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18.01.53 - CONTINUING EDUCATION

000. LEGAL AUTHORITY.

The statutory authority for this rule is Title 41, Chapter 10, Sections 41-1046(7) and 41-1077(1)(h), Idaho Code. (7-1-93)

001. TITLE AND SCOPE.

The purpose of this rule is to help protect the public by maintaining high standards of professional competence in the insurance industry; to maintain and improve the insurance skills and knowledge of agents, brokers, and consultants licensed by the Department of Insurance by prescribing a minimum education in approved subjects that a licensee must periodically complete, procedures and standards for the approval of such education, and a procedure for establishing that continuing education requirements have been met. (7-1-93)

002. -- 010. (RESERVED).

011. APPLICABILITY.

01. Applicability to Certain Insurance Professionals. This rule applies to all resident agents, brokers, consultants, and limited agents licensed by the Department of Insurance except employees or owners of travel agencies if the employee's or owner's license allows the sale of travel or trip insurance to customers booking travel plans with the travel agency, or to a limited agent whose qualification license covers credit life insurance or credit disability insurance pursuant to Chapter 23, Title 41, Idaho Code, or to one (1) person named in the license or registered with the Director as to the license of persons regulated or licensed by the Department of Finance pursuant to Chapter 46, Title 28, Idaho Code, national or state chartered banks, federal or state chartered savings and loan associations, or federal or state chartered credit unions dealing with insurance licensed pursuant to section 41-1045(1)(b),(c) and (d), Idaho Code (limited agent's license). (7-1-98)

02. High Standards for Programs. The Department of Insurance anticipates and expects that licensees will maintain high standards of professionalism in selecting quality education programs to fulfill the continuing education requirements set forth herein. (7-1-93)

012. BASIC REQUIREMENTS.

01. Proof of Completion. As a condition for the continuation of a license, a licensee must furnish the Director of the Department of Insurance ("Director"), on or before the licensing renewal date, proof of satisfactory completion of approved subjects or courses having at least forty (40) hours of continuing education credit during each two (2) year licensing period. (7-1-93)

02. Relicensing Procedures After Voluntary Termination of License. An insurance agent who voluntarily terminates his/her license can apply to be relicensed without testing if the application is received by the Department within twelve (12) months after the termination and if the continuing education requirements were completed during the licensing period prior to voluntary termination. Non-resident insurance agents who were former resident agents and who wish to obtain a resident license once again, will be subject to the continuing education requirements on a pro-rata basis. For example: If an agent resided in Idaho for nine (9) months, that agent's continuing education requirement would be fifteen (15) credit hours should the agent return to Idaho and request to be relicensed. (7-1-93)

03. Carry Over of Credits. Upon renewal of a license, up to but no more than twenty (20) continuing education credit hours, in excess of the credit hours required to renew the license, may be credited to the next consecutive licensing period. However, the licensee should submit only the required number of hours and indicate dates of completion. It is the responsibility of the licensee to keep track of earned credit hours and documentation to verify proof of completion. (7-1-98)

04. Completion within Two (2) Years. Each course to be applied toward satisfaction of the continuing

education requirement must have been completed within the two (2) year period immediately preceding renewal of the license, except carryover credits as defined in Subsection 012.03 or as allowed in Idaho Code Section 41-1077(h). Courses may not have been duplicated in the same renewal period. The date of completion for a self-study course is the date of successful completion of exam. (7-1-98)

013. EXCEPTIONS/EXTENSION.

01. Excepting and Extension. The following exceptions and extensions may be made to the continuing education Rules: (7-1-93)

- a. Licensees on extended active duty with the Armed Forces of the United States for the period of such duty. (7-1-93)
- b. Persons which hold a temporary license as provided in Section 41-1051, Idaho Code. (7-1-93)
- c. Other exceptions and extensions, where good cause exists, as approved by the Continuing Education Advisory Committee. (7-1-93)

02. Age Exception or Extension. No exception or extension shall be made solely because of age. (7-1-93)

03. Application for Exception or Extension Required. Licensees requesting exceptions and extensions pursuant to this Rule must apply prior to the renewal date to the Director, in writing, and set forth the basis for the exception or extension. (7-1-93)

014. CONTINUING EDUCATION ADVISORY COMMITTEE.

01. Continuing Education Advisory Committee. An eleven (11) member Continuing Education Advisory Committee, comprised of representatives from each segment of the insurance industry, shall be appointed by the Director. The committee shall be appointed as follows: (7-1-98)

