

**DEPARTMENT OF INSURANCE**

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**NOTICE**

**TO:** All Admitted Insurers, Licensed Fire and Casualty Broker-Agents and Other interested Parties

**DATE:** March 22, 2011

**SUBJECT:** Reminder – June 30<sup>th</sup> Deadline Approaching – Accident and Health License

**Background**

Assembly Bill (AB) 2782 (Chapter 400, Statutes of 2010) became effective on January 1, 2011. Included among the provisions of the bill was to require all individuals and business entities to hold an accident and health agent license to transact accident and health insurance. Section 1626(a)(2) of the California Insurance Code defines accident and health insurance as insurance coverage for sickness, bodily injury, or accidental death and may include benefits for disability income.

**Six-Month Extension for Current Fire and Casualty Broker-Agents**

The California Department of Insurance (CDI) received several inquiries from affected licensees and insurers wanting to know who would need the accident and health agent license and also voicing concerns that there wasn't enough time prior to January 1, 2011 for all of those individuals to obtain the accident and health agent license.

As a result, the previous Commissioner granted a six-month extension to fire and casualty broker-agents who were licensed prior to December 31, 2010 to meet the requirement. Specifically, fire and casualty broker-agents licensed prior to December 31, 2010 have until **June 30, 2011** to obtain the accident and health agent license to continue to transact accident and health insurance. The extension applied to both individuals and business entities as well as to both California residents and non-residents.

However, individuals and business entities who were not licensed as of January 1, 2011 as either an accident and health agent or a fire and casualty-broker agent must obtain the accident and health agent license to be able to transact accident and health insurance.

**Applying for an Accident and Health Agent license**

When applying for an accident and health agent license, individual California residents currently licensed as fire and casualty broker-agents will need to complete 20 hours of precensing education covering accident and health insurance as well as pass a qualifying examination consisting of 75 questions. As current licensees, the fingerprinting requirement and the 12-hour training requirement on ethics and the California Insurance Code will be waived. Please access the following website to obtain detailed information for obtaining an accident and health agent license for both California residents and non-residents and for both individuals and business entities: <http://www.insurance.ca.gov/0200-industry/0050-renew-license/0200-requirements/accident-health/index.cfm>

**Questions**

For further information regarding AB 2782, you may access the following link:

[http://www.leginfo.ca.gov/pub/09-10/bill/asm/ab\\_2751-2800/ab\\_2782\\_bill\\_20100927\\_chaptered.pdf](http://www.leginfo.ca.gov/pub/09-10/bill/asm/ab_2751-2800/ab_2782_bill_20100927_chaptered.pdf)

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