

By: Quintanilla

H.B. No. 739

Substitute the following for H.B. No. 739:

By: Thompson

C.S.H.B. No. 739

A BILL TO BE ENTITLED

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 annually
17 complete four hours of continuing education that specifically
18 relates to Medicare-related products. The annual period under this
19 section must be based on the agent's license expiration date or
20 another date specified by the commissioner by rule, and the
21 education requirement under this subsection must be met within that
22 annual period, notwithstanding Section 4004.051(b).

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

26 (d) The continuing education required under Subsection (b)
27 may be used to satisfy the continuing education requirements

1 established under Subchapter B.

2 Sec. 4004.154. PROGRAM CERTIFICATION REQUIREMENTS. (a)
3 Subchapter C, including the authorization to contract with an
4 independent contractor under Section 4004.104, applies to programs
5 used to satisfy the requirements of Sections 4004.152 and 4004.153.
6 For the purpose of administering this subchapter, professional
7 training courses shall be considered to be continuing education
8 courses under Subchapter C.

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

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

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

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

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