

REQUEST FOR PROPOSALS  
FOR  
DEBT COLLECTION SERVICES  
FOR  
THE  
PUBLIC EDUCATION EMPLOYEES' HEALTH  
INSURANCE PLAN  
FOR  
5 Year Contract Period  
BEGINNING  
September 1, 2026  
  
RFP 26000000005  
Issue Date: March 31, 2026

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## SECTION I

### General Information for the Proposer

#### A. Purpose:

This Request for Proposals (RFP) solicits proposals for Debt Collection Services for a contract period of five (5) years for the Public Education Employees' Health Insurance Plan (PEEHIP) of Alabama. These services will maximize collections of delinquent accounts, thereby enhancing PEEHIP's revenues, using the most cost-effective methods and the highest professional standards. With respect to this collections work, PEEHIP seeks a contingency fee arrangement only.

#### B. Background:

The PEEHIP provides hospital medical health insurance benefits for all full-time employees and certain part-time employees of the Alabama public educational institutions, which provide instruction at any combination of grades K-14. These insurance benefits are also available to retired employees with a portion of the retiree's cost paid through the employer premium for active employees. Coverage is also offered to eligible dependents.

Members have the following choices for health insurance coverage as follows:

- Hospital medical administered by Blue Cross and Blue Shield of Alabama – Actives and Non-Medicare eligible retirees and eligible dependents.
- Prescription Drug coverage administered by Express Scripts – Actives and Non-Medicare eligible retirees and eligible dependents.
- Health Maintenance Organization – Viva – Actives and Non-Medicare eligible retirees.
- Medicare Advantage Prescription Drug Plan (MAPDP) – Humana – Medicare eligible retirees and Medicare eligible dependents of retirees.
- Optional Coverage administered by Southland Benefit Solutions, LLC, – consisting of Dental, Hospital Indemnity, Vision, and Cancer.
- Supplemental Hospital Medical administered by Blue Cross and Blue Shield of Alabama—supplemental coverage for Actives and Non-Medicare eligible retirees.

Members electing one of the hospital medical plans must pay a small amount each month for single coverage plus an additional amount if the member elects family coverage. Additionally, members may select the optional coverage plans or supplemental plan in lieu of the hospital medical coverage. Members electing hospital medical coverage may also elect to pay an additional amount to acquire one or more of the optional plans.

#### C. Description of PEEHIP's Management:

Administrative responsibility for the PEEHIP, its benefit plans, and its funds is with the Retirement Systems of Alabama (RSA) administrative staff. The Chief Executive Officer (CEO) of the Teachers' Retirement System (TRS) also serves as CEO for the PEEHIP. All matters relating to the PEEHIP have been assigned to staff who serve under the direction of the Deputy Director for Administration. Currently, Carr, Riggs & Ingram, LLC, performs the annual audit of the financial statements of the PEEHIP. CavMac Consulting, LLC, prepares the annual OPEB valuation and GASB 74 and 75 reports.

D. Operations:

The Accounting Division of the RSA is responsible for budgeting projected claims and working with the insurance consultant to estimate premium rates necessary to fund the claims and maintain adequate reserves for unreported and unpaid claims.

The PEEHIP Division maintains insurance records for the approximately 360,000 active and retired members and eligible dependents via Member Online Services. All changes are reported to the third-party administrators via electronic file transfer.

Currently there are approximately 162,000 hospital medical contracts with 321,000 covered lives. As of March 24, 2026, PEEHIP had 1,449 delinquent accounts in “collections” status for a combined total of \$1,622,107.75(see aging table below)

Less than 30 days	\$0
30 – 60 days	\$8,378.22
60 – 90 days	\$22,710.58
More than 90 days	\$1,591,018.95

E. Funding:

Employer paid health insurance premiums, member payments for family coverage, and additional selected optional coverage are submitted to the PEEHIP each month from the employer school systems for active employees and the retirement payroll process for retirees. There are approximately 200 local employer systems participating in PEEHIP.