- a. Five (5) of the members to serve a term of two (2) years and six (6) of the members to serve a term of three (3) years. (7-1-98)
- b. Subsequent committee members shall serve a term of three (3) years. (7-1-98)
- c. Members may succeed themselves if: (7-1-98)
 - i. Renominated by the industry and approved by the Director; or (7-1-98)
 - ii. Reappointed by the Director. (7-1-98)

02. Duties of the Advisory Committee. The advisory committee shall perform the following duties at the discretion of the Director: (7-1-98)

- a. Approve or disapprove programs as per the standards of this rule; (7-1-93)
 - b. Assign the number of continuing education hours to be awarded to programs that are approved; (7-1-93)
 - c. Consider applications for exceptions and extensions as permitted under Section 013 of this rule; (7-1-93)
- and
- d. Consider other related matters as the Director may assign. (7-1-93)

03. Quorum. Those present at any meeting of the Continuing Education Advisory Committee shall be deemed to be a quorum for purposes of acting to perform the duties of the Committee pursuant to this rule. Matters

before the Continuing Education Advisory Committee may be decided by a majority of those members present. In the event of a tie vote, the Chairman shall vote to break the tie. (7-1-93)

04. Decisions or Rulings. Decisions or rulings of the Continuing Education Advisory Committee in its performance of the duties set forth herein shall have the effect of decisions or rulings of the Director of the Department of Insurance. Such decisions are, however, in the discretion of the Director, subject to his review and approval or rejection. (7-1-93)

015. PROGRAM REQUIREMENTS.

All continuing education programs are subject to review and approval by the Continuing Education Advisory Committee and certification by the Director. They must be submitted to the Continuing Education Advisory Committee in accordance with Section 021 of this rule on forms promulgated by the Director. (7-1-93)

016. PROGRAMS WHICH QUALIFY.

01. Requirements of Acceptable Program. A specific program will qualify as an acceptable continuing education program if it is a formal program of learning which contributes directly to the professional competence of a licensee. It will be left to each individual licensee to determine the course of study to be pursued. All programs must meet the standards outlined in Section 018. (7-1-93)

02. Subjects Which Qualify. (7-1-93)

a. The following general subjects are acceptable as long as they contribute to the knowledge and professional competence of an individual licensee as an agent, broker, or consultant, and demonstrate a direct and specific application to insurance and relate to the area or areas of expertise covered by the license or licenses held by the licensee. (7-1-98)

i. Insurance, annuities, and risk management. (7-1-93)

ii. Insurance laws and rules. (7-1-93)

iii. Mathematics, statistics, and probability. (7-1-93)

iv. Economics. (7-1-93)

v. Business law. (7-1-93)

vi. Finance. (7-1-93)

vii. Taxes. (7-1-93)

viii. Business environment, management, or organization. (7-1-93)

ix. Securities. (7-1-98)

b. Areas other than those listed above may be acceptable if the licensee can demonstrate that they contribute to professional competence and otherwise meet the standards set forth in this rule. The responsibility for substantiating that a particular program meets the requirements of this rule rests solely upon the licensee. (7-1-93)

017. PROGRAMS WHICH DO NOT QUALIFY.

01. Any Course Used to Prepare for Taking an Insurance Licensing Examination. (7-1-93)

02. Committee Service of Professional Organizations. (7-1-93)

03. Computer Science Courses. (7-1-93)

- 04. Motivation, Psychology, or Selling Skills Courses. (7-1-93)
- 05. Reviews, Quizzes and/or Examinations. (7-1-93)
- 06. Any Program Not in Accordance with This Rule. (7-1-93)

018. STANDARDS FOR CONTINUING EDUCATION PROGRAMS.

In order to qualify for credit, the following standards must be met by all continuing education programs: (7-1-93)

- 01. Program Development. (7-1-93)
 - a. The program must have significant intellectual or practical content to enhance and improve the insurance knowledge and professional competence of participants. (7-1-93)
 - b. The program must be developed by persons who are qualified in the subject matter and instructional design. (7-1-93)
 - c. The program content must be current or up to date. (7-1-93)
- 02. Program Presentation. (7-1-93)
 - a. Instructors must be qualified, both with respect to program content and teaching methods. Instructors will be considered qualified if, through formal training or experience, they have obtained sufficient knowledge to instruct the course competently. (7-1-93)
 - b. The number of participants and physical facilities must be consistent with the teaching method specified. (7-1-93)
 - c. All programs must include some means for evaluating quality. (7-1-93)

