

## **Chapter 3 Continuing Education & Department Communication**

Florida's continuing education (CE) requirements generally apply to all individuals licensed to sell insurance or adjust claims in Florida if they were required to pass an examination as part of their licensing process. The continuing education requirements do not apply to:

- Individuals who hold limited lines licenses for which no exam is required
- Limited lines crop, hail, or multi-peril crop insurance agents
- Public adjusters for workers compensation insurance or health insurance (However, other public adjusters are subject to the continuing education requirements.)

Licensees who cannot comply with the continuing education requirements because they are on active military duty may submit a written request for a waiver from the Department. The waiver request must include a copy of the licensee's military orders.

### **Five-Hour Update Course**

One uniform aspect of the requirement is that all licensees, other than title insurance agents, must complete a Department-approved five-hour course every two years, which is designed to update them on current Florida insurance laws and other topics. The update course must be developed and offered by an approved continuing education provider and must cover the following topics:

- Insurance law updates
- Ethics for insurance professionals
- Disciplinary trends and case studies
- Industry trends
- Premium discounts
- Determining suitability of products and services
- Other similar insurance-related topics the Department determines are relevant to legally and ethically carrying out the responsibilities of the license granted

Different types of update courses are available, each of which contains subject matter that corresponds to one of the various lines of insurance for which examination and licensure are required. Licensees must complete a course that pertains to the specific type of license they hold. A licensee who holds multiple insurance licenses must complete an update course that is specific to at least one of the licenses held.

The five-hour update course is a mandatory element of the continuing education requirement. However, completion of the five-hour update course will not entirely fulfill an agent's CE requirement. Licensees will need more than five hours of continuing education credit per two-year compliance period in order to renew their licenses. Any required hours of continuing education that remain after completing the mandatory five-hour update course are elective and may consist of any continuing education course approved by the Department.

### **Elective CE Hours**

The number of elective continuing education hours that a licensee must complete depends on certain factors, such as the type of license and the number of years the license has been held. Most licensees are required to complete an additional 19 hours of elective continuing education courses every two years (for a total of 24 hours of continuing education hours every two years). However, some individuals are subject to lower elective requirements:

- Individuals who have been licensed for six years or more must complete 15 hours of elective CE courses every two years.

-Individuals who have been licensed for 25 years or more must complete five hours of elective CE courses every two years if they satisfy either of the following:

- hold a CLU or a CPCU designation

- have a Bachelor of Science degree in risk management or insurance with 18 or more semester hours in insurance-related courses<sup>86</sup>

-Individuals must complete five hours of elective CE courses every two years if they are not a licensed life or health agent but are licensed as:

- a customer representative or limited customer representative

- a motor vehicle physical damage and mechanical breakdown insurance agent

- an industrial fire insurance or burglary insurance agent

-Individuals who are licensed as bail bond agents must complete nine hours of elective CE courses every two years.

Licensees must complete all required CE hours by the end of the licensee's birth month after being licensed 24 months and then every two years thereafter.

In Florida, licensees may complete the following courses in order to meet the elective continuing education course requirements:

- Any part of the Life Underwriter Training Council Life Course Curriculum (24 hours) or Health Course (12 hours)

- Any part of the American College "CLU" diploma curriculum (24 hours)

- Any part of the Insurance Institute of America's program in general insurance (12 hours)

- Any part of the American Institute for Property and Liability Underwriters' Chartered Property Casualty Underwriter (CPCU) professional designation program (24 hours)

- Any part of the Certified Insurance Counselor program (21 hours)

- Any part of the Accredited Advisor in Insurance (21 hours)

- In the case of title agents, completion of the Certified Land Closer (CLC) professional designation program and receipt of the designation (24 hours)

- In the case of title agents, completion of the Certified Land Searcher (CLS) professional designation program and receipt of the designation (24 hours)

- Any insurance-related course that is approved by the Department and taught by an accredited college or university per credit hour granted (12 hours)

- Any course, including courses relating to agency management or errors and omissions, developed or sponsored by an authorized insurer or recognized agents' association, insurance trade association, or an independent study program of instruction, subject to approval by the Department, qualifies for the equivalency of the number of classroom hours assigned by the Department

### **Additional CE Rules**

Title insurance agents are not required to take the five-hour update course that is mandatory for most other agents. However, they must complete at least ten hours of continuing education every two years in Department-approved courses dealing with title insurance and escrow management specific to Florida. These courses must include at least three hours of continuing education on the subjects of ethics, rules, or compliance with state and federal regulations relating specifically to title insurance and closing services.