F. Other Information:

Additional terms and conditions applicable to, and hereby incorporated within, this RFP and all proposals submitted in response to this RFP are located at <https://www.rsa-al.gov/about-rsa/itb-rfp/> and titled:

- RSA Reservation of Rights and Requirements for ITBs and RFPs
- RSA Standard Terms and Conditions for Solicitations and Contracts
- RSA Procedure for Resolution of Controversies

By submitting a proposal, all proposers are deemed to have agreed to all terms and conditions included within the above documents unless a proposer provides RSA with a document clearly stating its exceptions to any term or condition, along with a detailed justification therefore.

Other documents that are considered as part of this RFP may be located via the internet as follows:

RSA’s website – [www.rsa-al.gov](http://www.rsa-al.gov)

PEEHIP information on RSA’s website – [www.rsa-al.gov/index.php/members/peehip/](http://www.rsa-al.gov/index.php/members/peehip/)

Alabama Secretary of State’s website – [www.sos.alabama.gov](http://www.sos.alabama.gov)

PEEHIP Law – *Code of Alabama 1975, Title 16, Chapter 25A, Article 2*

Flexible Benefits Plan Law – *Code of Alabama 1975, Title 16, Chapter 25A, Article 2*

G. Proposal Opening:

Please submit one printed non-redacted and one printed redacted copy of your proposal, and a digital copy (non-redacted and redacted) on a USB drive in a sealed envelope with the following plainly marked on the front:

PEEHIP  
Debt Collection Services  
RFP 26-005  
Opening, April 28, 2026

Proposals sent via UPS or FedEx:

Mr. Gregory A. Clemmons  
Assistant Director of Revenue - PEEHIP  
Retirement Systems of Alabama  
201 South Union Street  
Montgomery, AL 36104

Proposals sent via U.S. Mail:

Mr. Gregory A. Clemmons  
Assistant Director of Revenue - PEEHIP  
Retirement Systems of Alabama  
P.O. Box 302150  
Montgomery, AL 36130-2150

Proposals may be hand delivered to Gregory Clemmons at the Retirement Systems Building, 7<sup>th</sup> floor, 201 South Union Street, Montgomery, Alabama. Proposals will be accepted until 2:00 p.m. CST on April 28, 2026. Proposals will not be accepted after this date and time. Proposals will be opened after 2:00 p.m. CST on April 28, 2026. PEEHIP reserves the right to reject any and all responses to this RFP.

Any questions regarding this RFP must be submitted electronically via email by April 8, 2026, at 2:00 p.m. CST to Gregory Clemmons at [Greg.Clemmons@rsa-al.gov](mailto:Greg.Clemmons@rsa-al.gov).

All responses to this solicitation may be subject to public disclosure upon request. Proposers should be aware of the Open Records Act (Ala. Code §36-12-40), the Alabama Trade Secrets Act (Ala. Code §8-27-1 and §8-27-6), and the Public Record Status of Certain Procurement Information statute (Ala. Code §41-4-115).

Any confidential, trade secret, or proprietary commercial information contained in a proposal must be clearly marked as such. Identification of an entire proposal as confidential is not acceptable unless the proposer states in detail the specific grounds and applicable laws which support treatment of the entire proposal as protected from disclosure.

H. Key Dates:

<b>RFP 26-005 KEY DATES</b>	
<b>Activity</b>	<b>Date</b>
RFP to be Issued/Posted on RSA's website	March 31, 2026
Deadline to Submit Questions	April 8, 2026 @ 2:00 p.m. CST
Responses to Questions posted to RSA's website	April 10, 2026 @ 5:00 p.m. CST
Responses Due by	April 28, 2026 @ 2:00 p.m. CST
Bid Opening Date	April 28, 2026
Finalist Conferences	Week of May 4, 2026
Award of Bid	Week of May 18, 2026

## I. Scope of Services

### I. Scope of Work

The PEEHIP is seeking a qualified debt collection agency to recover outstanding debts owed to the PEEHIP. The primary objective is to maximize the recovery of delinquent accounts while strictly adhering to all applicable state and federal laws, maintaining data security, and treating our members and providers with dignity and respect. Proposer must agree to perform all necessary services as outlined below.

