed evaluation and new information, the Evaluation Committee must reconvene to reconsider its recommendation of ranking or the Purchasing Director should recommend this RFP be rejected and a new RFP be drafted. Also, it appears that the Evaluation Committee never received the RFP specifications. If the members did not, then the committee also must consider that new information during a reconvened meeting.

Had the Evaluation Committee properly evaluated the proposals, they would have realized that Preferred Legal's proposal does not even meet the RFP's minimum and mandatory qualifications. Had the Purchasing Division done its due diligence, it would have also determined that Preferred Legal's price proposal was artificially low by not following the stated mandatory rules, thereby giving it an unfair competitive advantage for the price evaluation. **U.S. Legal should have been deemed the top ranked proposer. In fact, it received the most points based on the merits of the RFP's plan requirements.**

If this fundamentally flawed ranking is confirmed, the ultimate victims and real losers will be Broward County's employees who participate in this plan. They will likely be required to spend significantly more money out of their own pockets for these "prepaid" legal plan benefits than they would have under the current legal plan, all because the County did not conduct a proper evaluation of these proposers and adhere to the terms of its own RFP.

II. BACKGROUND

The RFP sought a firm to provide group prepaid legal services to participating County employees. Employees pay a monthly fee and in return are supposed to be entitled to prepaid legal services. Three proposers were evaluated in response to the RFP: U.S. Legal; Hyatt Legal Plans of Florida a Metlife Company (d/b/a Hyatt Legal Plans) ("Hyatt"); and Preferred Legal. U.S. Legal is the incumbent firm and has been providing prepaid legal insurance services to Broward County for the last ten years.

The RFP contains a "Scope of Services" section. The "Background" section of the RFP states:

The current, five year agreement with U.S. Legal Service, Inc. as described in the Certificate of Coverage will expire on December 31, 2017. **The selected proposer shall, at a minimum, duplicate the current prepaid legal plan benefits.** Any enhancements must be identified in the enclosed Current Plan and Proposed Plan Design. (Emphasis added).

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In addition, under the "Project Specific Vendor Questionnaire," the minimum requirements for service are identified. Section (1) states, "Broward County will award a contract under this RFP directly to the carriers or companies that provide the requested services...". **Based on the clear and unambiguous RFP language, proposers were required to meet at a minimum the current prepaid legal plan benefits.** A copy of those two sections of the RFP is attached as Exhibit "B".

The RFP also included a form titled "Plan Design Questionnaire." Following receipt of the proposals, that questionnaire was turned into a matrix by the Purchasing Division that was provided to the evaluation committee members (the "Matrix"). A copy of the Matrix is attached hereto as Exhibit "C". The Matrix lists all of the current prepaid legal plan benefits, and a comparison of the proposals of all three proposers. **Notably, according to the Project Manager, Preferred Legal's plan met only 43% of the current legal plan benefits.** Despite that, it was allowed to compete, and was ultimately recommended, for this award based on an unfair competitive advantage in the pricing component.

The RFP also contains weighted evaluation criteria in which the proposers could be awarded up to 100 points per evaluator. Twenty points (or twenty percent of the total points) were based on price. The price was evaluated not by the evaluation committee but by the Purchasing Division, and was based on the following formula:

$$(\text{Lowest Proposed Price} \setminus \text{Proposer's Price}) \times 20 = \text{Price Score.}$$

This meant that the lowest proposer would automatically receive the maximum 20 points, and that the other proposers could receive significantly less.

The initial Evaluation Committee meeting occurred on August 10, 2017. During that meeting, which lasted more than two hours, the evaluators determined all three proposers were responsive and responsible. They also heard oral presentations from all three proposers, and, along with the Project Manager, proposed questions to the proposers. **Following this exercise and just before the final evaluation was to begin, it was revealed that the evaluators had never received the written proposals due to a technical glitch in the county's computer system.** It is also unclear if they ever received the RFP document with the mandatory coverage language.

It is unfathomable why this fact was not divulged prior to or at the beginning of the evaluation committee meeting, and **before** responsiveness and responsibility was considered and the proposers made their presentations. A motion was passed to adjourn and reconvene the evaluation committee within five business days, and after the committee members received the written proposals. As a result, however, the evaluation process was tainted because oral presentations were made before the written proposals were reviewed. Preferred Legal could have and actually did gain an unfair competitive advantage by listening to and analyzing the other proposers' presentations in preparation for the reconvened meeting.

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The reconvened Evaluation Committee met just two business days later, on August 14, 2017. Following an additional question and answer session with all three proposers after they had time to digest and analyze the competing presentations they heard several days before, committee members ranked the proposers. The rankings are as follows:

1	Preferred Legal -	264.00 points
2	U.S. Legal -	249.71 points
3	Hyatt -	215.96 points

The difference in total scores was 14.29 points. On the pricing component, Preferred Legal received an automatic 60 points from the three evaluators. U.S. Legal received a total of 35.7 points based on the formula, for a difference of 24.3 points.¹

III. OBJECTION

A. **Proposals Were Required, at a Minimum, to Duplicate the Current Prepaid Legal Plan Benefits.**

The County's RFP specifications formed the basis on which proposers were to be evaluated. This is dictated by the RFP, the Code, and well-settled procurement law. **The RFP stated in unequivocal term that the selected proposer was required, at a minimum, to duplicate the current prepaid legal plan benefits.** Preferred Legal's proposal does not meet this mandatory requirement. Therefore, it should have been deemed non-responsible.

Section 21.8(64) of the Code states that a responsible offeror is one, "who has the capability in all respects to perform fully the contract requirements, and the integrity and reliability which will assure good faith performance." Preferred Legal's proposal fails to meet that definition.

First, Preferred Legal's plan refers participating employees to a legal network of attorneys only in the state of Florida. The current plan benefits provide employee access to attorneys nationwide. That fact alone renders Preferred Legal's plan as non-responsible. That, however, is just the tip of the ice berg.

As set forth in the Matrix compiled by the Purchasing Division and provided to the Evaluation Committee members, **Preferred Legal fails to match the current plan with regard to more than half the current benefits.** For example:

¹ Preferred Legal also received 15 extra points for location because it represented its headquarters was located in Hollywood, Florida for the last two years. These points to Preferred Legal did significantly sway the scoring in favor of a proposer which was ranked far inferior on the merits of the RFP, which ultimately inures to the detriment of the County's employees. It is recommended that the County make a site visit to Preferred Legal's Hollywood offices to ensure it meets the requirements of a local vendor.