019. MEASUREMENT OF CREDIT.

- 01. Credits Measured in Full Hours. Professional education courses shall be credited for continuing education purposes in full hours only. The number of hours shall be equivalent to the actual number of contact hours which must include at least fifty (50) minutes of instruction or participation. As an example, a program will be granted eight (8) hours of credit if the total lapsed time is approximately eight (8) hours and the contact time is at least four hundred (400) minutes. The approved credit hours assigned a course determines the number of hours participants are required to complete. No credit will be given for partial attendance. (7-1-93)
- 02. College Courses. University or college upper division credit or noncredit courses shall be evaluated as follows: (7-1-93)
 - a. Credit courses -- each semester system credit hour shall not exceed fifteen (15) hours toward the requirement; each quarter system credit hour shall not exceed ten (10) hours. The final number of credits shall be determined by the Continuing Education Advisory Committee. (7-1-93)
 - b. Non-credit courses -- number of credits to be determined by the Continuing Education Advisory Committee. (7-1-93)

020. CONTROLS AND REPORTING.

- 01. Signed Statement of Compliance Required. The application for renewal of a license shall be accompanied by a signed continuing education statement, under oath, on a form promulgated by the Director, listing the courses that have been taken and are in compliance with this rule. (7-1-93)
- 02. Licensee to Retain Original Certificate as Evidence. The original certificate of completion received for each educational program or course shall be retained by the licensee as evidence of completion of the program or

course for the most recent two (2) year renewal period. The certificates of completion shall be on a form promulgated by the Director. (7-1-93)

03. Statement Subject to Audit. The continuing education statement submitted by a licensee will be reviewed by the Department of Insurance and may be verified by a formal audit on a sample basis. If a continuing education statement submitted by an applicant for license renewal, as required by this rule, is not approved, the applicant shall be notified and administrative action shall be taken pursuant to Sections 41-1046(7) and 41-1077(1)(h), Idaho Code. (7-1-93)

04. Responsibility that Course Acceptable on Licensee. The responsibility for establishing that a particular course or other program for which credit is claimed is acceptable and meets the continuing education requirements set forth in this rule rests solely on the licensee. (7-1-93)

05. Sign-in and Sign-out Sheets. Sign-in and sign-out sheets are to be used and monitored to ensure attendance for the full length of the seminar. No Certificate of Completion is to be given to any one arriving late or leaving prior to the conclusion of the seminar. Failure to comply with these requirements will result in loss of certification in accordance with Section 023. (7-1-93)

021. APPROVED PROGRAMS OF STUDY - CERTIFICATION BY DIRECTOR.

01. Requirements of Course Approval. All courses must be approved by the Continuing Education Advisory Committee and certified by the Director. If a course is not approved in advance of presentation, an application for credit must be submitted to the Continuing Education Advisory Committee within sixty (60) days of completion of the course on forms promulgated by the Director, with the exception of an individual licensee who may submit an application for courses completed within the license renewal period if the licensee does so prior to his/her renewal date. All correspondence courses or individual study programs must be approved and certified in accordance with Section 024 prior to being offered to licensees for continuing education credit. (7-1-93)

02. Nonrefundable Application Fee. Each course application shall be accompanied by a nonrefundable application fee (as set forth in IDAPA 18.01.44). (7-1-93)

03. Course Approval Procedures. Any individual, school, insurer, industry association, or other organization intending to provide classes, seminars, or other forms of instruction as approved subjects shall apply for such approval to the Continuing Education Advisory Committee on forms promulgated and furnished by the Director or on other forms which provide information including but not limited to the following: (7-1-93)

- a. A specific outline and/or course material; (7-1-93)
- b. Time schedule; (7-1-93)
- c. Method of presentation; (7-1-93)
- d. Qualifications of instructor; and (7-1-93)
- e. Other information supporting the request for approval. (7-1-93)

04. Method to Determine Completion Required. The submission shall include a statement of the method used to determine the satisfactory completion of an approved subject. Such method may be a written examination, a written report by the agent, certification by the providing organization of the agent's program attendance or completion, or other methods approved by the Director as appropriate for the subject. (7-1-93)

05. Final Acceptance/Rejection of Program. Upon receipt of such material, the Continuing Education Advisory Committee will approve or deny the course or program as qualifying for credit, indicate the number of hours that will be awarded for approved subjects, and refer the class, seminar, or program to the Director for his certification. In cases of denial, the Continuing Education Advisory Committee will furnish a written explanation of the reason for such action. (7-1-93)