### II. Core Collection Services

The selected vendor will be responsible for the collection of various debt types, which may include, but are not limited to:

- Member debts related to premiums: Unpaid health, dental, or vision premiums, COBRA premium arrears, or overpayments made directly to members.
- Member Debts related to claims: Unreturned overpayments to Member related to claim reimbursements, duplicate payments to Members related to claim reimbursements, or payments made in error to healthcare facilities and practitioners for ineligible persons or claims.
- Workflow:
  1. Accept placements of delinquent accounts from the PEEHIP via secure, automated file transfer.
  2. Initiate collection efforts within 48 hours of account placement.
  3. Conduct skip tracing to locate debtors with outdated contact information.
  4. Provide a mechanism for debtors to make payments via multiple channels (e.g., online portal, phone, mail).

### III. Member Experience and Professional Conduct

Given the public nature of the PEEHIP and its membership demographic, the vendor must employ a "soft touch" or consultative collection approach.

- Code of Conduct: Representatives must remain professional, courteous, and non-aggressive at all times. Harassment or intimidation tactics are strictly prohibited.
- Dispute Resolution: The vendor must have a clear, documented process for handling debt disputes and routing escalated clinical or claims-based disputes back to the PEEHIP for review.
- Call Recording: All inbound and outbound collection calls must be recorded and made available to the PEEHIP upon request for auditing and quality assurance purposes.

### IV. Regulatory Compliance & Data Security

The vendor must operate in strict compliance with all relevant federal and state regulations regarding debt collection and protected health information (PHI).

- Statutory Compliance: Full adherence to the Fair Debt Collection Practices Act (FDCPA) and the Telephone Consumer Protection Act (TCPA).

- HIPPA & HITECH: The vendor must execute a Business Associate Agreement (BAA) and comply fully with HIPPA privacy and security rules regarding PHI.
- Data Security: The vendor must maintain robust cybersecurity measures, including encrypted data at rest and in transit. The vendor must provide their most recent SOC 2 Type II audit report. The vendor must comply with the PEEHIP's Business Associate Policy.

#### V. Financial Remittance and Reporting

The vendor must maintain transparent and accurate accounting of all funds collected on behalf of the PEEHIP.

- Remittance: Recovered funds must be remitted to the PEEHIP on a monthly basis via ACH/wire transfer.
- Reporting Requirements: The vendor must provide a secure online portal or automated reporting process to be updated at minimum on a weekly basis. Required reports must include:
  1. Placement acknowledgment reports.
  2. Remittance and recovery summaries (gross collected, fees applied, net remitted).
  3. Account status reports (active, closed, bankrupt, deceased). Account statuses must be consistently updated in real-time.
  4. Complaint and dispute logs.

#### J. Payment Schedule:

On no more than a monthly basis, a fee based upon collections will be paid to the firm.

#### K. Selection of Firm:

PEEHIP reserves the right to make no award under this RFP. PEEHIP expects to enter into a contract with the successful proposer. PEEHIP also reserves the right to award all or part of required services under this RFP to one or more proposers, and this decision will be at the sole discretion of PEEHIP. A Notice of Intent to Award Contract will be placed on the PEEHIP RFP/ITB website once award has been made and will state the names of selected vendor(s). Prior to an award of contract, proposers who submit proposals determined to be reasonably susceptible of being selected for award may be requested to make oral presentations to the evaluation committee; however, proposals may be accepted, and a final selection made, without such oral presentations. All proposals shall become the property of the PEEHIP.

Internet and/or website links will not be accepted in responses as a means to supply any requirements stated within this solicitation. Unless stated elsewhere in this solicitation, PEEHIP will accept and evaluate alternate submittals on this RFP provided that the response meets all published requirements. PEEHIP reserves the right to waive minor discrepancies or errors within proposals or to request clarification from a proposer to the extent allowed by law.