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- Regarding the preparation of Wills, Durable Power of Attorney, and simple trusts (Item # 4 in the Matrix), the current plan provides coverage for multiple hours of out-of-network attorney coverage. In stark contrast, Preferred Legal's plan does not provide any out-of-network coverage for those issues. Instead, it offers a reduced fee for an employee's use of out-of-network attorneys for those services, thereby dumping that cost directly onto Broward County's employees. Although Preferred represented during oral presentations that a simple will is covered for plan members, Preferred Legal's plan still falls well short of the current plan benefits.
- Civil Actions as Plaintiff (Matrix Item #6), the current plan provides out-of-network coverage for eight hours of attorney's fees. Yet, Preferred Legal's plan provides no out-of-network benefit. This is significant, because according to Preferred Legal, 45% of its members' claims are for civil matters.
- For Adoption legal services (Matrix Item #7), the current plan provides out-of-network coverage for thirteen hours of legal fees. Again, Preferred Legal's plan provides none.
- For Real Estate transaction legal work (Matrix Item #8), the current plan provides for five hours of out of network attorney's fees. Preferred Legal's plan provides none.
- For Guardianship issues (Matrix Item #18), the current plan provides for up to eight hours of out-of-network coverage. Preferred Legal's plan provides none.
- **Without going through each description, see also Matrix Items #s 3, 5, 9, 10, 11, 12, 13, 14, 15, 16, 17, 20, 21, 22, 23, 25, and 29.**

In addition, the RFP required the legal benefits plan coverage to match, at a minimum, other benefits. This would require the coverage of dependent children up to age 26. In contrast, Preferred's Certificate of Coverage General Provisions in Section A. 1-4 states dependents are only covered to age 23, and as long as they are unmarried. This portion of the proposal again fails to meet the RFP specifications, and the current prepaid legal benefits plan. To add insult to injury, during its oral presentation, Preferred Legal falsely represented that it covers all members in the household. The evaluators, however, had not seen its proposal before the oral presentation so they did not recognize this discrepancy.

Again, Preferred Legal's plan is deficient with regard to approximately two dozen of the stated benefits provided under the current plan. The Purchasing Division even recognized that Preferred Legal's proposal only met 43% of the required benefits. Therefore, Preferred Legal's plan does not meet the RFP requirement that a proposal must duplicate the current prepaid legal plan benefits. This glaring deficiency should have rendered Preferred Legal's proposal non-responsible, or in the alternative, should have otherwise disqualified them from consideration for these services.

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Instead, the Evaluation Committee missed, or was unaware of, this RFP requirement, and is now recommending the award to Preferred Legal. It appears that the committee members were not provided the RFP specifications. If not, they must review them, reconvene and re-evaluate the proposals based on that new information. In the alternative, the Purchasing Director should recommend rejecting all bids. Unless this mistake is corrected, it is the County's employees who will suffer and be forced to pay thousands of extra dollars for legal services that should have otherwise been covered by their plan.

B. The Pricing Evaluation was Unfair and Incorrect Because the County Did Not Conduct an Apples to Apple Comparison

Preferred Legal's insufficient and non-responsible proposal also prevented the County from conducting an apples-to-apples comparison of the proposals. Nowhere is that more evident than with regard to the pricing evaluation, where Preferred Legal was given a materially unfair advantage. **The evaluation of price became fruit of the poisonous tree and rendered the evaluation process unfair, incorrect and impermissibly tainted.**

As described above, under the County's price formula the lowest stated proposal automatically received the maximum twenty points allowed on each score sheet, or a total of 60 points. However, proposers who did not submit the lowest price would receive fewer points based on the formula. Although this specification is not deficient on its face, when applied to the facts of this evaluation, it produced a grossly inequitable result.

As described above, Preferred Legal's plan does not cover most of the legal services provided under the current plan. Instead, Preferred Legal's plan passes on significantly more out-of-network costs for those services directly to the Broward County employees. Instead of providing them with the appropriate, and required, coverage or partial coverage for those attorney services, it provides none. By saddling the plan participants with these additional significant expenses, Preferred Legal is artificially able to lower its up-front per-month plan-participant cost. While the plan appears cheaper for the participant on its face, it will potentially cost the County's employees hundreds or thousands of extra dollars for legal services when they are needed.

This is a blatant bait and switch by Preferred Legal. Unfortunately for Broward County's employees, the County took the bait and the employers became the real losers and victims in this grossly flawed process. Without conducting an apples to apples comparison of price, and failing to understand how Preferred Legal's price was kept artificially low based on reduced covered services, Preferred Legal was able to hijack this price evaluation criteria to its advantage. U.S. Legal's monthly charges for its plan are higher only because it offers far more coverage for legal services, as required by the RFP, than Preferred Legal.

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The points for the price evaluation proved to be the difference in the recommended award to Preferred Legal. It received 24.3 points more than U.S. Legal for price. In the overall evaluation, Preferred Legal received 14.29 total points more than U.S. Legal. **But for the improper price evaluation, U.S. Legal would have been the top-ranked proposer.**

C. The Evaluation Process was Unfair Due to the Committee Members Failure to Receive or Review Proposals Prior to the Initial Evaluation Meeting

The evaluation process was unfair, illusory and impermissibly tainted. According to the RFP, and specifically the "Standard Instructions for Vendors," as well as the Code, the evaluators were supposed to determine responsiveness and responsibility of the proposers. Those determinations were to be based on a review by the Evaluation Committee of the proposals received.

During the August 10, 2017 Evaluation Committee meeting, the Evaluation Committee found that all three proposers were both responsive and responsible. It was later revealed that the committee members had not yet received or reviewed the proposals submitted. **Therefore, the Evaluation Committee member had absolutely no independent basis to evaluate the proposers responsiveness or responsibility. Their determination in this regard at the August 10th meeting is baseless, illusory, arbitrary and capricious, and contrary to the RFP, the Code and Florida law.**

It is, however, the only rational way to explain how Preferred Legal's proposal could have ever been determined to be responsible. Its proposal was determined to be responsible because no one on the Evaluation Committee had actually looked at that proposal. Had the Evaluation Committee actually reviewed Preferred Legal's proposal, it could only have concluded it was non-responsible. **That the County allowed that determination to be made at the August 10th meeting is incomprehensible and calls into question the sanctity of the County's entire procurement process and oversight, and begs for this RFP to be rejected.**

In addition, the fact that the Evaluation Committee members did not receive or review the proposals before the August 10th meeting significantly hampered the evaluation process then and going forward. First, the evaluators heard the oral presentations before reviewing the actual proposals, contrary to the RFP specifications, the Code and Florida law. Second, their questions to the proposers were based only on the information provided during oral presentations, or by the matrix provided by the Purchasing Division. That is not how the express terms of the RFP contemplated the evaluation process. They were supposed to review the proposals first. Preferred Legal was the beneficiary of the procedural deviation because it was ultimately recommended for award.

