



4

AGENT ADVISORY COMM.
Board members appointed



6

**LONG-TERM CARE
PARTNERSHIP UPDATE**
Revised continuing education
requirements



7

REGULATORY ACTIONS
Regulatory Actions from
Jan. through June 2011

Department of Insurance Improves Website and Online Licensee Service

The Department of Insurance is excited to announce some recent website enhancements and online tools that will improve our services to you, our many licensees and industry folks. The Department of Insurance's Agent Services Division (ASD) provides services to many types of licensees, including agents, adjusters, business entities, insurance companies, CE/PLE providers, bail bondsmen, collection agencies, premium finance companies and motor clubs. This broad scope of license types makes it challenging to provide information and online services on the Department's website (www.ncdoi.com) that are easy for our licensees to locate and use. By listening to your great feedback, we have now made some significant changes to the way that you can access information pertinent to your license from the Agent Services Division.

Prior to these website changes, ASD used "activity-based" navigation on its home page. For example, an insurance producer who wanted to find out how to renew his or her license would select "License Renewal Information," locate insurance license information from the list of license types, and be directed to the appropriate insurance producer license renewal information. If the insurance producer then wanted to update his or her e-mail address, the individual would go back to the ASD home page to the "Online Licensee Services" menu, then choose the online service for their insurance producer license from a list of services for all license types.

The website's new organizational structure uses "license-type based" navigation so that it is easier to access the services and information specific to your type of license. For example, now an insurance producer can select "Agent and Adjuster" and will be directed to a license-specific page that provides all of the online services, renewal information, hot topic updates, legislative updates and applications/forms that are applicable to their insurance producer and adjuster licenses. While on their specific page, they are able to perform multiple online services, review hot topics, and find answers to frequently asked questions, all without having to navigate away and search somewhere else on the website. We believe that this one-stop-shopping approach makes it much easier for you to locate important information and the services that are specific to your license.

more on page 3 •••

from the **COMMISSIONER'S** desk



Eye on the Legislature

Here in our state capital, your Department of Insurance staff and I have spent much of 2011 with our eyes on a fast and furious legislative session—what turned out to be the shortest so-called ‘long session’ in decades.

Department staff and I flagged and closely followed all pieces of legislation relevant to insurance and the Department of Insurance, as a means to fight for the best interests of our marketplace, licensees and the consumers of North Carolina.

Proposed legislation encompassed a wide range of insurance-related issues this year. Among our efforts, we fought to ensure that North Carolina’s auto insurance ratemaking system continues to benefit both members of the insurance industry and drivers, and we monitored bills related to the state’s implementation of federal health care reform mandates.

One piece of legislation we worked on that has now been signed into law, House Bill 298, includes an important provision regarding certificates of insurance. We know that, from time to time, insurance agents have been pressured to include terms or conditions in a certificate of insurance that are not

true to the insurance policy. It has long been the policy Department of Insurance, as expressed by this and past administrations, that a certificate of insurance must be truthful and accurate, or the insurance agent that altered the certificate could lose his or her license. House Bill 298 now puts that longstanding policy into law, so that agents have a statute to point to in defending themselves when asked to include false statements in a certificate of insurance.

After much discussion and negotiation, an exception was provided by the General Assembly for certificates of insurance that serve as a lender’s security for commercial mortgages; nonetheless, this legislation should be considered a victory in protecting the integrity of our property and casualty insurance industry. Additionally, I’d like to thank the Independent Insurance Agents of North Carolina for supporting the Department’s efforts and contributing to the passage of the new statutory language.

Of course, the biggest hot topic of the recent legislative session was the budget. We’re all aware

that North Carolina is facing its largest deficit in history, and the Department of Insurance fought hard for the funding we need to provide you and the public the services mandated and expected of our office.

During a down economy, it is important to maintain and even increase company audits, examinations and criminal investigations as a way to protect companies, licensees and consumers.

However, the reality is that—like all state departments—we must tighten our belt. Therefore, we are always looking for ways to be more efficient and make the best use of every dollar. We welcome any suggestions that could improve the way that we operate and serve you.

