
National Crop Insurance Services

Crop Adjuster Proficiency Program (CAPP) Update

March 26, 2010

The Crop Adjuster Proficiency Program (CAPP) was developed to help crop adjusters comply with State adjuster training and licensing requirements as specified in the Standard Reinsurance Agreement (SRA) between the USDA Risk Management Agency (RMA) and the Approved Insurance Providers (AIP).

CAPP Program Basics:

To receive and maintain the Crop Adjuster Proficiency Program (CAPP) accreditation, an adjuster must complete the following:

- Part 1. Initial Training**—Complete at least 60 hours of structured training (which includes at least 24 hours of classroom training) and complete a basic competency exam every three years administered at the company level.
- Part 2. Proficiency Examination**—Successfully pass three CAPP exams, one each over the following three topical areas:
- i) General insurance concepts and principles, terms, definitions and professional conduct such as civil rights, ethics, and conflict of interest; [Exam 1: 35 questions/75 minutes]
 - ii) Basic Provisions of Insurance; [Exam 2: 35 questions/75 minutes] and,
 - iii) Loss Adjustment Manual (LAM) [Exam 3: 50 questions/125 minutes].
- All exams are on-line, timed, and open book,
- Part 3. Continuing Education**—Annually complete the SRA mandated training for adjusters (currently, at least 18 hours of structured training—which includes at least 6 hours of classroom training).

Adjusters who complete all three parts of the CAPP as described above receive a personalized accreditation card. Their CAPP card is reissued on an annual basis as long as they complete the CE requirements for adjusters as listed in Part 3.

CAPP Chronology and Status Update:

- The CAPP was developed to address requirements specified in the Standard Reinsurance Agreement (SRA) for adjuster licensing.
- Amendment 2 to the SRA became effective July 1, 2009 (start of the 2010 reinsurance year). As a result, states fall into one of the three following categories: (1) States with crop insurance specific requirements for a license, (2) States with licensing requirements that are not crop insurance specific, and (3) States with no requirements.
- The USDA Risk Management Agency (RMA) evaluated all aspects of the CAPP and has approved CAPP as satisfying the SRA third-party testing and certification requirements for adjusters (December 1, 2009).
- Prior to annual renewal, 4,535 adjusters had completed the CAPP requirements and received accreditation cards; 4,476 cards were renewed, and 57 were not renewed due to incomplete annual CE requirements. Additionally 2 adjusters died during the year.
- Currently over 4,600 adjusters have valid accreditation cards.
- Mandatory proctoring became effective February 1, 2010.
- Oregon Insurance Division has accepted CAPP as satisfying the examination requirements for a crop adjuster's license in Oregon. (See attached letter, dated January 5, 2010)

NCIS welcomes the opportunity to meet with any state interested in learning more details about the Crop Adjuster Proficiency Program (CAPP).

Contact: Dr. Laurence M. Crane, (913) 685-2767, LaurenceC@ag-risk.org



Oregon

Theodore R. Kulongoski, Governor

Department of Consumer and Business Services

Insurance Division
350 Winter St. NE, Room 440
PO Box 14480
Salem, OR 97301-0405
(503) 947-7980
FAX (503) 378-4351
TTY (503) 947-7280
www.oregoninsurance.org

January 5, 2010

Laurence M. Crane, PhD
Vice President –Education and Communication
National Crop Insurance Services
8900 Indian Creek Parkway, Suite 600
Overland Park, KS 66210

Re: Crop Adjuster Exams

Dear Dr. Crane:

This letter is to confirm that the Oregon Insurance Division acknowledges the National Crop Insurance Services' crop insurance adjuster proficiency program ("CAPP") as having met the requirements of OAR 836-071-0113(2). Crop Adjusters who successfully complete the CAPP program, which is a Federal Crop Insurance Corporation-recognized crop adjuster proficiency program, will have satisfied Oregon's examination requirements in order to obtain a crop adjuster's license in this state.

Please let me know if you have any questions.

Sincerely,

Gayle Woods
Operations Manager
Oregon Insurance Division
(503) 947-7217
gayle.woods@state.or.us

c: Jim Thompson
Triz delaRosa