06. List of Programs Certified Acceptable. The Director will provide, upon request, a list of all programs currently available which the Department of Insurance has certified. (7-1-93)

07. Certification of Program. Certification of a program may be effective for a period of time not to exceed two (2) years or until such time as any material changes are made in the program, after which it must be resubmitted to the Continuing Education Advisory Committee for its review and approval. (7-1-93)

08. Advertising Programs Prior to Certification. If any course has not been approved by the Continuing Education Advisory Committee and certified by the Director before the date on which it is to be presented, the course may be advertised or presented as "continuing education credits have been applied for" but shall not be represented or advertised in any manner as "approved" for continuing education credit. (7-1-93)

022. PROOF OF COMPLETION.

Upon completion of a class, program, or course of study, the authorized representative of the sponsoring organization shall, within sixty (60) days of completion of the course: (7-1-93)

01. Certificate of Completion. Provide a certificate of completion to each individual who satisfactorily completes the class, program, or course of study; and (7-1-93)

02. Certification of Attendees Completion. Certify to the Director a list of all such individuals, specifying whether the determination of satisfactory completion was based upon attendance, written report, or examination. (7-1-93)

023. APPROVED SUBJECTS - LOSS OF CERTIFICATION.

01. Program Suspension. The certification of a program may be suspended by the Director if it has been determined that: (7-1-93)

a. The program teaching method or program content no longer meets the standards of this rule, or have been significantly changed without notice to the Director for recertification; or (7-1-93)

b. The program certified to the Director that an individual had completed the program in accordance with the standards furnished for certification or completion of the program, when in fact the individual had not done so; or (7-1-93)

c. Individuals who have satisfactorily completed the program of study in accordance with the standards furnished for certification or completion were not so certified by the program; or (7-1-93)

d. The instructor or sponsoring organization is not qualified as per the standards of this rule, has had an insurance license revoked, or lacks education or experience in the subject matter of the proposed course; or (7-1-93)

e. There is other good and just cause why certification should be suspended. (7-1-93)

02. Reinstatement of a Suspended Certification. Reinstatement of a suspended certification will be made upon the furnishing of proof satisfactory to the Continuing Education Advisory Committee that the conditions responsible for the suspension have been corrected. (7-1-93)

024. CREDIT FOR INDIVIDUAL STUDY PROGRAMS.

01. Requirements for Credit of Independent Study Programs. All approved correspondence courses or independent study programs must include an examination which requires a score of seventy percent (70%) or better to earn a certificate of completion. For each approved course, the sponsoring organization shall maintain multiple tests (two (2) or more) sufficient to maintain the integrity of the testing process. A written explanation of test security and administration methods shall accompany the course examination materials. The examinations shall be administered, graded, and the results recorded by the organization to which approval was originally granted. Completed tests shall be retained by the sponsoring organization and shall not be returned to any licensee. (7-1-93)

02. Prior Approval Required for Independent Study Programs. All correspondence courses or individual study programs must be submitted for approval and must be approved prior to being offered to licensees for continuing education credit. (7-1-93)

03. Time Period for Credit. Credit will be allowed only in the renewal period in which the course is completed. (7-1-93)

025. CREDIT FOR SERVICE AS LECTURER, DISCUSSION LEADER, OR SPEAKER.

01. Credit for Instructor. One (1) hour of continuing education credit will be awarded for each hour completed as an instructor or discussion leader, provided the class or program is certified by the Director and meets the continuing education requirements of those attending. (7-1-93)

02. Additional Credit for Instructor. In addition, an instructor or discussion leader may claim an additional one (1) hour of credit for advance preparation for each one (1) hour of teaching, provided the time is actually devoted to preparation. For example, an instructor may claim up to twelve (12) hours of credit for teaching a six (6) hour course. Credit for either preparation or presentation will only be granted once for each course or program, not for successive preparation or presentations. (7-1-93)

026. CREDIT FOR BREAKFAST, LUNCHEON, OR DINNER MEETINGS.

Courses, seminars, or programs presented in connection with breakfast, lunch, or dinner meetings may qualify for continuing education credit only if they are meetings of recognized insurance organizations and meet the requirements of Sections 015 and 016. (7-1-93)

027. SEVERABILITY.

If any provision of this rule is for any reason held to be invalid, the remainder of the rule shall not be affected thereby. (7-1-93)

028. -- 999. (RESERVED).