If you have any ideas or concerns you’d like to share, you can always connect with the Department and me through our online Suggestion Box on www.ncdoi.com. I look forward to hearing from you!

You can read the full text of legislation we followed this session **HERE**.

Wayne Goodwin

If you are going to the Department's website to quickly perform an online service or check on a recent industry issue, there is also a more streamlined process. On the ASD home page, you will immediately see "Online Services" with a list of license types below. Select your license type, and you will have access to all of the online services specific for your license. Also, "Hot Topics" are now listed by license type on the ASD home page. Only a few of the most recent hot topics will display for quick review, but you are also able to select "More" to see all of the hot topics posted for your license type. Be sure to regularly check the hot topics section, as it will help you keep current on issues that may impact your license.

ASD has also introduced some enhancements for the online licensee services available to print your own license and submit e-mail updates.

Print Your Own License

This online service gives agents, adjusters and business entities the ability print their own license online through State Based Systems (SBS), which is an electronic system owned by the National Association of Insurance Commissioners (NAIC).

SBS allows for a free license print for all of the following licensing activities:

- Initial license issuance
- Line of authority addition
- Line of authority deletion
- License reinstatement
- License renewal
- Address changes- NEW

It is now easier than ever to print your license online, as SBS has eliminated the need for users to first register online and create a user name and password. Just select the "Print Your License" button, and if a free print is available, you can print it immediately.

At this time, SBS does not offer online license prints for company license types such as collection agencies, premium finance companies and motor clubs.

There have been no changes to the initial and duplicate licenses provided to bail bondsmen by the Department's licensing vendor. Bail bondsmen are required by law to carry a picture identification card while conducting bail bond business and Pearson VUE will continue to provide hard, plastic, photo bearing licenses to each bail bondsmen through the current process

E-mail Updates

Our online web forms have also been enhanced and now include links to look up your individual, business entity; or company license number while filling out the form, so you don't have to exit to look for the information. Forms for individual licenses, business entity and company contact license updates have been separated to allow you to add more specific information for your license type to the form.

Everyone at the Department of Insurance is committed to streamlining and constantly improving the way in which we provide information and services to our licensees. If you have questions or would like more information, please contact the Agent Services Division at 919-807-6800, and be sure to check out the website and online services enhancements at www.ncdoi.com.

Insurance Commissioner Goodwin Meets with Agent Advisory Committee

When Insurance Commissioner Wayne Goodwin established the Agent Advisory Committee back in 2009, he had no idea how much progress the group would make in such a short time.

“I really appreciate the level of dedication that has been shown by committee members to come together and discuss insurance issues in a constructive and positive way,” said Goodwin.

The committee met on March 18, 2011, and has also held monthly conference calls, which have proven to be a convenient way for the Department of Insurance to keep the agent community updated about the latest DOI news, budgetary issues and legislative matters. In addition, the group has brought its concerns to DOI and offered Commissioner Goodwin an agent’s perspective on North Carolina’s insurance landscape.

Most recently, it was brought to the Commissioner’s attention that there may be rating issues with some agents who are incorrectly applying protection class codes for homeowners’ ratings. To address this concern, Commissioner Goodwin has asked DOI’s Agent Services Division to conduct agent reviews across North Carolina. These reviews are currently in progress, and the results will be discussed during upcoming committee meetings scheduled for Sept. 14 at Eastern Carolina University and on Nov. 17 at Appalachian State University.

The purpose of the Agent Advisory Committee is to give the Commissioner of Insurance and the agent community a chance to come together in a working environment to discuss matters that affect the North Carolina insurance industry and its consumers. Committee members are independent and captive agents selected from three regions — East, Piedmont and West — who are appointed by the Commissioner of Insurance.

The following is a list of committee members who are serving during the 2011 and 2012 terms.



Committee Members (Terms Expiring December 2011):

Committee Chair: Pat Molamphy, CLU, ChFC, Nationwide Agent, Rockingham, Albemarle, Locust

Sara Donaldson, LTCP, President of Sara Donaldson Insurance Agency, Inc., State Farm Agent, Pittsboro

Former state Rep. Leslie Cox, Bankingport, Inc., Sanford

Cameron M. Harris, Owner of Cameron M. Harris & Company, Charlotte

Charlotte S. Hicks, CPA, CIC, AAI, CWCA, ARM, Glasgow Hicks Insurance Agency, a member of Aquesta Insurance Services, Wilmington

Jackie F. Ireland, Jr., CIC, AAI, President of Independent Insurance Agents of N.C., Vice President of Anders, Ireland & Marshall, Inc., Raleigh

Thomas W. Frazier, III, CPCU, CIC, President of Wester Realty & Insurance Agency, Inc., Henderson

Betsy J. Lane, Betsy Lane State Farm Insurance, Murphy

more on page 5 •••

IMPORTANT CONTACT INFORMATION

Agent Services Division

(licensing questions, continuing education, etc.)
www.ncdoi.com/asd or 919-807-6800

Life and Health Division

www.ncdoi.com/lh or 919-733-5060

Property and Casualty Division

www.ncdoi.com/pc or 919-733-3368

Market Regulations Division

www.ncdoi.com/me or 919-807-6899

Financial Evaluation Division

www.ncdoi.com/fed or 919-733-2205 (Financial Analysis)

Eye on DOI is your source for Department of Insurance news, licensing requirement updates and other industry information. If you have suggestions for content for upcoming issues, please contact us at newsletter@ncdoi.gov.

••• continued from page 4

Jody Brown, President of LifeStore Insurance, West Jefferson

Luther Carter, Jr., LUTCF, Owner of Carter Insurance and Financial Services, Inc., Allstate, Charlotte

Wade S. Dunbar, III, President of Wade S. Dunbar Company, Laurinburg

Harry Q. Fitzgerald, Senior Vice President of BB&T Insurance Services, Winston-Salem

Raife Davis, Owner of General Insurance Services, Inc., Asheville

Bo Walker, CPCU, CIC, President of Walker Rovinson Clark Insurance, Statesville

Committee Members (Terms Expiring December 2012):

Committee Vice Chair: Linda Willey, Co-owner and Vice President of The Willey Agency, Nags Head

Eddie Alejandro, LUTCF, Farm Bureau Insurance Agent, Boone

C. Kenneth Melvin, NC Farm Bureau Agent, Rockingham

Chris Copley, Nationwide Associate Agent, Durham

Bill Vogedes, CPCU, AAI, CBIA, President of Vogedes Insurance Agency, Inc., Edenton, Kitty Hawk

R. J. Myrick, Co-owner of Roanoke Valley Insurance, Roanoke Rapids

Cedric Dickerson, State Farm Insurance Agent, Wilmington

Continuing Education Exemption Eliminated Effective Oct. 1, 2010, the Department of Insurance adopted continuing education (CE) exemptions under the Producer Licensing Model Act (PLMA), which allow exemptions from insurance CE only for military and medical reasons. In addition, the Department grandfathered all agents who had qualified and received a CE exemption for age/years in the business/insurance designation (AGE).

Agent Services Division has informed licensees about the elimination of the AGE exemption and the final deadline of Dec. 31, 2011, to apply for the exemption. This information is also provided on the Department's website at www.ncdoi.com.

Licensees must submit an application to Prometric for the exemption. The Exemption Request form is available on the Prometric website at <http://www.prometric.com/CE/ncceprod>.

If you have questions, please contact Prometric at 866-241-3121 or Agent Services at 919-807-6800.

Long-Term Care Partnership Update

As many of you may have already read on the Agent Services Division website, the Centers for Medicare and Medicaid Services have approved the amendment to the North Carolina Medicaid State Plan to allow for resource disregard at long-term care Medicaid eligibility determination and resource protection at estate recovery. Pursuant to Senate Bill 1193 (SESSION LAW 2010-68), the Long-Term Care Partnership (LTCP) went into effect 60 days after CMS approval on March 7, 2011. The full text of SB 1193 can be found **HERE**.