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The Evaluation Committee should now be provided the opportunity to reconvene and re-evaluate the proposals for responsiveness and responsibility. Doing so will cure any procedural deviations in this regard, and must end with the conclusion that Preferred Legal's proposal is non-responsible and non-responsive.

D. Based on New and Significant Information, Preferred Legal made Material Misrepresentations to the Evaluation Committee, Which Must Now be Considered.

During its oral presentation, Preferred Legal represented that 85% of inquiries for legal services are resolved in-house, meaning that the legal services are fully covered by its in-house attorneys or staff in its Hollywood office. It told the Evaluation Committee that more often in-house "advice" it provided to a plan participant rather than a referral to an attorney out-of-network that can perform legal services. Those statements, however, directly contradict the representations made on Preferred Legal's own website, which says it actually refers a "substantial" number of members to out-of-network attorneys:

Preferred Legal Plan refers a substantial number of members to attorneys located throughout all Florida counties. Referrals are made to participating Panel Attorneys in all specialty areas of law. The Preferred Legal Plan member pays all fees associated with any representation directly to the Panel Attorney, similar to any other client. The central requirement for the Panel Attorney is adherence to the Preferred Legal Plan's Fee Schedule, which sets forth fixed fees for all of the services provided.

A copy of this portion of Preferred Legal's website is attached hereto as Exhibit "D". Based on the statements on Preferred Legal's website, a substantial number of County employees under this plan should expect to get referred to an out-of-network attorney, and pay his or her fees without any coverage under the plan. This false representation during the oral presentation induced the evaluation committee to view Preferred Legal more favorably than it should have been, and improperly resulted in its recommended award.

Further, despite statements from Preferred Legal, even its in-network legal services may not be fully covered. During the initial evaluation committee meeting, Preferred Legal represented that panel attorneys mostly charge flat fees. However, under General Provision D of Preferred Legal's Certificate of Coverage, an attorney can switch to an hourly fee schedule if the matter becomes more complicated.

In addition, Preferred Legal stated during oral presentation that it tracks expenditures of members for out of pocket costs when a member is referred to a panel attorney. However, according to Preferred Legal's Annual Report to the Florida Office of Insurance Regulation for calendar year ended December 31, 2016, no claims, or attorney's fees, have been paid out on behalf of plan members or their dependants. On Page 6, line 6, under Expenses, not a single dollar is claimed. A copy of Preferred Legal's Annual Report is attached hereto as Exhibit "E". Therefore,

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this new information should be considered by the Evaluation Committee. On multiple instances Preferred told EC members that they fully cover. This new information from DOI 10090 contradicts this as they pay no claims. Employees pay all the claims themselves!

The Annual Report reveals other new significant information. On Page 12, **it is revealed that Preferred Legal had 3,690 plans cancelled during the year ending December 31, 2016.** That is a lot of plans, and would likely be of concern to the County and to the Evaluation Committee. The Evaluation Committee should reconvene to review this new information and determine why there were so many cancellations last year. In fact, Preferred repeatedly said that members “love” their plan. This appears to contradict their assertion with the new information.

Further, new information relates to out of pocket expenses. Repeatedly, the EC asked for data and Preferred simply made bold faced assertions that we now prove are simply grossly inaccurate. By taking actual Broward County claims data for the past 5 years, we can project that Broward employees would pay approximately \$776,000 in out of pocket expenses under the Preferred Plan. See new information attached as Exhibit “A”.

Additional new information the Evaluation Committee should consider concerns potential conflicts of interest that may arise under Preferred Legal’s plan. During oral presentations it revealed that everyone living in a household of a plan member is covered by the plan, regardless of the situation. However, if there is a situation involving a divorce, it is unclear how Preferred Legal can represent, counsel, or even consult, with both spouses in a covered household without there being a conflict of interest. Even if Preferred Legal refers both spouses to two different attorneys, doing so may give one spouse an advantage over the other. The Evaluation Committee did not consider that scenario. In contrast, U.S. Legal’s plan addresses that situation by only covering the plan member spouse, not both spouses.

IV. CONCLUSION

The recommendation of award for this RFP to Preferred Legal is unfair, incorrect, and violates the basic tenants of public procurement law. Preferred Legal’s proposal is clearly non-responsible. It fails to meet the RFP’s mandatory requirement that at a minimum it **duplicate the current prepaid legal plan benefits**. In fact, Preferred’s proposed plan falls far short of that in approximately two dozen ways, and with regard to more than 50% of the RFP requirements.

Preferred Legal’s proposal was deemed responsible and responsive only because the Evaluation Committee had not even reviewed the proposal before making that illusory and arbitrary determination. Doing so violates the RFP, the Code, Florida law and common sense notions of a fair and equitable procurement process.

Further, the evaluation of the pricing component was merely fruit of the poisonous tree. Preferred Legal’s price could not be compared on a apples to apples basis with U.S. Legal’s, because of the two only U.S. Legal’s plan met the minimum requirements of this RFP.

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Preferred Legal's proposal should be eliminated, and U.S. Legal should be the top ranked proposer for this RFP. U.S. Legal's plan meets all of the stated criteria of this RFP. But for the improper pricing evaluation, U.S. Legal received the most points based on the merits of the RFP. Its proposal and experience with the County and other governmental agencies make it the best qualified to provide these services.

If the County does not believe the foregoing renders this evaluation unfair and improper, it should reconvene the Evaluation Committee to consider the significant new information attached hereto and described above, pursuant to Section 21.84(f) of the Code. In the alternative, you should recommend the rejection of all proposals because of the issues set forth above and conduct a new procurement clearly focused on the responsibility and responsiveness requirement that the plan shall duplicate the current prepaid legal plan benefits.