The failure of PEEHIP to require performance of any provision of the solicitation or resulting contract shall not affect PEEHIP's right to require performance at any time thereafter, nor shall a waiver of any breach or default constitute a waiver of any subsequent breach or default nor constitute a waiver of the provision itself.

L. Economy of Preparation:

Proposals should be prepared simply and economically and provide a concise description of the Proposer's response to the requirements of this RFP. Emphasis should be on clarity. PEEHIP will not be responsible for any costs incurred by any Proposer in the preparation of a proposal.

M. News Releases:

News releases pertaining to this RFP, the service, or the audits to which it relates will be made only with prior written approval of the CEO or his representative.

N. Addenda to the RFP:

RSA may, at any time prior to the deadline for proposals, modify this RFP, including the timeline associated with the RFP. Any modifications made to the RFP prior to the proposal's due date will be placed on the PEEHIP RFP/ITB website and may, at PEEHIP's discretion, also be provided in writing to all known solicited vendors.

O. Contact Point:

Any questions that arise concerning this RFP may be directed to Gregory Clemmons at [Greg.Clemmons@rsa-al.gov](mailto:Greg.Clemmons@rsa-al.gov).

P. Minimum Experience Qualifications:

Proposals will be accepted from firms where both the firm and assigned consultants have the following minimum experience qualifications:

- Proposer must have been in the collections business for at least the last five (5) years.
- Proposer must not have filed bankruptcy within the last five (5) years.
- Proposer's senior officers, board members or directors must not have any felony convictions.
- Proposer must have experience with at least ten (10) clients in collections of healthcare premiums or healthcare related bills.
- Proposer must be HIPPA compliant.

Vendor shall provide documentation to verify that the minimum qualifications have been met, the resume(s) of primary consultant(s) who will be assigned to the account and the resumes and bios of other staff assigned to support this contract.

Q. Agents:

No agent fees will be payable by PEEHIP or successful Proposer. PEEHIP will respond only to parties interested in proposing and performing the services.

## SECTION II

### Information Required from Proposers

Proposals must be submitted in the format outlined below:

#### A. Qualifications of the Firm:

##### 1. Business Organization:

State the full name and address of your organization, and if applicable, the branch office or other subordinate element that will perform or assist in performing the work hereunder. Indicate whether you operate as an individual, partnership, or corporation. If you operate as a corporation, include the state in which you incorporated. State whether you are licensed to operate in the State of Alabama.

Specifically address the following:

- a. Address any anticipated mergers/entity structure changes and key employee departures.
- b. Provide a listing of clients who have terminated their relationship in the past 3 years including the reasons given for the termination.
- c. Address any business relationships that might be or might be perceived to be a conflict of interest with a contract for debt collection services for PEEHIP. What is the context of your book of business and does your firm represent benefit provider entities with which PEEHIP currently conducts business or might potentially contract with?
- d. Does your firm currently have any business relationships with Blue Cross Blue Shield of Alabama, Express Scripts, Humana, or other insurance carriers, Medicare Advantage providers, pharmacy benefit managers, or medical benefit administrators who conduct business in Alabama and/or are otherwise competitors of the foregoing and reasonably capable of expanding into Alabama and submitting proposals in response to a competitive solicitation issued by PEEHIP?
- e. Does your firm have a written code of ethics, conflict of interest policy, mission statement or other related policy? If so, please provide such.
- f. List at least 3 customer references where delinquent insurance premiums or medical claims where the subject of collections (include a company's name, individual contact's name and telephone number) by completing the Proposer Reference Form.
- g. Describe your methodology for implementation of collections
- h. Describe minimum necessary data elements required from PEEHIP in order to pursue collections. PEEHIP's desire is to reduce the amount of PHI or potential PHI from being sent over to the collection agency.
- i. Describe what options members will have for making payments. This would include payments options made available via phone, online, or via mail. If credit or debit card payment is accepted, proof of PCI compliance is required throughout the contract period.
- j. Describe the training plan. Include details about training for PEEHIP administrators and key PEEHIP personnel.
- k. Please provide the last Service Organization Controls (SOC) 2 Type 2 and HITrust reports issued for your company.