Licensees who earn excess CE hours during any two-year compliance period may carry them forward to the next compliance period.

Individuals who teach approved continuing education courses earn the same number of classroom credit hours as students who successfully complete the course.

Licensees may submit a request to the Department for an extension of time to complete the continuing education requirements. The request must be submitted a minimum of 15 days prior to the licensee's compliance date.

The Department will grant a 90-day extension of time to complete the minimum CE requirements if an individual can show good cause. "Good cause" means an incident or occurrence that is beyond the individual's control and that prevents compliance. Examples of good cause include a disabling accident or illness, or a declared national emergency. A licensee's appointments will be terminated if he or she fails to complete the continuing education requirements before the expiration of an extension.

Licensees may receive a maximum of four 90-day extensions during each compliance period.

### **Recordkeeping Requirements**

Licensees must maintain records of all CE course completions for two years from the completion dates. While licensees are not required to file certificates of completion with the Department, the Department may require licensees to submit such records for audit purposes or to correct discrepancies in Department records.

### **Penalties for Not Completing CE**

If an adjuster does not timely complete his or her continuing education requirements, the Department may immediately terminate or refuse to renew the adjuster's appointment, unless the adjuster has been granted an extension or waiver. The Department may not issue a new appointment of the same or similar type to a licensee who was denied a renewal appointment for failing to complete continuing education until the licensee completes his or her continuing education requirement.

### **Reporting of Administrative Actions**

It is possible that a licensee may be sanctioned by an agency other than the Department. If an administrative action is taken against a licensee by a governmental agency or other regulatory agency in Florida or any other state or jurisdiction, the Department must be informed.

Licensees must report an action if it relates to the insurance business, selling securities, or activity involving fraud, dishonesty, lack of trustworthiness, or breach of fiduciary duty. In such cases, the licensee has 30 days after the final disposition of the action to submit a copy of the relevant legal documents to the Department.

### **Recordkeeping**

Adjusters, like all licensees, are required to keep and maintain certain records and to make them available to the Department upon request. Office books, accounts, and records that will enable the Department to determine whether an adjuster is properly accounting for funds in accordance with the Insurance Code must be kept on paper or by electronic or photographic means.<sup>97</sup>

Licensed adjusters must also comply with specific laws concerning their offices and records. An adjuster's office must be accessible to the public and contain the usual and customary records that pertain to the adjustment of claims under the adjuster's license. Adjusters may maintain a business office in their homes.

Records pertaining to each specific loss or claim must be maintained at the adjuster's business office for a minimum of five years after the adjustment process has been completed.

### **Department Communication**

In recent years, the Department has increasingly sought to make the licensing process quicker, easier, and more secure for adjusters. Online communication is now the predominant form of communication within the Department. As discussed below, license applications and appointments must now be submitted online, continuing education requirements are reported electronically, and contact information must be updated through an adjuster's MyProfile account. Adjusters must

therefore understand the tools that the Department uses to communicate with adjusters and insurers as well as with the general public.

### **Department Web Site**

The Department maintains a Web site—<http://www.myfloridacfo.com>—where licensees, insurers, consumers, and businesses are able to review and access information about Department updates and news. The Web site was redesigned recently and includes a new home page address that adjusters should use when looking for information about licensing, continuing education, and other industry matters. The Web site is located at [www.MyFloridaCFO.com/Division/Agents](http://www.MyFloridaCFO.com/Division/Agents).

The Web site also contains information about the specialized divisions within the Department, including the Agent and Agency Services and the Investigative and Forensic Services divisions. The Web site also contains a link to each division's Web page where adjusters may obtain more information about licensing requirements, industry alerts, and enforcement matters.

