

1-1 By: Quintanilla (Senate Sponsor - Ellis) H.B. No. 739  
1-2 (In the Senate - Received from the House May 6, 2009;  
1-3 May 7, 2009, read first time and referred to Committee on State  
1-4 Affairs; May 12, 2009, reported favorably by the following vote:  
1-5 Yeas 9, Nays 0; May 12, 2009, sent to printer.)

1-6 A BILL TO BE ENTITLED  
1-7 AN ACT

1-8 relating to certain continuing education requirements for  
1-9 insurance agents who sell Medicare-related products.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Chapter 4004, Insurance Code, is amended by  
1-12 adding Subchapter D to read as follows:

1-13 SUBCHAPTER D. ADDITIONAL CONTINUING EDUCATION REQUIREMENTS  
1-14 FOR SALE OF MEDICARE-RELATED PRODUCTS

1-15 Sec. 4004.151. DEFINITIONS. In this subchapter:

1-16 (1) "Medicare advantage plan" means a health benefit  
1-17 plan operated under the Medicare program as a managed care plan,  
1-18 special needs plan, or private fee-for-service plan.

1-19 (2) "Medicare program" means the federal health  
1-20 insurance program that is operated under the Health Insurance for  
1-21 the Aged Act (42 U.S.C. Section 1395 et seq.).

1-22 (3) "Medicare-related product" means a Medicare  
1-23 advantage plan, a Medicare prescription drug plan, or another  
1-24 health plan operated under the Medicare program, such as a Medicare  
1-25 cost plan or a Medicare demonstration plan. The term does not  
1-26 include a Medicare supplement benefit plan regulated under Chapter  
1-27 1652.

1-28 Sec. 4004.152. AGENT EDUCATION REQUIREMENTS. (a) Unless  
1-29 an agent has completed eight hours of professional training related  
1-30 to a Medicare-related product, an agent may not:

1-31 (1) sell, solicit, negotiate, or receive an  
1-32 application or contract for the Medicare-related product in this  
1-33 state; or

1-34 (2) represent an insurer in relation to the  
1-35 Medicare-related product in this state.

1-36 (b) The training required under Subsection (a) may be used  
1-37 to satisfy the continuing education requirements established under  
1-38 Subchapter B.

1-39 Sec. 4004.153. REQUIRED CONTINUING EDUCATION REGARDING  
1-40 MEDICARE PRODUCTS. (a) This section applies to an agent who:

1-41 (1) solicits, negotiates, procures, or collects a  
1-42 premium on a Medicare-related product; or

1-43 (2) represents or purports to represent an insurer, a  
1-44 health maintenance organization, or a preferred provider  
1-45 organization in relation to such a Medicare-related product.

1-46 (b) Each agent described by Subsection (a) must complete  
1-47 four hours of continuing education that specifically relates to  
1-48 Medicare-related products during the agent's two-year licensing  
1-49 period.

1-50 (c) Only training in a program that has been certified by  
1-51 the department may be used to satisfy the requirements of  
1-52 Subsection (b).

1-53 (d) The continuing education required under Subsection (b)  
1-54 may be used to satisfy the continuing education requirements  
1-55 established under Subchapter B.

1-56 Sec. 4004.154. PROGRAM CERTIFICATION REQUIREMENTS. (a)  
1-57 Subchapter C, including the authorization to contract with an  
1-58 independent contractor under Section 4004.104, applies to programs  
1-59 used to satisfy the requirements of Sections 4004.152 and 4004.153.  
1-60 For the purpose of administering this subchapter, professional  
1-61 training courses shall be considered to be continuing education  
1-62 courses under Subchapter C.

1-63 (b) The commissioner by rule shall adopt criteria for the  
1-64 programs used to satisfy the requirements of Sections 4004.152 and

4004.153 that are designed to ensure that an agent has knowledge, understanding, and professional competence concerning a Medicare-related product. The rules adopted under this subsection may incorporate by reference any requirements established by the Centers for Medicare and Medicaid Services or any other appropriate federal agency.

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

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

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

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

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