Respectfully Submitted,



Mark J. Stempler, Esq.
For the Firm

Ms. Brenda J. Billingsley
Director of Purchasing Division
August 18, 2017

All statements made in support of this submission are accurate, true and correct. U.S. Legal Services, Inc. acknowledges that the determination of an accurate, and truthful or incorrect statements in support of this submission may serve as a basis for debarment of the vendor regardless of whether this submission is directly provided by U.S. Legal or a representative on behalf of U.S. Legal.



John R. Forbes, II
U.S. Legal Services, Inc.

cc: Lisa Morrison
Glen Miller, Esq.
Daphne Jones, Esq.
Andrew Meyers, Esq.
Glenn Marcos
Bernie Friedman, Esq.
Client

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September 6, 2017

Ms. Brenda J. Billingsley, Director
Broward County Purchasing Division
Broward County Governmental Center
115 South Andrews Avenue, Room 212
Fort Lauderdale, FL 33301

Re: RFP No. R2114349P1, Group Prepaid Legal Services; Response of The Legal Plan, Inc. (d/b/a Preferred Legal Plan) to the Objection Letter filed by U.S. Legal Services, Inc.

Dear Ms. Billingsley:

Our firm represents The Legal Plan, Inc. d/b/a Preferred Legal Plan ("Preferred Legal") with regard to RFP No. R2114349P1, Group Prepaid Legal Insurance Service ("RFP"). Preferred Legal is the top-ranked firm in the RFP process. This letter is written in response to the Three-Day Objection Letter submitted by U.S. Legal Services, Inc. (referred to herein as "Objector").

Introduction

The original RFP was issued by Broward County on May 30, 2017. Preferred Legal was among several firms who responded to the RFP and customarily compete in the prepaid legal services arena in the State of Florida.

A combined Initial and Final Evaluation Committee ("EC") meeting was properly convened on August 10, 2017 where the three (3) firms still in the RFP process were deemed responsible and responsive by the unanimous vote of the three (3) person EC. Each of the firms made presentations to the EC followed by extensive questions and answers ("Q & A") from the EC members.

No final scoring was done at the August 10th EC meeting. At the request of the EC, the August 10th EC meeting was recessed until August 14, 2017 to provide added time for EC members "to review the Vendors Submittals, Vendor Questionnaire Matrix, Vendor Evaluation Criteria Response Matrix, Performance Guarantee Matrix, Plan Design Matrix, and the Specific Verification Matrix (County Minutes of Meeting)." The August 14 EC Minutes reflect that, "After review of the submittals and the various matrices prepared by Staff, the Committee completed scoring of the firms."

The Scoring Sheet of the EC reflects that each of the three (3) members of the EC ranked Preferred Legal first, Objector second and Hyatt Legal Plans third. The total scores are: Preferred Legal: 264; Objector (U.S. Legal): 249.71; Hyatt Legal Plan: 215.96.



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Objector's letter seeks to raise three issues under Sec. 21.84 (f) of the Broward County Procurement Code ("Code"). Preferred Legal's response will address the issues in the same order as presented by Objector.

At the outset, we note that Objector's 3-Day Letter fails to acknowledge the extremely thorough work done by staff in this RFP process. The issues raised by Objector were, in fact, raised through the presentations and Q & A between EC members and the proposers.

The three (3) evaluated firms are all acknowledged responsible providers of prepaid legal services who customarily compete against each other in the Florida marketplace where each of their plan models are wellknown to these competitors and the Groups to whom they provide services. Historically, this competition is conducted in a business-like and professional way. Thus, we are dismayed at Objector counsel's use of pejorative and bombastic language in an unprofessional effort to compensate for the weakness of Objector's points. The use of terms like "tainted, misleading, illusory, bait and switch and misrepresentations" appears to be a futile substitute for the substance demanded by a letter under Sec. 21.84 (f) of the Code.

Objector's 3-Day Letter argumentatively questions application of certain scoring provisions of the RFP including the allocation of points for "Price." Objector has waived its right to challenge the contents of the RFP. Sec. 21.118 (a) (1) requires that protests as to "solicitation specifications or requirements must be made and received by the County within seven (7) business days from the posting of the solicitation or addendum on the Purchasing Division's website. Failure to timely protest bid specifications or requirements is a waiver of the ability to protest the specifications or requirements." Objector did not timely file a protest on the "price" aspect of the RFP specifications.

A. Objector Complains That Preferred Legal Is Not a Responsible Proposer Because Preferred Legal's Proposal Did Not Meet the RFP Specifications That the Selected Proposer "Duplicate the Current Prepaid Legal Plan Benefits."

Preferred Legal's Response:

The RFP section (Pp 6-7) entitled "SCOPE OF SERVICES: Group Prepaid Legal Insurance Services" states as follows:

Services:

Proposers must be capable of providing the services listed in the enclosed Group Legal Insurance Benefits Project Specific Vendor Questionnaire and are asked to specify their ability to provide these services. If Proposer cannot provide any of these services, the Proposer must indicate in their response.

U.S. LEGAL RESPONSE: Preferred Legal does not provide coverage for specified services.

Thus, the RFP's detail focuses on specific kinds of services, i.e., benefits available to covered Broward employees and their families. Clearly, the intent of the County was not that each submittal would be identical. Neither the plan model nor how a particular proposer would provide the services requested were mandated in the RFP, but instead left to the individual plan design.

U.S. LEGAL RESPONSE: The RFP requires that proposers must at a minimum provide current plan specifications. The RFP's "Scope of Services" section states, "The current, five year agreement with U.S. Legal Service, Inc. as described in the Certificate of Coverage will expire on December 31, 2017. The selected proposer shall, at a minimum, duplicate the current prepaid legal plan benefits. Any

enhancements must be identified in the enclosed Current Plan and Proposed Plan Design. (Emphasis added)."

The RFP also requested that, "any enhancements be identified in the enclosed Current Plan and Proposed Plan Design" (p. 6), thus emphasizing that the County was open to different model designs and enhanced services.

Preferred Legal offers a superior plan design with its unique structure that combines the professional services of a law firm with a prepaid legal insurance program.

U.S. LEGAL RESPONSE: This claim is false since Preferred Legal does not insure nor indemnify any member.

Attorney Owned and Operated Home Office

The EC understood from Preferred Legal's submittal, its presentation and extensive discussion the unique nature of the Preferred Legal plan vs. Objector's insurance Plan.

