

AGENT SERVICES

TO: Pre-Licensing Education Providers

**FROM: Etta Maynard
Deputy Commissioner**

DATE: May 25, 2010

RE: CHANGES TO NC PRE-LICENSING EDUCATION

The North Carolina Department of Insurance issued a revised insurance licensing examination candidate guide which is effective June 1, 2010.

Points of emphasis

- Content outlines have been revised for the major lines of authority (Life, Accident & Health and/or Sickness, Property, Casualty and Personal Lines), adjuster, Medicare Supplement/Long Term Care, title, surplus lines, auto physical damage agent, and hail adjuster.
- Providers are required to teach 20 hours of instruction for the major lines of authority (Life, Accident & Health and/or Sickness, Property, Casualty and Personal Lines) and 10 hours of instruction for Medicare Supplement/Long Term Care pursuant to N.C.G.S. 58-33-30(d)(2) & (3).
- Both classroom and correspondence providers must comply with the provisions of N.C.G.S. 58-33-30(d) (2) & (3).
- Applicants with an Individual Taxpayer Identification Number (ITIN) cannot be accepted because a Social Security Number (SSN) is required. Applicants who do not have a valid SSN will not be admitted to take a state examination as the National Insurance Producer Registry (NIPR) must have a valid SSN in order to assign a National Producer Number (NPN). To combat identity theft, the NPN will be displayed on all licenses instead of the SSN. NIPR cannot accommodate any request for an NPN if the identifier provided is not a SSN issued by the Social Security Administration.

Correspondence Course Changes Effective October 1, 2010

- Pre-Licensing Education Providers offering correspondence courses through either the workbook method or through the internet are to:
 - (1) Establish guidelines for monitoring students to verify that the required number of instructional hours is met. North Carolina requires Continuing Education correspondence providers to use the National Association of Insurance Commissioner's (NAIC) recommended word/page/computer screen guidelines to determine the instructional hours. PLE correspondence providers are encouraged to apply this method to their current course offerings to ensure that instructional hours are met. Agent Services Division removed the requirement from the June 1, 2010 candidate guide after the hard copy guides were issued. Please see the revised candidate guide at www.pearsonvue.com.

(2) Ensure the course final examination is administered by a disinterested third party. A "disinterested third party" is defined as "a person not concerned with respect to possible gain or loss in the result of a pending course final examination and does not include the current employer, prospective employer and a member of the applicant's immediate family."

- Pre-Licensing Education Providers offering correspondence courses through the Internet shall:
 - (1) Require each applicant to enroll for the course before having access to course material;
 - (2) Prevent access to the course exam before review of the course materials;
 - (3) Prevent downloading of any course exam; and
 - (4) Provide review questions at the end of each unit or chapter and prevent access to the final exam until the student answers at least 70 % of each set of questions correctly.

Other Important Licensure Changes effective October 1, 2010

Fingerprints

Effective October 1, 2010, a candidate for a resident insurance producer license shall furnish the Commissioner with a complete set of the candidate's fingerprints in a manner prescribed by the Commissioner pursuant to N.C.G.S. 58-33-48. The fingerprint requirement for candidates for a resident public adjuster license is effective July 1, 2010.

Applying for a license via online application

Effective October 1, 2010, the NC resident candidate after passing the examination for any of the following license types: life, accident/health/sickness, property, casualty, personal lines, surplus lines, Medicare supplement/long term care, auto physical damage, adjuster (company/independent, public, self-employed, hail) must make application for the license and pay the registration fees via the online process at www.nipr.com.

As the new procedure develops or if the proposed implementation date changes, the North Carolina Department of Insurance will update this link on its website at http://www.ncdoi.com/asd/asd_licensing_insurance_changes.asp.

Print your own license

Effective October 1, 2010, North Carolina will no longer issue a photo bearing license. Licensees may print their own licenses online. As the new procedure develops or if the proposed implementation date changes, the North Carolina Department of Insurance will update the following link on the website at: http://www.ncdoi.com/asd/asd_licensing_insurance_changes.asp.

If you have any questions, contact the Agent Services Division at (919) 807-6800.