The Medicaid State Plan is administered by the North Carolina Department of Health and Human Services. The approved North Carolina LTCP policy is federally tax-qualified, contains an inflation feature and displays a partnership disclosure notice. For greater detail, see NCGS

§58-55-60, or contact your company to discuss the type of product they are filing for approval. Sales can begin provided that the company has gotten approval of the policy, forms, disclosure notices, rates, and other items applicable to the long-term care partnership product.

There are some long-term care companies that are currently filing for approval for the new "Partnership Program" in conjunction with Medicaid; Transamerica Life, Mutual of Omaha and Massachusetts Mutual have been approved thus far.

Updated Long-Term Care Partnership CE Requirements

Relative to the LTCP program, the Agent Services Division has revised the agent continuing education (CE) requirements based on national standards set forth by the federal

Deficit Reduction Act of 2005 (P.L.109-171), and by the National Association of Insurance Commissioners. The CE rules revisions require companies to ensure that each producer that markets LTCP products receives the training as specified in the act. The rule changes — effective as of March 1, 2011 — can be found online on the [Agent Services Division/Legislative Changes page](#).

The Agent Services Division has also prepared a Frequently Asked Questions document to assist licensees and CE providers with their questions relative to the new LTCP rules. These FAQs can also be found online on the [Agent Services Division/Legislative Changes page](#).

Is your individual, business entity and/or company's e-mail address on file with NCDOI? If not, click **HERE if you're an individual/business entity or **HERE** for a company to register a valid e-mail address.**

REGULATORY ACTIONS

January — June 2011

<u>NC License/NPN#</u>	<u>Action</u>	<u>Date of Action</u>
PRODUCERS		
Carl Michael Pozyck License #: 16133235	License Denial Resident Accident Health Sickness	1/20/2011
Brad Steven Wessler License #: 2725086	License Denial Nonresident Life, Accident Health Sickness	1/20/2011
Jamel Jones License #: 15229029	License Suspension Resident Life, Accident Health Sickness	1/24/2011
Marcus Campbell License #: 6557327	License Suspension Resident Life, Accident Health Sickness	1/24/2011
Patrick J. Mullally License #: 11732048	License Suspension Resident Life	1/24/2011
Susan K. Glover License #: 6600006	Voluntary Surrender Resident Life, Accident Health Sickness, Property, Casualty	1/24/2011
Tony L. Hayes License #: 11121404	License Suspension Resident Life, Accident Health Sickness	1/27/2011
Reginald Robinson License #: 12635452	License Suspension Resident Life, Accident Health Sickness	1/27/2011
Leon Orr Jr. License #: 620167	License Denial Resident Life, Accident Health Sickness	1/31/2011
Jeffrey J. Foley License #: 6616149	Voluntary Settlement Agreement \$250 Resident Life, Accident Health Sickness	2/4/2011
Keli Danielle Smith License #: 15760255	License Denial Nonresident Accident Health Sickness	2/17/2011
Melissa E. Sanders License#: 6595308	Voluntary Surrender Resident Property, Casualty	2/22/2011
Darnell H. Ervin License #: 6564164	Voluntary Surrender Resident Auto-Physical Damage	2/23/2011
Ronnie A. Riddle License #: 6584683	Voluntary Surrender Nonresident Pre-need Life	2/24/2011
Robert J. Arowood License #: 2480198	Voluntary Settlement Agreement \$500 Nonresident Property, Casualty	2/24/2011
Rick L. Holbert License #: 8868438	Voluntary Settlement \$400 Resident Life, Accident Health Sickness, Property, Casualty	3/2/2011
Patricia A. Turner License #: 5729747	Voluntary Settlement Agreement \$2,250 Resident Life, Accident Health Sickness	3/7/2011

