

**OFFICE OF ATTORNEY GENERAL
SOLE SOURCE PROCUREMENT JUSTIFICATION FORM**

In accordance with the **Administrative Manual Policy, "Procurement of Services", Section VII. Sole Source Procurement of Services**, this form must be completed and submitted for approval prior to submitting an SRM shopping cart. At least one of the conditions listed below must exist to authorize sole source procurement. A copy of the signed, approved Sole Source Procurement Justification Form must be attached to the SRM shopping cart.

Requesting Office	Insurance Fraud Section (IFS)		
Vendor Name	Insurance Services Office Inc.	SAP Vendor No	402434
Brief Description of Service	Technology that offers a repository for insurance claims information on a national level. Used for research by IFS.		
Estimated Amount	\$820,000		
Requesting Office Approval	<i>Robert J. LaBar</i>	Date	3/26/24
Director of HR & Office Services	<i>Shari L. McHaw</i>	Date	3/26/2024
Operations Counsel		Date	3/26/2024

Please check all that apply:

(Note: The sole source request is required to be posted on the OAG website for public inspection and comment for 10 calendar days if any of the bolded categories below are selected.)

- The service is only available, or must be obtained from a single contractor.**
- A Federal or State statute or Federal Regulation exempts the service from the competitive procedure.**
- It is clearly not feasible to award the contract for services on a competitive basis.**
- The services are to be provided by attorneys or litigation consultants.
- The services are to be provided by expert witnesses.
- The services involve the repair, modification or calibration of equipment and they are to be performed by the manufacturer of the equipment or by the manufacturer's authorized dealer, provided the contracting officer determines that bidding is not appropriate under the circumstances.
- The contract for services is in the best interest of the Commonwealth.**

Justification:

The PA Office of Attorney General's, Insurance Fraud Section (IFS) is the largest law enforcement entity within Pennsylvania that has authority to investigate and prosecute insurance fraud. The IFS receives over 3,000 referrals a year and currently has 500 cases with open insurance fraud investigations. There has been focus, over the last several years, to investigate and prosecute larger, complex and organized cases involving

millions of dollars. Additionally, there has been an active approach taken in using wires, Grand Jury and undercover investigations to complete tasks. Therefore, the need for additional tools (beyond the free version provided by the National Insurance Crime Bureau - NICB) to accelerate and aid in processing investigations.

The AFI-Gov product includes advanced technology that contains a repository for insurance claims information on a national level. The addition of this technology, to the existing no-cost version provided by the NICB, will allow IFS to streamline referral data as well as pre-set and arrange cases to be opened and assigned more effectively throughout the state. In addition, there are often cases throughout the agency in other sections (i.e. Medicaid Fraud, etc.) that contain insurance fraud elements, which would benefit from this technology and would allow collaboration within the OAG. Likewise, it is known that fraud schemes are not confined to state lines. Therefore, this technology would allow the OAG's IFS to assist and participate with insurance fraud cases amongst states and throughout the nation.