

AN ACT

relating to certain continuing education requirements for insurance agents who sell Medicare-related products.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 4004, Insurance Code, is amended by adding Subchapter D to read as follows:

SUBCHAPTER D. ADDITIONAL CONTINUING EDUCATION REQUIREMENTS
FOR SALE OF MEDICARE-RELATED PRODUCTS

Sec. 4004.151. DEFINITIONS. In this subchapter:

(1) "Medicare advantage plan" means a health benefit plan operated under the Medicare program as a managed care plan, special needs plan, or private fee-for-service plan.

(2) "Medicare program" means the federal health insurance program that is operated under the Health Insurance for the Aged Act (42 U.S.C. Section 1395 et seq.).

(3) "Medicare-related product" means a Medicare advantage plan, a Medicare prescription drug plan, or another health plan operated under the Medicare program, such as a Medicare cost plan or a Medicare demonstration plan. The term does not include a Medicare supplement benefit plan regulated under Chapter 1652.

Sec. 4004.152. AGENT EDUCATION REQUIREMENTS. (a) Unless an agent has completed eight hours of professional training related to a Medicare-related product, an agent may not:

1 (1) sell, solicit, negotiate, or receive an
2 application or contract for the Medicare-related product in this
3 state; or

4 (2) represent an insurer in relation to the
5 Medicare-related product in this state.

6 (b) The training required under Subsection (a) may be used
7 to satisfy the continuing education requirements established under
8 Subchapter B.

9 Sec. 4004.153. REQUIRED CONTINUING EDUCATION REGARDING
10 MEDICARE PRODUCTS. (a) This section applies to an agent who:

11 (1) solicits, negotiates, procures, or collects a
12 premium on a Medicare-related product; or

13 (2) represents or purports to represent an insurer, a
14 health maintenance organization, or a preferred provider
15 organization in relation to such a Medicare-related product.

16 (b) Each agent described by Subsection (a) must complete
17 four hours of continuing education that specifically relates to
18 Medicare-related products during the agent's two-year licensing
19 period.

20 (c) Only training in a program that has been certified by
21 the department may be used to satisfy the requirements of
22 Subsection (b).

23 (d) The continuing education required under Subsection (b)
24 may be used to satisfy the continuing education requirements
25 established under Subchapter B.

26 Sec. 4004.154. PROGRAM CERTIFICATION REQUIREMENTS. (a)
27 Subchapter C, including the authorization to contract with an

1 independent contractor under Section 4004.104, applies to programs
2 used to satisfy the requirements of Sections 4004.152 and 4004.153.
3 For the purpose of administering this subchapter, professional
4 training courses shall be considered to be continuing education
5 courses under Subchapter C.

6 (b) The commissioner by rule shall adopt criteria for the
7 programs used to satisfy the requirements of Sections 4004.152 and
8 4004.153 that are designed to ensure that an agent has knowledge,
9 understanding, and professional competence concerning a
10 Medicare-related product. The rules adopted under this subsection
11 may incorporate by reference any requirements established by the
12 Centers for Medicare and Medicaid Services or any other appropriate
13 federal agency.

14 Sec. 4004.155. NONAPPLICATION OF CERTAIN EXEMPTIONS. The
15 continuing education exemptions for certain agents established
16 under Section 4004.052(b) and Section 9.02(e), Chapter 703 (S.B.
17 414), Acts of the 77th Legislature, Regular Session, 2001, do not
18 apply to requirements under this subchapter.

19 SECTION 2. The commissioner of insurance shall adopt rules
20 as required by Section 4004.154, Insurance Code, as added by this
21 Act, not later than December 1, 2009.

22 SECTION 3. Subchapter D, Chapter 4004, Insurance Code, as
23 added by this Act, applies to education requirements for insurance
24 agents for a license issued or renewed on or after April 1, 2010.

25 SECTION 4. This Act takes effect September 1, 2009.

President of the Senate

Speaker of the House

I certify that H.B. No. 739 was passed by the House on May 5, 2009, by the following vote: Yeas 140, Nays 4, 1 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 739 was passed by the Senate on May 21, 2009, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor