

**DEPARTMENT OF INSURANCE**

ADMINISTRATION & LICENSING SERVICES BRANCH

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TO: All Parties Interested in the Pre-licensing and Continuing Education Program

The following summary is to help you understand the duties and responsibilities of approved providers in the program, and to help you become either a Pre-licensing or Continuing Education (CE) provider with approved courses. This is not a substitute for knowing the rules. All providers are responsible for reading and understanding the applicable California Insurance Code sections (1749 et seq.), and the enclosed Regulations and forms. **All approvals are subject to the provider complying with our Regulations and applicable California Insurance Code sections.**

To become a new provider you need to submit a completed Pre-licensing/Continuing Education Program Provider Certification/Renewal Application form LIC 446-2 with any applicable attachments and a nonrefundable \$56 application fee. Provider approval is for two years. If you are located outside the state of California, you also need to submit an Out-Of-State Provider Jurisdiction Agreement form LIC 446-40 and a Stipulation to Maintain Records Outside of California form LIC 446-32.

For each course you want to offer you need to submit a completed Pre-licensing/Continuing Education Program Course Approval Application form LIC 446-3 with all required attachments as listed at the top of the second page of the form, and a nonrefundable \$28 (\$56 for a pre-licensing course) application fee. Course approval is for two years.

You must be an approved provider and have your courses pre-approved before you can offer a course for either pre-licensing or CE credit.

Courses are approved for specific license types. For example: A life agent would not be able to receive credit for completing an approved course about auto insurance. Please use the Course Approval Application to determine which license types the course will apply to. Third party providers (providers who are using another providers materials) will be given what the original course was approved for. The approval letter will indicate which license types the course may be offered to.

**Approved providers agree to follow the rules stated in the California Code of Regulations, Title 10, Chapter 5, Subchapter 1, Article 6.5, sections 2186 through 2188.9. In particular, they are expected to:**

- Maintain completed instructor qualification forms for all instructors. These forms stay in the provider's possession and will be reviewed during audits. Instructors must have three years experience within the last five years in the course subject matter.
- Maintain records of registrations, enrollments, exam grades and completions for all students. These items will be reviewed during audits.

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- Maintain financial records (bank statements, ledgers, journals, receipt books, invoices, etc.) which establish an audit trail for all fees collected from and refunded to students. These items will be reviewed during audits.
- Maintain all course advertisements for two years. Advertisements shall include the name of the provider, course title, license type approved for, and the credit hours assigned. These items will be reviewed during audits. Only approved providers can offer and schedule courses.
- Complete and maintain daily attendance records at both the beginning and end of each session for all students. These verify that the student attended the class and earned a Certificate of Completion. The forms stay in the provider's possession and will be reviewed during audits.
- Maintain records of reasonable efforts to notify registered students when courses are canceled.
- Provide Certificates of Completion to all students successfully completing a class. Regulation section 2188.8 gives the required information needed on certificates.
- A Provider Roster form LIC 446-13 of students issued Certificates of Completion must be sent to the Department within **30** days from class completion. This form allows students to receive Continuing Education credit.

**If the information on the provider roster does not match the information on the class presentation schedule, the roster will be returned unprocessed.**

- Please give **30** days advanced notice of implementing any changes (other than routine updating) to course content of approved courses prior to offering additional classes.
- Submit new course applications to arrive in our office at least **30** days prior to the first class.
- To maintain continuity of the approval status for providers and courses, all renewal applications should arrive in our office at least **60** days prior to the approval expiration dates.
- Maintain all records for a period of five years and make them available as requested.

Providers should have minimum guidelines for acceptable student behavior. These standards must be met or the offending students should be asked to leave. Our attendance requirements for passing a course presume the students are paying attention and taking part in the class as appropriate. **A student who is sleeping or sitting quietly in the back of the room reading a newspaper should NOT be issued a Certificate of Completion.** The provider's responsibility is to teach the approved material.