Preferred Legal, in fact, provides a more comprehensive plan, with more coverages than the current prepaid legal plan benefits and also provides a significantly easier interface for employees to utilize the services as well as faster responsiveness and turnaround of employees' issues. Further, the EC considered and reviewed this point at length during the initial August 10th meeting and again during extensive question and answer session at the August 14th meeting before proceeding to scoring.

As **the only attorney-owned and operated prepaid legal insurance plan in Florida**, Preferred Legal's service to its member clients is always the highest priority. Through the unique "home office" structure, Preferred Legal is able to insure excellent customer service for all County employees. Whenever an Employee needs assistance, the first point of contact is always Preferred Legal's Broward County-based home office (located in Hollywood), where the Employee speaks directly with an attorney to begin the process of dealing with their particular legal situation.

At the home office, each Employee has a personalized hard file and computerized record in the home office database, which includes all personal information on the Employee as well as a complete history of prior issues, questions and contacts made with Preferred Legal. The Employee is typically able to speak with an attorney immediately upon calling into the home office, or if the attorney is unavailable, the Employee will receive a call back by the end of the same business day.

U.S. LEGAL RESPONSE: This is not a distinction, since U.S. Legal also keeps a complete customer file.

Conversely, with the Objector's plan, the employee is required to obtain an authorization code from the Objector office, contact the independent network attorney's office, provide the code, leave a message and wait 24 hours for a return phone call. Since Employees are dealing directly with Preferred Legal itself and the Preferred Legal in-house Attorneys when they need assistance (instead of initiating service with an outside, independent attorney for any and all issues under the program), Employees receive a higher level and more personalized level of customer service with Preferred Legal.

U.S. LEGAL RESPONSE: This is a false allegation. The employee does not handle claims. Attorneys file claims directly with U.S. Legal and the member never deals with the claims process nor does the county. Once a Plan Member calls into Customer Service, the CSR will obtain general information regarding the Plan Member's legal matter in order to assist the member in obtaining the services of the

appropriate attorney. Once a Network Attorney is chosen, the member will be provided with the Network Attorney's name and phone number on this initial phone call.

All Services Unlimited Without Limitation or Exclusion

Additionally, all services administered by the Preferred Legal's "home office" and in-house attorneys are always free and unlimited, including advice, document review and letters and phone calls to resolve disputes. Employees are also able to meet in person with in-house attorneys at the Broward Countybased home office on an unlimited basis. Preferred Legal also provides more coverages without limitations or exclusions, including all family law matters (1st most popular use of service), credit repair (2nd most popular use of service), identity theft protection, all landlord tenant matters, all real estate matters, all IRS matters, all bankruptcy matters, all planning for elderly parents, and all HOA/Condo association matters.

U.S. LEGAL RESPONSE: You must read what Preferred Legal indicates as covered matters: advice, phone calls, letters and document review. This is not any form of real coverage, just consultative. Importantly, this does not include actual representation of its members.

Preferred Legal is able to help Employees with all pre-existing issues and situations they might be facing and does not restrict Employee usage with limitations or exclusions. Divorce and family law related issues are by far the most heavily used aspect of any legal plan. In many cases, these issues relate to pre-existing situations and must be dealt with immediately. Preferred Legal covers all such situations with no waiting period for usage, and no limit on the amount of "covered" hours applicable to such representations.

U.S. LEGAL RESPONSE: When discussing pre-existing conditions Preferred Legal is referring to consultation and advice only, NOT actual attorney representation. U.S. Legal's plan provides unlimited advice and consultation for any legal matter, and covers a significant portion of fees incurred through actual attorney representation.

Coverage Extended to Entire Household

Additionally, Preferred Legal's unique family coverage extends protection to an Employee's spouse or domestic partner, minor children as well as his or her entire household. Preferred Legal will also cover all dependents up to age 26. This means that ANYONE living at home with the Employee (i.e. significant other, parent, sibling, older child, etc.) is covered and is entitled to the same uses of the plan, without restriction or limitation.

Representation in Court

Preferred Legal's approach in dealing with formal attorney representation for Employees is highly effective. When an Employee is facing a problem or issue that may require appearance in court, the Employee has the best of both worlds options available. The Employee can deal directly with Preferred Legal's home office and in-house attorneys to guide them through the entire legal process and assist with all forms, filings, reviews, and advice on appearing in court. This is included in coverage.

U.S. LEGAL RESPONSE: Again, this does not include actual attorney representation.

Preferred Legal maintains an extensive panel of qualified attorneys – over 100 – in Broward County and over 300 in the tri-county area. This panel includes a number of attorneys fluent in Spanish and Creole.

U.S. LEGAL RESPONSE: U.S. Legal's network is far superior by providing access to attorneys across the country, not just the state or the tri-county area, and offers multi-lingual options as well.

Thus, if needed, Preferred Legal can refer the Employee to a Panel Attorney, located near the Employee's home or office and who is a specialist in the applicable area of law, for discounted legal representation. Employees are always given 3-4 different Panel Attorneys to choose from and are always entitled to a free initial face-to-face consultation with each. Preferred Legal uses a comprehensive, detailed Fee Schedule to coordinate the pre-determined discounted fees for formal representation by a panel attorney. This gives an Employee absolute certainty in knowing and understanding what would be required to undertake a particular representation. Most discounted fees are set at a "flat" fee, which means one price for the entire representation from A to Z. Hourly fee arrangements are discounted to \$125 per hour. Employees know a precise rate under Preferred Legal in deciding whether to undertake a representation.

Most importantly, the need for an Employee to formally retain a Panel Attorney is not a regular occurrence. **On average, 85% of member client calls to Preferred Legal are for a FREE service covered under the membership** through our home office attorney representations.

U.S. LEGAL RESPONSE: Preferred Legal's proposal states there are no claims paid, so all phone calls would be for advice and consultation only.

Thus, the Objector's argument regarding not duplicating the current prepaid legal plan benefits is invalid, since Preferred Legal provides more extended coverages without limitations or exclusions and does NOT shift significant costs to Broward County's employees.

U.S. LEGAL RESPONSE: This is simply false. Outside of advice phone calls and letters, the employee pays the actual retained attorney 100% of his or her fees.

No Claims Processing

Also, there is absolutely no claims processing involved under Preferred Legal. Unlike the Objector's plan, where the network attorney must file an insurance claim for the Employee to receive benefits, with Preferred Legal no Employee nor panel attorney is required to file any type of claim for representation. Thus, Preferred Legal's member clients never receive any type of "balance bill" for service and Preferred Legal itself is not bogged down with reviewing claims, leaving more time to focus on monitoring past referrals made and providing ongoing future service to Employees.