continued •••

NC License/NPN#	Action	Date of Action
William J. Turner License #: 1991642	Voluntary Settlement Agreement \$2,250 Resident Life, Accident Health Sickness	3/7/2011
Stephen L. Switek License #: 16170511	License Denial Resident Life Accident Health Sickness	3/11/2011
John A. Womack License #: 5592879	Voluntary Surrender Resident Life, Accident Health Sickness	3/18/2011
Stephen C. Erikson License #: 8712994	Voluntary Surrender Resident Life, Accident Health Sickness	3/28/2011
Douglas P. Hiatt License #: 15130442	Voluntary Settlement Agreement \$100 Resident Property, Casualty	3/28/2011
Dwayne E. Watlington License #: N/A	License Denial Resident Life	3/29/2011
Daryl T. Rogerson License #: 6589619	Voluntary Surrender Resident Life, Accident Health Sickness, Property, Casualty	3/29/2011
Dorinda J. Phillips License #: 12718174	Voluntary Settlement Agreement \$250 Resident Life	4/4/2011
Karen P. Huffman License #: 6566315	License Denial Resident Property, Casualty	4/5/2011
Carol Y. Kellum License #: 7834240	License Revocation Nonresident Personal Lines	4/5/2011
Valisa K. Jacobs License #: 12297251	License Revocation Resident Life, Accident Health Sickness, Property, Casualty	4/6/2011
Kevin J. Ebbink License #: 6616970	Voluntary Settlement Agreement \$500 Resident Life, Accident Health Sickness	4/11/2011
Rodney J. Woods License #: 9128665	License Suspension Resident Life, Accident Health Sickness	4/11/2011
Christopher B. Bivins License #: 15186619	License Suspension Resident Life, Accident Health Sickness	4/12/2011
Gershem M. Strange License #: 9216274	License Suspension Resident Life, Accident Health Sickness	4/12/2011
Garry E. Patterson License #: 16237236	License Denial Resident Life	4/12/2011
Kristina M. Verne License #: 6593399	License Suspension Resident Property, Casualty	4/12/2011
Eric Ammon License #: N/A	License Denial Resident Life	4/25/2011
Dianna Humphrey License #: 14531954	License Surrender Resident Accident Health Sickness	4/26/2011

NC License/NPN#	Action	Date of Action
Adrienne D. Dalton License #: 3524323	Voluntary Settlement Agreement \$1,000 Resident Life, Accident Health Sickness	4/28/2011
Charles Thomas Hansen License #: 10674850	Voluntary Surrender Nonresident Life, Accident Health Sickness	4/28/2011
Samuel W. Starling License #: 6561369	Voluntary Settlement Agreement \$250 Resident Life, Accident Health Sickness, Variable	4/29/2011
Jerry D. Bell License #: 2482234	Voluntary Settlement Agreement \$250 Resident Life, Accident Health Sickness	5/3/2011
Helen Starnes License #: 16190862	License Denial Resident Life	5/4/2011
Barry John Barrier License #: 7980274	Voluntary Surrender Nonresident Life, Accident Health Sickness	5/6/2011
Brian S. Coker License #: 2389413	Voluntary Surrender Resident Life, Accident Health Sickness	5/13/2011
Joseph R. Hume License #: 8518081	Voluntary Settlement Agreement \$500 Resident Life, Accident Health Sickness	5/19/2011
Marvin Allen Address License #: 306912	License Denial Nonresident Life	5/20/2011
Robert B. Hughes, Jr. License #: 16236225	License Denial Resident Life, Accident Health Sickness	5/24/2011
Michael Sterling Smith License #: 1536575	Voluntary Settlement Agreement \$250 Resident Life, Accident Health Sickness, Variable	5/31/2011
Diana W. Pace License #: 1106444	License Revocation Resident Life, Accident Health Sickness	6/22/2011
Ronnie L. Bidgood License #: 6576491	License Denial Resident Life	6/23/2011
Henry Anderson License #: 15997159	License Suspension Resident Accident Health Sickness	6/24/2011
Cory R. Coleman License #: 15820008	License Suspension Resident Life	6/24/2011
Gregory L. Pittman License #: 14233334	License Suspension Resident Life	6/24/2011
Reginald Robinson License #: 12635452	License Suspension Resident Life, Accident Health Sickness	6/24/2011
Anthony D. White License #: 13335210	License Suspension Resident Accident Health Sickness	6/24/2011