**For Contact Courses:**

- A **completed** Class Presentation Schedule form LIC 446-12 must be received in our office at least ten days in advance of any course presentation (class). This form should also be used to notify us of all changes and cancellations (including any pending presentations). Audits may be conducted based on these notices.

- If an instructor wants CE credit for teaching a class, the instructor should receive a Certificate of Completion and his or her name should be included in the Provider Roster. (An instructor, like a student, can only be given credit for the same course once in a two-year license approval period.)
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The following information should be submitted with contact course applications:

- Submit a sample of attendance record forms proposed for use meeting the requirements of California Code of Regulations Section 2188.5(b).
- Submit a sample of your Certificate of Completion (see Section 2188.8(a) & (d) of the California Code of Regulations).

**For Correspondence Courses:**

- Submit Provider Roster form LIC 446-13 within 30 days of course completion. The provider is required to set a policy on how completion dates will be determined. For example: receipt date, postmark date, etc. These dates will appear on your Provider Rosters and Certificates of Completion.

The following information should be submitted with correspondence course applications:

- How long students have to complete a course and how that information is transmitted to them.
- A copy of the instruction sheet that goes to the students.
- Explain how the course completion date is determined and how that information is given to students.

Please supply information about protecting the integrity of the exam:

- Who has control of the answer key?
- What is a passing grade? If someone fails the exam can they retake the exam? If so, how many times and if it would be the same exam?
- Whether exams are returned to students or the answers discussed with them.
- Submit sample of Certificate of Completion (see Section 2188.8(a) & (d) of the California Code of Regulations).

Our guideline for assigning credit hours to correspondence courses starts with standardizing all the various formats in which courses are presented. This is done by 'translating' the material into a text page of 44 lines per page and 14 or more words per line. Approximately one hour of credit per ten pages of text, depending on the degree of difficulty of the material. Credit is not given for appendices, glossaries, or chapter questions because there is no measurement that they need to be reviewed to complete the course.

**For Prelicensing Courses:**

- Ethics and California Insurance Code may be offered for CE credit if a student is already licensed in the State of California. However, the provider must file for Continuing Education Status and must submit the course on a CE application.
- Pre-licensing providers approved for just a 52-hour course cannot offer certificates for a 12-hour course. The pre-licensing 12-hour Ethics and Code course is the only course that can be taken for either pre-licensing or CE credit. (An instructor, like a student, can only be given credit for the same course once in a two-year license approval period.)
- **A student must attend 100% of a pre-licensing class to earn a Certificate of Completion.** If students miss some class time, the instructor must work with the student to cover the missed material, so that the instructor can certify that the student covered 100% of the class and material.
- Each student should be provided a copy of our educational objectives with page references per line to your source book(s). (The educational objectives cross-reference can be obtained from the pre-licensing book supplier.) By doing this at the beginning of each new class, the students will know what they are expected to learn and what they will be tested on.
- Approved pre-licensing providers are authorized to train people for a new occupation. As such, they fall under statutes in the California Education Code and must register with the Bureau for Private Post-secondary and Vocational Education. Their address, telephone number and website address are: 400 R Street, Suite 5000, Sacramento, CA 95814; (916) 445-3427; [www.dca.ca.gov/bppv](http://www.dca.ca.gov/bppv). We notify the Council of all approved pre-licensing providers.

Courses are approved for a specific provider. **An approved course can only be offered by the provider to whom the approval was granted.** If an approved provider wants to offer another provider's approved course, they would have to go through our course approval process. Submit authorization letter from that provider and the appropriate course materials. Upon approval a new course number (even if the material is exactly the same) will be issued to you.

Thank you for your interest in the insurance pre-licensing and continuing education program. Please notify us of any questions or comments.

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Disclaimer: No course approved for either prelicensing or continuing education hours or any designation resulting from completion of such courses should be construed to be endorsed by the Commissioner.

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