U.S. LEGAL RESPONSE: There is no claims processing because the County employees must pay the outside attorney directly. The Preferred Legal plan does not pay for any outside attorney's fees. The member pays 100% of it, so the member will have a bill for services rendered.

It should also be noted that in the County draft Agreement attached to the RFP, Exhibit A to the Agreement labeled Certificate of Coverage relates to a certification of the services to be provided. That Exhibit A expressly states: "[To be determined; subject to negotiations]." This is a reflection that there may be different plan designs, structures and enhancements that will be incorporated into the Agreement after negotiations. The County reserves the right during negotiations to add other services. Our experience is that Preferred Legal's plan design is geared to address employee needs for specific services.

The crux of Objector's claim that Preferred Legal is not a "responsible offeror" is that Preferred Legal "fails to match the current plan" with regard to specific benefits/services. This claim is baseless and demonstrates the Objector's lack of understanding of the plan design submitted by Preferred Legal.

U.S. LEGAL RESPONSE: U.S. Legal understands clearly that the exact nature of Preferred Legal's plan design and its lack of substantive coverage for the County employees, which gave it an unfair competitive advantage in the evaluation process.

As described above, Preferred Legal's home office approach with its in-house local attorneys and staff provides them with a unique ability to handle more than 85% of all matters without referral to the outside panel of attorneys. This approach was described in depth in the matrix with Preferred Legal's submittal as well as in the staff-prepared matrix, all of which was provided to EC members. In addition, this issue was thoroughly discussed during the presentation and Q & A at the EC meeting on August 10th and as continued on August 14th.

U.S. LEGAL RESPONSE: Again the 85% claim is for advice and consultation only.

In the next point of Objection relating to price, Objector attempts to convert its first objection regarding plan services into an attack on pricing. In our response, we compare and contrast the two plans relative to specific kinds of services referenced by Objector.

U.S. LEGAL RESPONSE: Preferred Legal's price is based on the fact they do not pay claims. If the County truly wants a referral plan, USL could deliver the same plan design that PLP is offering for \$5.00 per member. But, that is not what the RFP required or sought.

B. Objector's Second Point of Attack Relates to Preferred Legal Plan's Pricing. Objector Claims That the Pricing Evaluation Was Unfair and Incorrect Because the County Did Not Conduct an Apples to Apples Comparison.

Preferred Legal's Response:

Preferred Legal has maintained the lowest premium price in the industry since its existence in 1998 and is proud to be the lowest priced plan in this RFP at \$9.95 per month. Moreover, given the overall low average usage of legal plans, combined with the significant amount of time that member clients' issues are resolved through free and unlimited services, Preferred Legal allows Employees to keep more of their hard earned paycheck each pay period. In fact, **Preferred Legal will save County Employees \$122,070 per year and \$366,210 over the 3 year initial contract period (\$7.73 - \$4.60 x 26 pay periods x 1,500 covered employees x 3 years).**

Thus, Preferred Legal's 20 points earned on the RFP for being the lowest priced plan (by far – over 40% less expensive than the Objector's plan) are well earned and are not any "fruit of a poisonous tree". Further, the Objector's concocted Exhibit "A" purporting to show that Broward employees would spend \$776,000 is preposterous, baseless and without any basis of fact or merit. The same goes for their argument that 96% of Broward employees would have to pay out of pocket attorney fees. Again, **85% of Employees' issues under Preferred Legal would be resolved in-house as a free and included service under the plan.**

We specifically question the legal propriety of Objector submitting a concocted "chart" as constituting "new information" within the permissible definition of that term in Sec. 21.84 (f) of the Broward County Procurement Code. The "chart" is Objector's made-up effort to provide an incomplete and biased second bite at the apple. We respectfully request that the County strike Objector's "chart" from consideration.

U.S. LEGAL RESPONSE: If Preferred Legal's plan was in effect for Broward County for the last five years, U.S. Legal's chart represents the out of the pocket costs that County employees would have

incurred based on Preferred Legal's network cost of \$125/ per hour for legal services and based on U.S. Legal's claims experience with Broward County.

Preferred Legal's principals, Mr. Jason Rudolph, Esq. and Mr. Brian Samuels, Esq. have been operating Preferred Legal's home office and administering this successful business for almost 20 years. Being on the front lines and “in the trenches” dealing with member client’s issues all these years, Mr. Rudolph and Mr. Samuels have seen firsthand the types of problems that Employees need assistance with. Typically, an Employee’s issue does not rise to the level of needing to go to court. Most of the time, the Employee needs advice, documents reviewed, phone calls and correspondences to third parties or guidance in some fashion. Preferred Legal in-house attorneys handle these matters on a free and unlimited basis under the plan with prompt turn-around and with maximum effectiveness. **Preferred Legal runs its “home office” like a law office creating a huge benefit to its member clients, especially for the County Employees who can also visit the local home office in person anytime.**

The Objector's Plan Limitations and Exclusions

It is actually the Objector’s plan which could conceivably shift more cost to the Employees, since their assertion that they “cover in full” many services is misleading.

U.S. LEGAL RESPONSE: This argument is counterintuitive. Payment to the attorney vs. a member paying the attorney does not shift cost to the member. When U.S. Legal asserts “covered in full,” this means that 100% of that attorney fee is paid by U.S. Legal.

For example, family law issues are far and away the most popular use of legal plans, but the Objector only “covers” up to 20 hours maximum (only up to 15 hours in some cases). Most divorce cases would take more than 20 hours to complete representation. Additionally, family law matters present ongoing issues that continue to rear their head post-divorce and as time goes on. After the 20 hour limit is extinguished, Employees would pay out of pocket for additional services with the Objector. Preferred Legal has no limitations on hours. Member clients’ uncontested divorces are easily handled by the inhouse attorneys as a free and included service. Likewise, most ongoing issues post-divorce are easily resolved in an identical fashion. Member clients dealing with a contested divorce have the option of working with the in-house attorneys at no cost on an unlimited and included basis or obtaining discounted representation with a Panel Attorney.