NC License/NPN#	Action	Date of Action
BAIL BONDSMEN		
Tony A. Boston NC License/NPN #: 8393758	Voluntary Settlement Agreement \$500 Surety & Professional Bail Bondsman	1/6/2011
Stewart Thurston Vines NC License/NPN #: 6571766	License Denial Surety Bail Bondsman	1/13/2011
Tina S. Meekins NC License #: 9750965	Voluntary Settlement Agreement Surety Bailbondsman	2/7/2011
Billie Earl Lofton NC License #: 16151607	License Denial Surety Bailbondsman	2/16/2011
Jeffery Edward Bean NC License #: 16151542	License Denial Surety Bailbondsman	2/16/2011
Joseph F. Moller NC License #: 13233199	License Revocation Bail Bond Runner	2/23/2011
Joseph H. Boston License #: 8392433	License Revocation Surety and Professional Bail Bondsman	2/24/2011
Mazel Boston NC License #: 8392487	License Revocation Surety Bailbondsman; Professional Bondsman	2/24/2011
Darrell Reid NC License #: 10016760	Voluntary Settlement Agreement Surety Bailbondsman	3/2/2011
Robert C. Gibson License #: 9681091	Voluntary Surrender Bail Bond Runner	3/4/2011
Kendell Maurice Riddick License #: 16220380	License Denial Bail Bond Runner	3/9/2011
Anthony C. Perry NC License #: 8393805	License Revocation Surety Bailbondsman; Bail Bond Runner	3/11/2011
David Demond Wynn License #: 16213139	License Denial Surety Bail Bondsman	4/15/2011
Anthony Wayne Matthew License #: N/A	License Denial Surety Bail Bondsman	4/27/2011
Lisa Cannon Britt License #: 16179530	License Denial Bail Bond Runner	4/28/2011
Angela L. Justice License #: 8393730	Voluntary Surrender Resident Surety Bail Bondsman	5/5/2011
Gregory B. Holeman License #: 10004571	Voluntary Settlement Agreement \$250 Surety Bail Bondsman	5/12/2011
Brandon A. Morgan License #: 12753045	Voluntary Settlement Agreement \$250 Surety Bail Bondsman	5/26/2011
Alma R. Tart License #: 10011361	Voluntary Settlement Agreement Resident Surety Bail Bondsman	6/2/2011

NC License/NPN#	Action	Date of Action
Darryl Stallings License #: 8392493	License Suspension Professional Bondsman	6/23/2011
Teacus J. Sumpter License #: 10007977	Voluntary Settlement Agreement \$350 Surety Bail Bondsman	6/23/2011
Matthew L. Gregory License #: 12753044	Voluntary Settlement Agreement \$750 Surety Bail Bondsman	6/30/2011
ADJUSTERS		
Daniel L. Albaugh NC License/NPN #: 13805111	Voluntary Settlement Agreement \$250 Nonresident Company Independent Firm Adjuster	1/7/2011
Brian K. Jefferies License #: N/A	License Denial Resident Public Adjuster	2/3/2011
Mark Bryan Massey License #: 8668019	Voluntary Settlement Agreement \$500 Nonresident Public Adjuster	5/20/2011
Damon Faunce License #: 7113554	License Revocation Nonresident Public Adjuster	6/8/2011
Simeon Keith Morris License #: 15432795	License Revocation Nonresident Public Adjuster	6/10/2011
Paul V. McKenna License #: 11759791	License Revocation Nonresident Public Adjuster	6/23/2011
Guy Sayers License #: 13518415	Voluntary Surrender Nonresident Public Adjuster	6/24/2011

Check out the latest published reports from the Market Regulations Division: www.ncdoi.com/me

Individuals and business entities can now print their own license through SBS Connect and sign up for e-mail notifications of license status changes. Click **HERE** for quick and easy instructions.