##### 2. Prior Experience:

As part of your proposal, include a brief statement (maximum five pages) concerning the relevant experience of persons from your firm who will be performing the proposed consulting. Do not include general corporate background brochures. Emphasize experience directly applicable to debt collection services. List a contact person for your clients.

3. Authorized Officials:

Include the names and telephone numbers of personnel of the organization authorized to execute the proposed contracts with the PEEHIP.

4. Additional Information and Comments:

Include any other information believed to be pertinent but not specifically requested elsewhere in this RFP.

B. Cost and Price Analysis:

The information requested in this Section is required to support the reasonableness of your proposal price. Use the following format. PEEHIP requires contingency pricing on actual collections. No other fees will be accepted. Your proposal must include a Fee Schedule per PEEHIP fiscal year (ex. FY2027 runs 10/1/26-9/30/27) in the following format:

Year (9/1 - 8/31)	2027	2028	2029	2030	2031
Cost	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX

## SECTION III

### Criteria for Evaluation

#### A. General:

Proposals will be evaluated by an evaluation committee. Selection will be based on all factors listed below and others implicit within the RFP and will represent the best performance and reasonable costs for the PEEHIP. Oral presentations and interviews (in person or virtually) may be required as part of the evaluation criteria.

The following factors will be the minimum criteria in making the selection (order does not indicate priority):

1. Cost: This criterion shall be judged by its reasonableness in relation to the merits of the proposal. Proposer may receive up to 30 points.
2. Description of Services to be Performed: Proposer must describe all of the services that they will perform for PEEHIP in response to this RFP. Proposers may receive up to 10 points.
3. Qualification of the Firm and Viability of Proposed Solution: This includes the ability of the Proposer to meet the terms of the RFP. Proposers may receive up to 25 points.
4. Account Personnel: The competence and level of professional personnel who will perform the services will be considered. Proposers may receive up to 25 points.
5. HIPPA Compliance: Proposer must complete the Third-Party Vendor Security Checklist found in Section IV. Proposers may receive up to 10 points.

The following process will be used to evaluate vendor proposals:

1. A review committee will evaluate each proposal submitted in response to these Proposal specifications.
2. Responses received within the time frame and in the form specified by the guidelines will first be evaluated to confirm that all proposal sections, as detailed, have been provided in the Proposal response.
3. Each proposal will be reviewed and points awarded to all items indicated on the Proposal Evaluation Form. Any proposal component may be awarded points not to exceed the maximum specified on the Proposal Evaluation Form. The total technical score available is 70 points. The total cost score available is 30 points.
4. Each proposal component will be summed to obtain a total score.

#### B. PEEHIP's Rights

Proposers should note that PEEHIP reserves the right to modify this evaluation structure if it is deemed necessary or request additional information from proposers. It is the intention of PEEHIP to select the most qualified and cost-effective proposal(s) based on the evaluation of the Proposer's responses to this RFP. However, PEEHIP reserves the right to ask vendors for additional information and/or an oral presentation to clarify their proposals. PEEHIP also reserves the right to cancel or terminate the RFP or reject any or all proposals received in response to this RFP.

### C. Termination

If at any time PEEHIP believes the performance of selected Proposer(s) to be unsatisfactory, PEEHIP reserves the right to terminate the contract by providing a 30-day written notice. Alternatively, PEEHIP reserves the right at any time during the term of the resulting agreement to issue an additional RFP relating to these services and contract with one or more entities providing the same or similar services as are being requested under this RFP and that proposers should have no expectation of exclusivity as to the services being provided.

### D. Cost and Price Analysis:

The cost evaluation will be based on an examination by the Evaluation Committee of each Proposer's stated cost and will constitute 30% of the overall proposal's evaluation.