More examples of the Objector’s misleading assertion that services are “covered in full” by Objector include examples in Objector's plan design:

- **Landlord/Tenant law**, BUT only if the Employee is the tenant and listed as a defendant in a legal dispute (i.e. eviction defense). (Section II, Paragraph J of Objector’s Certificate of Insurance) *U.S. LEGAL RESPONSE: This is a red herring in the fact that landlord law would not be considered a personal legal issue.*

This is not the typical issue that arises under landlord/tenant law. Preferred Legal provides full included coverage for the most common issues here – return of security deposit, landlord not making timely repairs, landlord facing foreclosure, landlord unreasonably entering premises. Additionally, Preferred Legal provides full included coverage for the Employee as the landlord.

- **Real Estate Transactions**, BUT only for the sale or purchase of the Employee’s family dwelling. (Section II, Paragraph H of Objector’s Certificate of Insurance) *U.S. LEGAL RESPONSE: This is another*

red herring. U.S. Legal represents our members for purchase and sale of their residence as well as mortgage re-negotiations and foreclosure defense.

Preferred Legal provides full included coverage for more common real estate issues – refinancing, mortgage paperwork, title work, title changes, adding/removing someone from deed, loan modifications, foreclosure defense, liens.

- **IRS Matters**, BUT only to provide payment to an accountant when the Employee is required to appear for an audit at an IRS office. (Section II, Paragraph Z of Objector’s Certificate of Insurance).

U.S. LEGAL RESPONSE: This is a monetary benefit if an accountant is needed. Legal representation is covered under administrative law.

IRS issues are a very popular usage of legal plans, but very rarely is the individual being called in for an audit into the IRS office. Preferred Legal provides full included coverage with attorneys for the most common IRS issues – including responding to a deficiency notice, blocking garnishments, unfreezing attached accounts, removing liens, resolving IRS identity theft, arranging payment plans, preparation of past due returns and/or amended returns, settling outstanding IRS debts. The Objector does not provide any coverage for these more typical “real world” problems.

	FY 2013	FY 2014	FY 2015	FY 2016
Total Returns Filed Prior CY	145,819,388	145,236,429	146,861,217	147,964,324
Total Audits Conducted	1,404,931	1,242,479	1,228,117	1,034,955
Percentage Audited	0.96%	0.85%	0.84%	0.7%

- **Bankruptcy**, BUT only for Chapter 7 filings. (Section II, Paragraph Z of Objector’s Certificate of Insurance). U.S. LEGAL RESPONSE: U.S. Legal pays attorney fees for Bankruptcy. Preferred Legal does not.

If an Employee earns too much income or doesn’t otherwise meet the legal standards for Chapter 7, they must file a Chapter 13. Preferred Legal provides coverage for all Bankruptcy matters, including 7s and 13s.

- **Elder Law coverages**, BUT only for consultation on estate planning documents and financial planning. (Endorsement E7 of Objector’s Certificate of Insurance). U.S. LEGAL RESPONSE: This is misleading because Preferred Legal does not represent anyone. Elder representation is provided only if the insured is in fact the guardian or caregiver.

Preferred Legal provides coverage for the most common issues concerning an Employee’s elderly parents – planning for Medicaid, dealing with unscrupulous loved ones who may be taking advantage of the elderly parent, actual preparation of estate planning documents. U.S. LEGAL RESPONSE: U.S. Legal provides this coverage as well.

There are more examples, but these present some of the more popular uses of legal plans.

Traditional “Insurance” Plan vs. Home Office Law Firm Structure

As demonstrated above, the Objector’s structure and plan administration is that of a traditional “insurance” company – certain things are “covered” but with many restrictions, limitations and exclusions. Attorneys

need to file “claims” directly with the Objector to be paid and may balance bill member clients for services that are deemed to be “not covered.” **U.S. LEGAL RESPONSE: This again is a false statement since there is only one area where the member could possibly be charged an additional fee for any of the covered issues.**

Preferred Legal is fully licensed, bonded and regulated by the Florida Department of Insurance, but does not operate like a traditional insurance company, since all services administered through the attorneyowned and operated home office are always free and unlimited. Coverages are without restriction, limitation or exclusion and there is no “claims” processing of any kind. **U.S. LEGAL RESPONSE: Preferred Legal has no claims processing because they only provide advice and consultative services so there are no claims to be paid. Its members must retain an attorney and pay him/her directly**

Preferred Legal Has Replaced the Objector’s Plan at Other Client Groups

Preferred Legal has been competing with the Objector and a handful of other firms every year for business in the prepaid legal plan industry. There are not many firms licensed to do such business in Florida. This is not Preferred Legal’s first time competing with Objector or vice versa. **The Objector has no right to call into question the impeccable character and credibility that Preferred Legal has demonstrated over their almost 20 year track record of business in South Florida**, including longterm working relationships with a number of governmental entities.

Preferred Legal has a respected track record and has replaced Objector in many client groups over the years, including the City of Miami Beach, UF Health/Shands Jacksonville and University of Florida Jacksonville Physicians, Inc. Preferred Legal is very proud of its client reference list, which includes many extensive, 10-plus year relationships with client groups. See Preferred Legal’s current client reference list attached as Exhibit A.

U.S. LEGAL RESPONSE: This is the first time Preferred Legal and U.S. Legal have competed in a bid or proposal process. U.S. Legal still has business with UF SHANDS and the City of Miami Beach.

C. Objector's Third Claim is That the Evaluation Process Was Unfair Due to the Committee Members' failure to Receive or Review Proposals Prior to the Initial Evaluation Meeting

Preferred Legal's Response:

Objector's claim is simply not supported by fact. Evaluation Committee members were well prepared and had all pertinent materials and had engaged in extensive discussion prior to the final EC vote to rank.

Objector has alleged a procedural error by the EC claiming that the EC made findings of Responsibility even though it appears the Evaluation Committee had not yet "received the proposals submitted" by the proposers.

It is puzzling that Objector assumed that EC members had not reviewed the submittals prior to the August 10, 2017 initial meeting of the EC. The submittals had been posted to the document repository of the Purchasing Division's website shortly after their submittal. Moreover, each EC member has a set of the proposals provided to them presumably either in hard copy or, if preferred, electronically well in advance of the first meeting of the EC. Members of the EC also receive copies of all Staff Matrices in advance of the initial EC meeting. It is expected that members of the EC review all of these materials prior to the initial meeting of the EC.

U.S. LEGAL RESPONSE: It should be uncontested that the repository was closed. That was the exact reason why the EC meeting was cut short and continued to August 14th.

