

OUR MEETING WILL BEGIN SHORTLY

WELCOME TO THE UNIFORM EDUCATION (D) WORKING GROUP

Conference Call

Wednesday, December 4, 2024 12:00PM - 1:00PM (CST)

- All attendees have been muted on entry. All attendees can mute and unmute themselves, but please keep yourself on mute when not providing comments.
- Participants may use the “Chat” feature for questions, comments, or assistance.
- While not necessary, participants may use the "Raise Hand" feature, and NAIC staff will let the Chair know you would like to speak.

UEWG SURVEY

36 State Responses Received

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Q3. Who is your state's insurance prelicensing exam vendor?

Response:	Pearson VUE-12	PSI-14	Prometric-6	Other-4
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Q4. Does your state require prelicensing education?

Response: Yes - 15 No - 21

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(ULS) PRE-LICENSING EDUCATION TRAINING STANDARDS FOR RESIDENT APPLICANTS

4. Hours Required:

No pre-licensing education is required; however, states that require pre-licensing education shall require 20 hours of prelicensing education per major line of authority. For example, an applicant seeking 2 major lines of authority, such as the property line and the casualty line needs 40 hours of pre-licensing education. If a state has less or more hours per line of authority, it would not be compliant with this standard and will need to increase or decrease the number of required hours.

States may waive pre-licensing education requirements for the variable line of authority. States shall independently determine the content requirements for pre-licensing education. No state shall require additional pre-licensing education for nonresident applicants or non-resident producers who change their state of residency.

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Chapter 6

Prelicensing Education

Prelicensing education is required in some states as a condition of licensure for resident insurance producers. Neither the *Producer Licensing Model Act* (#218) nor the Uniform Licensing Standards (ULS) suggests that a state must have a requirement for prelicensing education. States that have a prelicensing education requirement should follow the uniform standards as adopted by the Producer Licensing (EX) Working Group.

The ULS set a minimum credit hour requirement for prelicensing education. In 2010, the Working Group was charged with reviewing this standard. Updated information, if there are any changes to this standard, can be found on the Working Group's web page.

States that require prelicensing education shall require 20 credit hours of prelicensing education per major line of authority. The states must accept both classroom study and verifiable self-study, which includes both text and online courses. The ULS does not have a limit on the number of credits that can be obtained by self-study. The states shall independently determine the content requirements for prelicensing education. The ULS require that a state have a method to verify completion of prelicensing education, but they do not prescribe a method.

Hyperlink

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Q5. Does your state post first-time test-taker exam pass rates?

Response: Yes - 21 No - 15

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Q6. How often do you post first-time test-taker exam pass rates?

Response: Annually - 12

Bi-Annually - 2

Monthly - 6

Other - 16

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SLH Chapter 8 Testing Programs

4. Reports regarding exam pass rates, candidate demographics when collected, and number of exams administered should be made available to the public. Reports should include first-time pass success by subject area. Whenever possible, this information should be tracked by, and be made available to, each education provider so they may evaluate their programs and instructors and be provided with data needed for course development. The states may ask for, but generally cannot require, information on candidate population, gender, ethnicity, education level and income level. When candidate demographics are collected, reports should include the percentage and number of examinees who passed the examination by race, ethnicity, gender, education level and native language. This information is necessary for the selection of future test questions, and it will aid in making testing transparent and assessing whether differences in test scores are correlated with relevant demographic factors.

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SLH Chapter 8 Testing Programs

Producer Exam Content and Testing Administration Recommended Best Practices for State Insurance Regulators

- At least annually, reports regarding exam pass rates, candidate demographics when collected, and number of exams administered should be made available to the public. Reports should include first-time pass success and average scoring by subject area. Whenever possible, the reports should be available by education provider and provided to them.

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Q7. Does your state conduct a post-exam survey?

Response: Yes - 14 No - 22

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Q9. If yes, do you post candidate demographic data?

Response: Yes - 5 No- 27

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SLH Chapter 8 Testing Programs

Producer Exam Content and Testing Administration Recommended Best Practices for State Insurance Regulators

- At least annually, reports regarding exam pass rates, candidate demographics when collected, and number of exams administered should be made available to the public. Reports should include first-time pass success and average scoring by subject area. Whenever possible, the reports should be available by education provider and provided to them.

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Q10. Does your state identify CE course level (Basic, Intermediate, Advanced)?

