##### Part III - Section III – Appendix C

**Sample State Licensing Department Internal Training Manual**

This Appendix contains a sample outline and some suggested text for a state insurance department to use to create an internal training manual for licensing staff. This document has not been formally adopted by the PLWG or NAIC.

Introduction

The State of Insurance Department is required by the Code of to license individuals to sell insurance in the state of . The Producer Licensing Division’s responsibility is to make sure this is carried out as written.

The Producer Licensing Division is governed by laws and regulations adopted by the commissioner to provide the basic details necessary to implement statutory requirements. Regulations most likely to be of interest to employees in this division are . A brief description of each is found in the glossary.

The Continuing Education Program was established to provide producers with information to keep them informed of new laws, rules and regulations governing the insurance industry. It also serves the consumer by providing licensed continuing education providers to industry personnel so that they may provide a more informative means of communication. Many other states require continuing education hours. In an effort to aid the process, the department, like most states, participates in a reciprocal program where we accept hours from other states and they do the same for our resident producers.

This resource manual is compiled to serve as a guide to employees in the insurance department who work directly and/or indirectly with the Producer Licensing Division. It contains pertinent regulatory information that is applicable to the prelicensing education, testing, licensing, license renewal and continuing education requirements. This manual will be used as a training guide for new employees and as a reference guide for other employees.

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Answering Calls

* 1. Answer promptly (before the third ring if possible).
  2. Before picking up the receiver, discontinue any other conversation or activity such as eating, typing, etc., that can be heard by the caller.
  3. Speak clearly and distinctly in a pleasant tone of voice.
  4. Use “hold” button when leaving the line so that the caller does not accidentally hear conversations being held nearby.
  5. When transferring a call, be sure to explain to the caller that you are doing so and where you are transferring them.
  6. Remember that you may be the first and only contact a person may have with your department, and that first impressions will stay with the caller long after the call is completed.
  7. If the caller has reached the wrong division, be courteous. Sometimes they have been transferred all over the department with a simple question. If possible, attempt to find out where they should call/to whom they should speak. They will greatly appreciate it.
  8. When the called party is not in, use a tactful response to protect the privacy of the office staff.
  9. At the end of the day, spend a few moments reflecting on what you have accomplished. Tally up the good experiences against the bad. You might be surprised to find that on any given day, there were many more “pluses” than “minuses.”
  10. Because you are a professional, it’s natural to remember and be concerned about the negative contacts you experience. But don’t let the negatives overwhelm you; take those few minutes to tally the successes.

Mail/Fax Procedures Address and Name Changes

1. Name and address changes are processed .
2. Name change requests must be accompanied by a marriage certificate, divorce decree, or other court document.
3. Address change forms do not have to be verified.
4. Make sure all names are spelled correctly, whether in the address or name.
5. Name changes can now be done online.

(Address changes can easily be made online through NIPR’s Address Change Request – ACR) Prelicensing Education Information (optional)

Individuals must complete a prelicensing course of study for the lines of authority desired before taking most of the insurance producer license examinations. The prelicensing course must consist of 20 credit hours per line of authority, or equivalent individual instruction, on the general principles of insurance for that line of authority. The lines of authority requiring a prelicensing course are as follows:

* Life
* Accident & Health or Sickness
* Variable Life & Variable Annuity
* Property and/or Casualty
* Personal Lines

Once the prelicensing course is completed and a certificate is awarded, the insurance licensing examination can be taken within from the date of the certificate. If the examination is not taken, the certificate will expire, and the course must be retaken to qualify for the examination.

Prelicensing Course Exemptions

* Holders of the following designations are exempt from the prelicensing requirement: Life: CEBS, ChFC, CIC, CFP, CLU, FLMI, LUTCF

Health: RHU, CEBS, REBC, HIA

Property/Casualty: AAI, ARM, CIC, CPCU

* Applicants for the following limited lines of authority may be exempt from the prelicensing requirement: Crop Insurance

Credit Insurance Travel Insurance

Car Rental Insurance Surety

Examinations

Once the appropriate prelicensing course is completed, an individual is eligible to sit for the insurance producer examination. If not reported electronically, test candidates must present an original certificate of completion from an approved prelicensing provider at the time of the examination. A prelicensing course certificate is valid for from date of completion. The insurance producer examination is available in locations around the state. Information about testing locations is on the department Web site. This Web site also contains information on insurance licensing, the application process, registration for examinations and the issuance of licenses. The examination fee is $ .

Initial Licensing Qualifications

The qualifications necessary to become an insurance producer include, but are not limited to, the following:

* Must be at least 18 years of age.
* Must not have committed any act that is a ground for denial, suspension or revocation of license (See PLMA section 12).
* Must complete a prelicensing course of study, if required, for the major lines of authority for which the person is applying.
* Must successfully complete the examination for the lines of authority for which the individual has applied.

Initial Licensing Process Residents

There are two options available to obtain a resident license:

Option 1: Test results are reported electronically to the insurance department. Applications can be submitted online at the department Web site. (or)

Option 2: After successfully completing the examination, applicants must attach both the original examination results certificate and a $ fee to the uniform application form for Individual Producer License and send to .

Nonresidents

* Applicants must be in good standing and hold an active license in their resident state for the same lines of authority for which they are applying.
* Applicants must complete the NAIC Uniform Application for Individual License.
* No letter of certification is required with application.

Appointments (Optional)

Once licensed, a producer can then be appointed by one or more insurers to act as their producer. Renewal Process

Upon license expiration, producers are eligible to reinstate their license for a period of 12 months from the last day of their birth month without the necessity of completing the prelicensing course or passing a written examination.