At the time of the August 10, 2017 initial meeting of the EC, the Purchasing Division's website was "down" and this point was mentioned by staff at the August 10, 2017 EC meeting. The EC discussion had, among other things, focused on the structure and breadth of Preferred Legal's plan and Preferred Legal addressed those issues in response to EC questions. The recess of the August 10th EC meeting gave EC members additional time to further review all aspects of the RFP and the submittals prior to the final vote on August 14, 2017 - as all of this is documented in the Minutes of the EC meeting.

D. Objector's Fourth Claim is That Based on New and Significant Information Preferred Legal Made Material Misrepresentations to the Evaluation Committee Which Must Now Be Reconsidered.

Preferred Legal's Response:

Mr. Samuels, Esq. and Mr. Rudolph, Esq. represented Preferred Legal at both meetings before the Evaluation Committee, where they delivered a comprehensive presentation with handouts and engaged in a significant amount of question and answer with the Committee members and Purchasing Division members. They explained the aspects of Preferred Legal the same way they have been expressed above, answered pertinent questions and laid out the clear differences with the other plans. Based on the questions and statements from the Committee members at both meetings, it was abundantly clear that they understood all aspects of Preferred Legal and the uniqueness of its plan in the industry.

U.S. LEGAL RESPONSE: The EC questioned why member individuals would pay all of the attorney fees.

No "New" Information

The Objector's contention that they have "new information about multiple misrepresentations" made by Preferred Legal is simply not supported by the facts and appears to be nothing more than an attempt to mislead the Committee and/or the Purchasing Director into reconvening the EC. Every issue raised in this section by Objector are points that Objector could have raised in their presentation, but did not do so because the points are without merit.

Objector quotes language from Preferred Legal's website. The particular language is part of Preferred Legal's effort to recruit added attorneys to its outside panel. It does not in any way contravene the fact that over 85% of all employee matters are resolved in-house without referral to panel attorneys.

The Objector's cherry-picked information from Preferred Legal's website and the corresponding argument is misleading and not supported. The text is from the Panel Attorney's section of Preferred Legal's website intended to attract Panel Attorneys to join the network. Preferred Legal uses recruitment tools like this to constantly augment the existing panel and expand the number of attorneys available. The Objector is misconstruing this information in a desperate effort to confuse the EC and/or Purchasing Director.

Preferred Legal's statement that 85% of member client issues are resolved in-house as a free service is accurate and based on decades of tracking every single call coming in to the Plan.

Preferred Legal Does NOT Have Any Claims Processing

The Objector's review of Preferred Legal's annual report to see that no claims or attorney's fees have been paid out is accurate, since there is absolutely no claims processing involved under Preferred Legal's plan design (as previously explained above). The "fully covered" matters are handled by Preferred Legal in-house attorneys. Again, the Objector demonstrates a failure to understand the unique structure of coverage and service that Preferred Legal provides. ***U.S. LEGAL RESPONSE: It should be noted again that the implication is that Preferred Legal actually covers an issue when, in reality, it only provides advice and consultative coverage. By their own claims during the August 10th EC meeting, their so called in-House attorney's provide the member with self-help because that's what Preferred Legal says the member is really looking for, not representation.***

Changes in Plan Memberships During the Year

The number of individual client member plans (employees) terminated or cancelled during the year 2016 pertains to turnover of employees (terminations, leaves of absence, etc.) across all 200+ client groups that Preferred Legal serviced throughout the year. This number represents a typical average in the industry in terms of employee turnover. The Objector fails to point out that Preferred Legal gained significantly more covered employees than it lost from those same client groups during the year (new hires, additions, rehires, etc.), which is an indication of the positive word of mouth generated by Preferred Legal across all employee environments.

Preferred Legal's biggest measure of success over all these years has always been the retention rate of its membership. Through its service track record, constant availability and consistent responsiveness, Preferred Legal has always had a net increase in Employee participation at annual re-enrollments across all client groups. As the public record reflects through a review of Preferred Legal's Insurance Report filings over the years, EVERY YEAR Preferred Legal has increased its membership since its existence. The Objector's speculative opinion here is not based on any insight or analysis and amounts to a meritless claim in another attempt to mislead the EC and/or the Purchasing Director.

Preferred Legal maintains relationships with over 200+ client groups and services a membership of over 25,000 covered client members throughout the State of Florida.

Preferred Legal Meets the Minimum and Mandatory Qualifications

Preferred Legal's proposal more than meets the minimum and mandatory qualifications of the RFP and Preferred Legal submitted a proper pricing proposal. County employees will enjoy the extended coverages, more personalized service, quicker turnaround times and locally based home office that Preferred Legal provides, all the while saving more money in their paychecks.

Preferred Legal is a Certified Local Vendor

Objector calls into question Preferred Legal's certification as a local vendor. Preferred Legal purchased a property and relocated its home office headquarters from Miami to Hollywood in 2014. Objector's desperate claims are baseless. Preferred Legal, a licensed and regulated insurance company in Florida since 1998, is currently headquartered in the City of Hollywood, Broward County, at 2535 N. 40th Avenue. Jason S. Rudolph, Esq. and Brian J. Samuels, Esq., the owners of Preferred Legal, grew up in Broward County and continue to reside there. They are now raising their own families in Broward County, and are proud to have grown this highly successful local business.

Conflicts of Interest

Preferred Legal takes all conflicts of interest very seriously. Regarding the scenario illustrated by the Objector, Preferred Legal only covers the plan member spouse (same coverage as the Objector). The Objector must not have clearly understood this point. Further, since every call for service initiates to Preferred Legal itself, Preferred Legal guarantees that any conflicts of interest will be resolved immediately and handled properly and accordingly.

Conclusion

In conclusion, the Objector's unprofessional efforts to discredit Preferred Legal, calling into question repeatedly the integrity and reputation of Preferred Legal, and making misleading claims and statements should be rejected on their face. The Objector's apparent intense review of Preferred Legal's website, report filings and related information only after the recommendation of rankings demonstrates their desperation to do anything they can to discredit the RFP process and diligent review and evaluation undertaken by the County staff and the Evaluation Committee. Preferred Legal fully and fairly responded to the RFP and met all required aspects of the RFP. Preferred Legal provided a comprehensive presentation to the EC and thoroughly answered all relevant questions and were properly awarded the most points by the EC. The Evaluation Committee's efforts and final decision as well as the efforts of all parties involved with this extensive RFP process should be respected. Objector's 3-day letter should be rejected.

Respectfully Submitted,



George I. Platt

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