Response: Yes - 12 No - 21 Other - 3

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Continuing Education Recommended Guidelines for Online Courses

Procedures to determine Appropriate Number of Credit Hours:

Word Count/Difficulty Level

- Divide total number of words by 180 (documented average reading time) = number of minutes to read material
- Divide number of minutes by 50 = credit hours
- Course difficulty level is identified by the CE provider on the CER form and should be based on the NAIC CE Standardized Terms-Definitions for basic, intermediate and advanced course difficulty levels.
- Multiply number of hours by 1.00 for a basic level course; 1.25 for an intermediate level; 1.50 for an advanced course for additional study time = total number of credit hours (fractional hours rounded up if .50 or above and rounded down if .49 or less)

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Continuing Education Recommended Guidelines for Online Courses

- **Course Difficulty Level** – Course difficulty level is determined based on whether the course is designed for inexperienced or experienced practitioners, as well as the amount of information presented and at what pace the information is presented.
 - **Basic**: A course designed for entry-level practitioners or practitioners new to the subject matter.
 - **Intermediate**: A course designed for practitioners who have existing competence in the subject area and who seek to further develop and apply their skills.
 - **Advanced**: A course designed for practitioners who have a strong foundation and high level of competence in the subject matter.

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Q11. Does your state require a course introductory statement/form completion?

Response: Yes - 10 / No - 26

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Q12. Does your state conduct audit of CE courses?

Response: Yes - 25 No - 11

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Q13. Does your state use a third party to audit the course?

Response: Yes - 15 No - 21

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Q14. Does your state require a full course audit?

Response: Yes - 14 No - 22

Adopted by the Uniform Education (D) Working Group, Oct. 29, 2024

NAIC – CONTINUING EDUCATION AUDIT PROCEDURES

The purpose of this procedure is to provide instructions on auditing approved continuing education (CE) courses. At a minimum, ___% [optional – determined by state] of all approved CE courses, all active providers, and instructors are reviewed once every [insert timeframe] pursuant to NAIC guidelines. Audits consist of classroom, webinar, self-study, and desk, though no more than [insert percentage – optional state decision] of such audits shall be desk audits.

Perform the following steps during a CE audit:

1. Obtain detailed information on the course location for the auditor.
2. Ensure the class is still scheduled 24 hours prior to the date of course offering.
3. Pull the course outline and all supporting documentation from the system.
4. Email the auditor the authorization letter, course outline, and all supporting documentation 24 hours before the class begins.
5. Auditor to complete prescribed audit form.
6. Receive the audit paperwork back from the auditor.
7. Send follow-up notices, as necessary.
8. Forward requested documentation to [insert state] as necessary.

Once the audit is complete, the auditor will return the materials to [insert state] within ___ days of the audit. [optional – determined by state]

The prescribed audit form is reviewed for any discrepancies or comments.

TASK

ACTIVITY

Initiate Audit:

1. Obtain a list of available course offerings in [insert state].
2. Email auditors the list of course offerings in [insert state].
3. An auditor provides the list of courses they would like to audit and compares it to the completed audits file to ensure the same provider is not audited twice.

Note: This will begin the audit process.

Pull Documents:

1. Pull copies of course information, outlines, and course schedules for courses being offered.
2. Contact the provider (via telephone anonymously, for the most part) to find exact locations and dates of courses ONLY if the provider has not entered the information in the system.

Note: Courses must be in [insert state]. Audits cannot be performed in other states. Occasionally, an additional audit may be requested directly from the state.

- Review Documents:
1. Review documents pulled to be sure all copies are clear prior to forwarding them to the auditor(s).
 2. Add the provider to the established completed audits file.
 3. Confirm the course start and end time with the auditor and verify that the auditor will conduct the audit for the entire duration of the course.
 4. Forward necessary documents and copies of the prescribed audit form to the appropriate auditor.
- Receive Audits:
1. Upon receipt of completed audits, review the prescribed audit form(s) to ensure they are complete. If not, contact the auditor and advise; follow up, as necessary.
- Review Audits for Deficiencies:
- Note:** All notifications must be emailed to providers within five (5) days of receiving the audit reports. Review the prescribed audit form(s) as follows:
1. If there are no issues, email the provider with a completed course audit letter stating that an audit was conducted and there were no violations.
 2. Discrepancies:
 - A. A discrepancy notice should be sent for any “No” responses on the audit form.
 - B. If the provider did not conduct an accurate attendance verification, an explanation must be provided.
 - C. If the number of credits taught is less than the number of credits approved, an explanation must be provided.
 - D. Compare outlines and supply the provider with a detailed breakdown of differences.
 - E. If a licensee who did not sit for an entire class is given credit, an explanation must be provided.
 3. If no response is received from the provider within __ business days [optional – determined by state], then a follow-up letter must be sent to the provider. The letter must be sent via certified mail and include a copy of the initial notice.
 4. If no response is received after __ business days [optional – determined by state], forward all materials to the [insert appropriate person] for follow-up.
 5. [insert state or third-party administrator] will also audit the number of licensees received on banked rosters from the audited course. The auditor indicates the number of attendees on the audit form.

