

For Your Information

TO: Louisiana Licensed Producers
FROM: Assurity Marketing
DATE: Dec. 8, 2010
RE: Continuing Education requirements

Effective immediately, producers licensed in Louisiana who sell life insurance, health insurance or long-term care, may only carry 10 hours of excess CE credit from one year to the next.

Also, producers selling LTC products must complete a one-time training course and ongoing training every two years. Details of this training have not yet been provided.



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I - SB 669

AUTHOR: Hebert
VERSION: Enacted
VERSION DATE: 07/06/2010

ENROLLED

Regular Session, 2010

SENATE BILL NO. 669

BY SENATOR HEBERT

Act No. 967

AN ACT

To amend and reenact R.S. 22:1547(I)(2) and 1573(G) and to enact R.S. 22:1557(A)(4) and 1574, relative to insurance producers; to provide with respect to biannual renewal of surplus lines broker license; to provide for commissions; to provide for carry forward of continuing education hours; to provide for producer training requirements to sell long-term care insurance; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:1547(I)(2) and 1573(G) are hereby amended and reenacted and R.S. 22:1557 (A)(4) and 1574 are hereby enacted to read as follows:

§1547. License

* * *

I. Any licensed property and casualty insurance producer maintaining an office at a designated location in this state and having at least two years experience in the insurance business with an insurer or as an insurance producer may be licensed as a surplus lines broker as follows:

* * *

(2) The applicant must submit the required license fee, as authorized by R.S. 22:821, for each license year during any part of which the license is in effect. The license shall remain in force until the ~~annual~~ biannual renewal date.

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§1557. Commissions

A.

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(4) An insurance producer may pay or assign commissions, service fees, brokerage fees or other valuable consideration to an insurance agency or to persons who are not licensed as producers in Louisiana but are licensed in their state of domicile and act only to assist producers licensed in this state in placing business with insurers authorized to do business in this state.

* * *

§1573. Continuing education requirements

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G. No more than ten excess hours of approved property and casualty insurance instruction and no more than ~~six~~ ten excess hours of approved life, health, and accident insurance instruction accumulated during the previous renewal period may be carried forward and applied to the continuing education requirement for the next renewal period.

* * *

§1574. Producer training requirements to sell long-term care insurance

A. (1) An individual shall not sell, solicit or negotiate long-term care insurance unless the individual is licensed as an insurance producer for health and accident or life and has completed a one-time training course. The training shall meet the requirements set forth in Subsection B of this Section.

(2) An individual already licensed and selling, soliciting or negotiating long-term care insurance on August 15, 2010 may not continue to sell, solicit or negotiate long-term care insurance unless the individual has completed a one-time training course as set forth in Subsection B of this Section within one year from August 15, 2010.

(3) In addition to the one-time training course required in Paragraphs (1) and (2) of this Subsection, an individual who sells, solicits or negotiates long-term care insurance shall complete ongoing training as set forth in Subsection B of this Section.

(4) The training requirements of Subsection B of this Section may be approved as continuing education courses under R.S. 22:1573.

B. (1) The one-time training required by this Section shall be no less than eight hours and the ongoing training required by this Section shall be no less than four hours every two years.

(2) The training required under Paragraph (1) of this Subsection shall consist of topics related to long-term care insurance, long-term care services and, if applicable, qualified state long-term care insurance partnership programs, including but not limited to:

(a) State and federal regulations and requirements and the relationship between qualified state long-term care insurance partnership programs and other public and private coverage of long-term care services, including Medicaid.

(b) Available long-term services and providers.

(c) Changes or improvements in long-term care services or providers.

(d) Alternatives to the purchase of private long-term care insurance.

(e) The effect of inflation on benefits and the importance of inflation protection.

(f) Consumer suitability standards and guidelines.

(3) The training required by this Section shall not include training that is insurer or company product specific or that includes any sales or marketing information, materials, or training, other than those required by state or federal law.

C. (1) Insurers shall obtain verification that a producer receives training required by Subsection A of this Section before a producer is permitted to sell, solicit or negotiate the insurer's long-term care insurance products, maintain records subject to the state's record retention requirements, and make such verification available to the commissioner upon request.

(2) Insurers shall maintain records with respect to the training of its producers concerning the distribution of its partnership policies that will allow the state insurance department to provide assurance to the state Medicaid agency that producers have received the training contained in Subparagraph (B)(2)(a) of this Section as required by Subsection A of this Section and that producers have demonstrated an understanding of the partnership policies and their relationship to public and private coverage of long-term care, including Medicaid, in this state. The aforementioned records shall be maintained in accordance with the state's record retention requirements and shall be made available to the commissioner upon request.

D. The satisfaction of said training requirements in any state shall be deemed to satisfy the training requirements in this state.

Description	Relates to renewal of surplus lines broker license, commissions, continuing education hours that may be carried forward, and producer training requirements to sell long-term care insurance. Amends the following three insurance laws and enacts one new law: R.S. 22:1547 (licensure) to revise section (I)(2) to provide for biannual renewal of a surplus lines broker license for property and casualty insurance producers. R.S. 22:1557 (commissions) to add section (A)(4) to allow producers to pay insurance agencies or persons not licensed as producers in Louisiana but licensed in their state of domicile and act only to assist producers licensed in this state in placing business with insurers authorized to do business in this state. R.S. 22:1573 (continuing education requirements) to increase the number of hours of life, health, and accident insurance instruction that may be carried forward from six to ten. Enacts R.S. 22:1574 to establish a one-time training course required for selling long-term care insurance. Those already licensed and selling long term care insurance on August 15, 2010, must complete the course within one year from that date. Describes the one-time training course requirements of at least eight hours and the ongoing training requirements of at least four hours every two years. Describes the obligations and record-keeping requirements of insurers with regard to the training of producers. Insurers must require producers to demonstrate an understanding of partnership policies and their relationship to public and private coverage of long-term care, including Medicaid. The effective date is August 15, 2010.

Lines of Business	Personal P&C Commercial P&C Life Health
Subject Category	350 - Noninsurance contracts 360 - Filing and reporting requirements 400 - Insurance representatives 580 - Fees and taxes 800 - Legal procedure / proceedings 840 - Government agencies
Cites Amended	R.S. 22:1547; R.S. 22:1557; R.S. 22:1573
Cites Enacted	R.S. 22:1574
Introduced	03/29/2010
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