

THIRD PARTY ADMINISTRATOR VENDORS FREQUENTLY ASKED QUESTIONS

How do I become a Third Party Administrator vendor?

The Application for Authority to Conduct Third Party Driver License Testing (HSMV Form 77067) must be completed in full with all required documents included with the submission. The Application, and pertinent Contracts and Agreements, can be found at the following link: <http://www.flhsmv.gov/ddl/tpdlts.html> .

What are the contractual documentation requirements?

You will need to provide the following information with your contract:

- *Corporate Certification* (certificate of fictitious name or certificate of Incorporation)
- *Fingerprint-based background checks (performed by a “Live Scan” Provider with results provided to the Department; the background check must be performed within the 90 days prior to the date of the application submission).*
- *Commercial General Liability Insurance* (include description of motor vehicles utilized; certificate must state 30 days’ notice will be given to HSMV in the event of cancellation of policy; Minimum Limits of Liability are \$1.0 each occurrence and \$2.0 per aggregate).
- *Workers’ Compensation Insurance* (Minimum Employer Liability Limits of \$100,000 for each accident; \$500,000 policy limit; \$100,000 each employee).
- *Performance Bond* (must reference contract Section 2.G. Performance Bond or list all requirements noted in Section 2.G. of the Contract; amount of Performance Bond must be \$200,000), **OR Letter of Credit** meeting all of the requirements of Section 2.G., issued by a financial institution organized or recognized under the laws of Florida, can be provided in lieu of the Performance Bond.
- *Hold Harmless Endorsement* (on company letterhead, signed and dated by a Company Executive Officer or Corporate Officer)
- *Business Model Summary*

What is the estimated cost associated with the Third Party Administrator vendor program?

All costs associated with the use of the vendor’s software/hardware are provided in a detail fee structure document from Solutions Thru Software. You can review the testing services agreement for some basic fees located at the following link: <http://www.flhsmv.gov/ddl/tpdlts.html>.

What is the role of Solutions Thru Software in the Third Party Administrator vendor process?

Solutions Thru Software will maintain the question databank, as well as the software and hardware that contracted vendors will use when administering the knowledge and driving exams. Interested business entities must use the products from Solutions Thru Software to administer all exams for Class E license exams.

What insurance companies should I contact to obtain the required insurance policies (i.e., general liability and worker’s compensation insurance)?

Please utilize your web search engine to search for these companies.

What bond companies should I contact to obtain the required performance bond?

Please utilize your web search engine to search for these companies.

Am I required to have a separate \$200,000 bond if I want to conduct both the skills and knowledge test examinations?

Yes, each service has a separate agreement and separate requirements.

What is the reason for the requirement of having a \$200,000 bond for each contract for services?

In 2013, there were 327,611 Class E Knowledge Exams and 438,792 Class E Driving Skills Exams administered through the existing TPA and State system. In one year, with one tablet, working only Monday – Friday a TPA could test anywhere between 5,000 to 7,800 students within the first year. There is also the potential that most contract approved vendors will utilize multiple tablets which will increase the overall possibility of fraud.

Keeping these numbers in mind and understanding what is prohibited under the Driver Privacy Protection Act, please understand that the Third Party Administrator's (TPA) services allow for the TPA to obtain the test taker's personal information and possibly the parent's financial and personal information. TPA's will have a test taker's social security numbers, date of birth, legal names, addresses, the parent's credit card number and other details. The online knowledge exam requires security questions that are put in place by the TPA as part of their contractual requirements. Depending on the personal security questions used by the TPA, the use of questions such as "What is your mother's maiden name?", which is a very popular security question for websites, would allow for even more personal detail to be available to the TPA.

The bond amount has been set at \$200,000 to ensure that the Department or exam takers are made whole if fraud or misuse is determined. The Department may be required to retest all test takers who took the exam through the TPA utilizing DHSMV staff. Travel may be required and coordination of the actual retest times and locations with the test takers who have been harmed. The Department would be required to use our resources to contact and coordinate with each test taker by correspondence and then would need to track each test taker to ensure that they complied with the retest requirements. If the test taker did not comply, manual revocations would need to be issued.

Is it necessary to submit full fingerprint background checks with the application, along with having to do background checks on new employees before new employees are hired?

Yes, this is part of the application process. All employees must have background checks conducted and reviewed by the Department before the employee is allowed to begin working with any Third Party Administrator.

If an employee's background check is not accepted, is the whole application automatically denied by the Department?

In a case such as this, we would make contact directly with the vendor and inform the vendor that the application will remain on hold until the employee is either replaced or removed from the vendor's application for Third Party Administrators.

If I am already an approved Class E knowledge skills testing provider, will I need to submit a new application to the state, along with new fingerprint cards and background checks for all corporate officers?

All existing Third Party Administrators must reapply. If any of the documentation submitted is over 90 days old, from receipt by the Department, you will be required to begin the application process from beginning to end, as if you were a new vendor.

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If I am already an approved provider, just approved in 2013, can receipts from the 2013 submission be used to satisfy the current requirements?

If any of the documentation submitted is over 90 days old, from receipt by the Department, you will be required to begin the application process from beginning to end, as if you were a new vendor.

With regard to the use of fleet vehicles, we currently do not have any, but intend to acquire some in the near future; do we need the vehicles before we submit the application?

Fleet vehicles are not required; however, if you are changing your business model, you will need to provide an updated business model and necessary insurance on the vehicles you will be using.

Will there be opportunities for small (start-up) businesses to take part in the testing, particularly road and monitored (permit) testing?

All interested business entities that meet the contractual requirements are encouraged to submit an application.

Will the tax collectors be reducing their fee if the test is taken elsewhere?

There are no plans currently in place to reduce fees if a test is taken outside of a tax collector office.

Will the tax collectors still issue the actual, physical driver license card?

Florida driver licenses will continue to be issued at the driver license and tax collector offices. There are no current plans to remove the physical licensure issuance from the driver license and tax collector offices.