The Department's home page also includes links to:

- Financial guides for seniors
- Updates about the CFO's initiatives (e.g., Transparency Florida, insurance fraud, and consumer protection)
- Information about unclaimed property in the state
- Press releases issued by the Department
- The state's annual financial report
- Resources for Florida residents, such as consumer guides and how to report fraud

Similarly, the Office of Insurance Regulation maintains a Web site—<http://www.florir.com>—which contains important information about the Florida insurance industry, lists of insurers authorized to transact insurance in the state, types of insurance, and government affairs, including links to the Florida statutes and Florida Administrative Code. The Web site also contains a number of resources specifically for consumers, including:

- Explanations of various types of insurance that consumers may purchase, including flood, homeowners, automobile, and title insurance
- Information on federal health care reform
- Insurance rates for auto, homeowners, Medicare Supplement (Medigap), and small group health insurance
- Information about insurance company cybersecurity breaches
- Industry reports and other publications, such as annual reports, a list of new entrants to the marketplace, and rate changes for health and property insurance

### **MyProfile**

MyProfile is the online Web portal for the Florida Department of Financial Services' Bureau of Licensing through which adjusters and other licensees maintain their licenses.<sup>99</sup> Once adjusters create their MyProfile accounts, they can:

- Verify the accuracy of their names
- Verify or change their addresses
- Apply for an adjuster's license
- View information and deficiencies on a pending license application
- View messages sent from the Department
- View their adjuster licenses and appointments
- Check the status of their compliance with CE requirements
- Obtain a duplicate license

In addition, MyProfile allows adjusters to quickly locate continuing education courses approved for their specific appointments. It also allows adjusting firms to verify the continuing education status of their employees and licensed adjusters, and to apply for emergency adjuster licenses. As discussed previously, adjusters are required to update the Department about any changes to their phone numbers and home, business, or email addresses; this can be accomplished through their MyProfile accounts.

MyProfile contains a Frequently Asked Questions page that provides adjusters with a great deal of information pertaining to licensing and compliance matters.

## **Insurance Insights**

The Department's Division of Insurance Agent and Agency Services issues an online newsletter, Insurance Insights, which provides information for adjusters and other licensees about the latest trends and news in the insurance industry. It includes information about the Department's current legislative agenda, new initiatives the Department is launching, changes in the Florida Insurance Code and rules, and continuing education updates.

Insurance Insights also includes a section entitled "Compliance Corner," which highlights various areas in which the Department has noted a pattern of noncompliance among licensees. It features rules about which adjusters should familiarize themselves to ensure they are transacting insurance in compliance with Florida law.

For example, recent editions have addressed the legal requirements for reporting criminal and administrative actions taken against adjusters and agents, working in the insurance industry after a license has been suspended, and transacting insurance after moving out of state. "Compliance Corner" also highlights the types of disciplinary action that may be taken for violating these laws.

Insurance Insights also includes a "Case Notes" section, which summarizes the facts of various cases where licensees and others have violated the Insurance Code. It highlights the administrative action the Department has taken against these persons, as well as whether the Department referred any matters to the Division of Investigative and Forensic Services for criminal investigation.

Finally, Insurance Insights provides a list of recent enforcement actions that includes the names of individuals and businesses against whom disciplinary action has been taken, including license suspension, revocation, probation, fines, and links to copies of the final orders issued by the Department.

## **Transparency Florida Web Site**

The Department maintains a Web site, Transparency Florida, where Florida residents are able to track government spending and view finance reports, fund balances, state and local receipts and disbursements, and government contracts. The purpose of the Web site is to provide transparency regarding how the state government is managed and funded and to hold state leaders accountable for how tax dollars are spent. The Web site also contains a link to "Get Lean," another site where consumers can anonymously provide ideas for eliminating government fraud, waste, and abuse and for improving how Florida government operates.

## **Financial Frontlines Web Site**

The Florida CFO launched Financial Frontlines, a new Web site to help military members and their families learn how to protect themselves from financial fraud and to manage debt. The site contains information and videos about:

- Identity theft
- Servicemembers Civil Relief Act
- Credit scoring
- Budgeting and savings

- Predatory lending

- Financial planning for marriage, retirement, health care, college, homeownership, and other life events

### **On Guard for Seniors Web Site**

The Department has created another Web site, On Guard for Seniors, to help seniors, their family members, and caregivers avoid becoming victims of insurance fraud and misleading sales tactics. The site provides information about annuities, reverse mortgages, long-term care insurance, identity theft, and fraudulent consumer schemes.

The Web site lists key questions to ask when purchasing insurance and provides videos about how various insurance and financial products work. The Web site also includes a consumer alert section that highlights various financial schemes used to defraud seniors as well as success stories from seniors who sought help from the Department on these topics. From this site, consumers can also link to "Your Money Matters," another Department Web site, dedicated to providing financial literacy and financial resources and information to all Floridians, regardless of age.