Cost scoring will be determined as follows:

- a. Cost proposals must be provided in a separate envelope clearly labeled "Cost Proposal."
- b. The Proposer submitting the lowest cost proposal will receive 30 points.
- c. All other Proposers will be evaluated by use of the following formula:

$$\frac{\text{Lowest Cost of All Proposals}}{\text{Cost of Proposal Under Evaluation}} \times 30 \text{ points} = \text{Proposer's Cost Proposal Score}$$

### E. Proposal Evaluation Form

<b>General Proposal Categories</b>	<b>Possible Points</b>	<b>Reviewer's Score</b>
Description of Services to be Performed	10	
Qualification of Firm & Viability of Proposed Solution	25	
Experience of Personnel Assigned	25	
HIPPA Compliance & IT Risk	10	
<b>Total Technical Score</b>	<b>70</b>	
<b>Cost Proposal</b>	30	
<b>Total Possible Points</b>	<b>100</b>	

Finalist Interviews will allow for a possible additional 10 points per proposer offered a finalist interview, at the discretion of the committee, based upon clarifications received from proposer(s) during the discussions.

Proposers must respond to all required components of the RFP.

## SECTION IV

### Additional Documents

The following documents are referenced in this RFP and must be completed and submitted with the proposal:

A. State of Alabama Disclosure Statement (Pursuant to the *Code of Alabama 1975, Title 41, Chapter 16, Article 3B*) This form may be located at [https://www.rsa-al.gov/uploads/files/State\\_of\\_Alabama\\_Disclosure-Statement\\_Fillable\\_Form.pdf](https://www.rsa-al.gov/uploads/files/State_of_Alabama_Disclosure-Statement_Fillable_Form.pdf).

B. Sample PEEHIP State Contract – This document does not have to be signed; however, proposers must document any exceptions to the standard terms or will be deemed to have accepted all standard terms contained in this sample contract. This form is attached to RFP.

C. Immigration Compliance Certificate This form may be located at [https://www.rsa-al.gov/uploads/files/Immigration\\_Compliance\\_Certificate.pdf](https://www.rsa-al.gov/uploads/files/Immigration_Compliance_Certificate.pdf).

D. Proposer Profile Form This form may be located at [https://www.rsa-al.gov/uploads/files/Proposer\\_Profile\\_Form.pdf](https://www.rsa-al.gov/uploads/files/Proposer_Profile_Form.pdf).

E. Proposer References Form This form may be located at [https://www.rsa-al.gov/uploads/files/Proposer\\_References\\_Form.pdf](https://www.rsa-al.gov/uploads/files/Proposer_References_Form.pdf).

F. PEEHIP Statement on HIPPA Compliance Documentation with Proposer Attestation of Compliance This form is attached to RFP.

G. Third Party Vendor Security Checklist -This form is attached to RFP.

H. Sample Business Associate Agreement – This document does not have to be signed with the return of the proposal; however, proposers must document any exceptions to the standard terms or will be deemed to have accepted all standard terms contained in this sample BAA. -This form is attached to RFP.

I. IRS Form W-9 This form may be located at [https://www.rsa-al.gov/uploads/files/IRS\\_Form\\_W-9\\_Fillable\\_Form.pdf](https://www.rsa-al.gov/uploads/files/IRS_Form_W-9_Fillable_Form.pdf).

J. Non-Disclosure Agreement – This document does not have to be signed with the return of the proposal; however, proposers must document any exceptions to the standard terms or will be deemed to have accepted all terms contained in this NDA. This form may be located at [https://www.rsa-al.gov/uploads/files/Confidentiality\\_and\\_Nondisclosure\\_Agreement\\_Form\\_REV\\_6\\_30\\_2023.pdf](https://www.rsa-al.gov/uploads/files/Confidentiality_and_Nondisclosure_Agreement_Form_REV_6_30_2023.pdf).

K. Certification of Bidder or Proposer. This form may be located at [https://www.rsa-al.gov/uploads/files/Certification\\_of\\_Bidder\\_or\\_Proposer.pdf](https://www.rsa-al.gov/uploads/files/Certification_of_Bidder_or_Proposer.pdf).