- A. [insert state or third-party administrator] must check to ensure this was the number of licensees submitted on the roster.
- B. If there is a discrepancy, send a notice to the provider questioning this finding.
- C. If no response is received to the notice after ?? business days, forward all material to the [insert appropriate person] for follow-up.

Note: If questions arise from the audit, forward documents to [insert appropriate person] for clarification.

6. [insert state or third-party administrator] will track receipt of the banked rosters from the audited course(s) to ensure that the provider follows through on submission.

Note: The provider must submit the course completion roster to [insert state or third-party administrator] within __ days of completion. [optional – determined by state]

Follow Up:

1. Receive class roster(s) from the provider to confirm information provided by the auditor.
2. Verify roster count and report any deficiencies to the [insert appropriate person].

To Process Desk Audits of Already Held Courses:

1. Generate a list of already banked courses within a certain time frame.
2. Email the provider an audit letter asking for the sign-in sheet used along with the instructor's full name and instructor number.
3. Compare the list of banked students in the system against the sign-in sheet from the provider to make sure the same students who signed in were the ones who received credit. Also, compare the number of students and verify the license number of each student.
4. Confirm the instructor is approved and for the course authority the course is approved for.

Note: Instructors do not have to be approved for a single-session course.

5. If there is no discrepancy, email the provider the completed course audit letter stating the audit is complete and there are no violations.
6. If there are violations, list the violations in the audit letter and wait for the provider to respond in days with the corrections. [optional – determined by state]
7. Enter complete audit information on the desk audit list.

For Self-Study/Online Audits:

1. Obtain a list of approved self-study/online courses within a certain time frame.
2. Email the provider an audit letter requesting a user ID, password, exam, and answer key to complete an audit of their self-study/online course.
3. Complete the course as a student, answering the online course audit questionnaire form throughout the course until you have completed the course with a passing grade.
4. If there are no violations, email the provider a completed course audit letter stating that an online audit was completed and there were no violations.
5. If there are violations (all responses must be "Yes"), list the violations in the audit letter and wait for the provider to respond within __ days with the corrections. [optional – determined by state]
6. Audit the course again when the provider has confirmed violations have been corrected. You may have to contact the provider again for a new user ID and password.
7. Track completed audit information.

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Q15. If yes, would you be willing to share your findings with other states?

Response: Yes - 14

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Q16. Does your state have authority to take disciplinary action against CE Providers/Instructors?

Response: Yes - 29 No - 7

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Q18. Would you be willing to share disciplinary action taken with other states?

Response: Yes - 32 / No - 4

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Continuing Education Recommended Guidelines for Online Courses

Goal: To deliver functional computer-based internet courses that offer quality insurance and/or risk management material in a password-protected online environment.

Key Components:

- Material that is current, relevant, accurate, and that includes valid reference materials, graphics and interactivity.
- Clearly defined objectives and course completion criteria
- Specific instructions to register, navigate and complete the coursework
- Technical support/provider representative should be available during business hours and response provided within 24 hours of initial contact.
- Instructors/subject matter experts must be available to answer student questions during provider business hours
- Process to authenticate student identity such as passwords and security prompts
- Method for measuring the student's successful completion of course which includes the material, exam and any proctor requirements.
- Process for requesting and receiving CE course-completion certificate and reporting student results to the appropriate regulator
- Require each agent to enroll for the course before having access to course material.
- Prevent access to the course exam before review of the course materials.

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Q19. Does your state prevent agents accessing the CE Course exam before reviewing course material?

Response: Yes - 21 No - 14

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NAIC CONTINUING EDUCATION RECIPROCITY (CER) AGREEMENT - 2019 VERSION

The Commissioners agree as follows:

4. Each state will accept the NAIC Uniform CER Course Filing Form (Appendix A), or a substantially similar form, including an equivalent electronic submission method, and the required home state course approval document as the sole requirement for a reciprocal course submission.
6. A state's course approval document or approved course application will include, at a minimum, the following information: course title, credit hours, credit category, method of instruction, and if it is a home state approval.

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Q20. Does your state limit the number of CE hours an agent can complete in a 24-hour period?

Response: Yes - 2 No - 34

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Q22. Does your state accept other states home state approval forms (non-CER)?

Response: Yes - 22 No - 14

NAIC STATE LICENSING HANDBOOK

- **Chapter 6 – Prelicensing Education**
- **Chapter 8 – Testing Programs**
- **Chapter 14 – Continuing Education**

ANY OTHER MATTERS

ADJOURNMENT