

AGENT SERVICES

TO: NC Prelicensing Education Providers
Interested Parties

FROM: Etta Maynard
Deputy Commissioner, Agent Services Division

DATE: August 27, 2010

RE: Proposed October 1, 2010 Prelicensing Education Rules

The Agent Services Division of the North Carolina Department of Insurance proposed rule changes to the insurance prelicensing (PLE) education program for an effective date of October 1, 2010. These rules in Title 11 NCAC 06A.0700 apply to the educational requirements for candidates applying for *certain insurance licenses. The primary reason for these rule changes is to address ongoing regulatory complaints, course audit findings, and allegations of fraud relative to the course offerings of correspondence courses via the internet.

Due to the number of comments received during the rule comment period, Agent Services Division has withdrawn the proposed correspondence PLE rule changes from the Rule Commission's consideration in 2010. Before moving forward with these rule changes, Agent Services will address both provider and industry concerns such to ensure that the PLE program contributes to professional, knowledgeable and ethical agents in the consumer marketplace in NC.

If you have suggestions and comments, please send to Christina Hunter by December 31, 2010. For your convenience, we have posted the current rules and the proposed rule revisions on the Department's website at www.ncdoi.com at http://www.ncdoi.com/asd/asd_LegislativeChanges.asp.

The examination team in the Agent Services Division will continue to conduct random audits of the courses you offer and we may take administrative action against a provider who is not in compliance with the statutes and rules. In addition our regulatory action may include removing the education credit from the applicant/licensee for non-compliance.

Please call Christina Hunter at (919) 807-6800 x76823 if you have questions.

*20 hours of insurance PLE is required to qualify for an agent license both class and correspondence:
Accident/Health/Sickness, Casualty, Life, Personal, Property

*10 hours of insurance PLE is required to qualify for Med Supp/Long Term Care agent license both class and correspondence