

## Massachusetts Division of Insurance Continuing Education Services

### Notice to Continuing Education Providers

August 2, 2016

The Commonwealth of Massachusetts has recently promulgated changes to Life/Health insurance producers' training requirements if they sell or intend to sell annuity products. Regulation 211 CMR 96.00 contains the training requirement for insurance producers licensed in Massachusetts. The Act became effective on July 1, 2016.

The key changes made by the Regulation are as follows:

- **Insurance producers that sell annuity products must complete an approved one-time program of instruction or seminar equivalent to at least 4 classroom hours of instruction.**
- Insurance producers who hold a life insurance line of authority on July 1, 2016 and who desire to sell annuities shall complete the requirements on or before December 31, 2016.
- Individuals who obtain a life insurance line of authority on or after July 1, 2016 may not engage in the sale of annuities until the annuity training course required under this subsection has been completed.

Prometric will permit continuing education providers to request a re-categorization of any course currently approved that they believe qualifies under the Annuity category.

In order for a course to be considered an Annuity course, it must include the following:

- **The types of annuities and various classifications of annuities**
- **Identification of the parties to an annuity**
- **How fixed, variable and indexed annuity contract provisions affect consumers**
- **The application of income taxation of qualified and non-qualified annuities**
- **The primary use of annuities**
- **Appropriate sales practices, replacement and disclosure requirements**

#### **Situation 1: The current course content and/or outline does not need to be amended.**

- A provider should submit a request in writing to have the course reviewed for re-categorization. The request must include your provider and course information and a timed outline.
- No course application fee will be required for course re-categorization under this option.
- If re-categorization is approved, the course ID number, effective date and number of approved hours will remain the same, however the course category will change.
- Producer CE records will reflect the course category on file at the time the course was completed. There will be no retroactive changes made to a producer's licensing record if the course is later re-categorized as an Annuity specific course.



**Situation 2: The current course content and/or outline will need to be changed for the course to qualify as an annuity specific course.**

- A provider should submit a new course application. The course application must include the course application fee, timed outline and course material as well as reference the existing course number.
- If the course is approved, the existing course number will no longer be valid and a new course number will be issued.

**Situation 3: The Annuity component is only part of the course content and the course needs to be split into two separate courses (Example: An 8-hour course contains a 4-hour component of annuities):**

- A provider should submit a new course application for each course category (i.e. one application for the general category and a separate application for the annuity category). The course applications must include the appropriate course application fees, timed outlines and course materials and reference the existing course numbers.
- If the course is approved, the existing course number will no longer be valid and new course numbers will be issued.

**In order to have a course considered for reclassification, providers should forward a formal request, and all required documentation, to the below noted address by August 31, 2016.**

**Prometric  
Attn: Massachusetts Annuity Re-categorization  
7941 Corporate Drive  
Nottingham, MD 21236**

***Please be advised that requests received after August 31, 2016 will not be accepted.***

Providers interested in submitting **new annuity** related courses for consideration should continue with the current course application procedures outlined in the Provider Information Packet.

All questions relating to course approvals and if a course qualifies under the Annuity regulation should be directed to Prometric.

**Email:** [pro.ce-services@prometric.com](mailto:pro.ce-services@prometric.com)  
**Phone:** 888.797.9776  
**Website:** [www.prometric.com/ce](http://www.prometric.com/ce)

Sincerely,

Prometric Continuing Education