

MONTANA STATE AUDITOR

JOHN MORRISON
STATE AUDITOR



COMMISSIONER OF INSURANCE
COMMISSIONER OF SECURITIES

ADVISORY MEMORANDUM

DATE: September 7, 2007

TO: All Licensed Insurers Authorized to Write Long-Term Care Insurance
All Insurance Producers Authorized to Sell, Solicit or Negotiate Long-Term Care Insurance
All Sponsoring Organizations offering approved insurance continuing education courses

FROM: John Morrison, Montana State Auditor and Commissioner of Insurance
John Morrison

RE: New Producer Training Requirements for Producers Selling Long Term Care Insurance in Montana

In 2007, the Montana legislature amended the Long Term Care Insurance Act [Title 33, Chapter 22, Part 11, Montana Code Annotated (MCA)] in order to adopt the most recent version of the NAIC Long-Term Care Model Act. The amendments and new sections of this bill became effective July 1, 2007.

House Bill (HB) 156, New Section 15 provides that an individual may not sell, solicit or negotiate long-term care insurance unless the individual is authorized as an insurance producer for disability or life insurance and has completed a one-time training course (at least 8 hours) on or before July 1, 2008, and ongoing training (at least 4 hours) every 24 months thereafter. These requirements apply to currently licensed and newly licensed producers. Producers that become licensed after July 1, 2008, must complete the 8-hour one-time training course before they can begin selling long-term care products. If the Montana Department of Health and Human Services implements a long-term care partnership program, the training must include information about that program as described in New Section 15.

For the complete text of what is required by this new statute, please refer to HB 156, which you can access by logging onto <http://leg.mt.gov>.

Insurers providing long-term care insurance shall obtain verification that the producer receives such training, maintain records subject to the state's record retention requirements [Sections 33-3-401 and 33-2-122, MCA] and make that verification available to the Montana Insurance Commissioner upon request. Training shall cover the following topics: long-term care insurance, long-term care services, Qualified Partnerships, and the relationship between Qualified Partnerships and other public and private coverage of long-term care, such as Medicaid. The required training may not include any sales or marketing information or company-specific product information.

The satisfaction of these training requirements in any state shall be deemed to satisfy the training requirements in Montana. These training requirements may be approved as insurance continuing education courses under Title 33, Chapter 17, Part 12, MCA.

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