Chapter Ins 26

APPENDIX 4 – ACCIDENT AND HEALTH INSURANCE COURSE REQUIREMENTS

SECTION A
I. Principles of Insurance — 1 Hour
A. Definition of risk
B. Risk management
C. Insurable and noninsurable risk
D. Pooling concept—law of large numbers
E. Types of insurance companies
F. Reinsurance

II. General Wisconsin Insurance Laws — 4 Hours
A. Duties and powers of Insurance Commissioner—statutory and rule-making
B. Knowledge of administrative action process, including hearings and penalties
C. Purpose of licensing, including procedures and who must be licensed
D. Record keeping and changes in agent status, including change of name or address
E. Agent license expiration, revocation, suspension, and limitation
F. General regulations regarding misrepresentation, knowledge of acts of agent, rebating
G. Regulation of specific insurance contract changes regarding cancellation, nonrenewal, notice of proof of loss, and payment of claims
H. Unfair claims methods and practices—timely payment of claims
I. Fair rating practices
J. Home and telephone solicitation requirements
K. Section 628.32, Wis. Stat., written disclosure of fees other than commissions
L. Controlled business
M. Proper exchange of business
N. Unfair marketing practices
1. Misrepresentation
2. Unfair inducement
3. Unfair discrimination
4. Extra charges
5. Influencing employers
6. Unfair use of official position
7. Returning indicia of agency
8. Churning
9. Twisting
10. Restraint of competition
11. Unfair restriction of contracting parties choice of insurer

O. Insurance contracts in Wisconsin

III. Ethics — 3 Hours
A. Fiduciary duties and responsibilities
B. Conflict of interest
C. Ethical marketing practices, including fair and ethical treatment of policyholders
D. Appropriate claims practices
E. Suitability of product to client
F. Social responsibility of insurance agent
G. Agent/company relationships
H. Maintaining appropriate insurance expertise

SECTION B
IV. Accident and Health Insurance—9 Hours
A. Purpose of accident and health insurance
B. Types of policies
1. Medical expense policies
a. Basic hospital, medical, and surgical policies (base or scheduled policies)
b. Major medical policies
c. Comprehensive major medical policies
d. Long Term Care
e. Health Maintenance Organizations (HMO)
f. Preferred Provider Organization (PPO)
g. Multiple Employer Trusts (MET)
h. Multiple Employer Welfare Association (MEWA)
i. Service organizations (Blue Plans)

2. Disability income
a. Individual disability income policy
b. Business overhead expense policy
c. Business disability buyout policy
d. Group disability income policy

3. Accidental death and dismemberment

4. Group insurance
a. Group conversion
b. Differences between individual and group contracts
c. General concepts
d. COBRA

5. Medicare supplement and Medicare select policies

C. Policy provisions, clauses, and riders
1. Mandatory (uniform policy) provisions
a. Entire contract
b. Time limit on certain defenses (incontestable period)
c. Grace period
d. Reinstatement
e. Notice of claim
f. Claim forms
g. Proof of loss
h. Time of payment of claims
i. Payment of claims
j. Physical examination and autopsy
k. Legal actions
l. Change of beneficiary
2. Optional provisions
a. Change of occupation
b. Misstatement of age
c. Illegal occupation

3. Other provisions and clauses
a. Insuring clause
b. Free look (10−day, 20−day, etc.)
c. Consideration clause
d. Probationary (waiting) period
e. Elimination (waiting) period
f. Waiver of premium
g. Exclusions
h. Pre−existing conditions
i. Recurrent disability
j. Coinsurance
k. Deductibles

4. Riders
   a. Impairment rider
   b. Guaranteed insurability rider
   c. Multiple indemnity rider (double, triple)

5. Rights of renewability
   a. Noncancellable
   b. Cancelable
   c. Guaranteed renewable
   d. Conditionally renewable
   e. Optionally renewable
   f. Period of time

D. Social insurance
   1. Medicare
      a. primary, secondary payor
   2. Medicaid
   3. Social security benefits
   4. Badger Care

E. Other insurance concepts
   1. Total, partial, and residual disability
   2. Owner’s rights
   3. Dependent children benefits
   4. Primary and contingent beneficiaries
   5. Modes of premium payments (monthly, quarterly, annually, semiannual, etc.)
   6. Nonduplication and coordination of benefits (e.g., primary vs. excess)
   7. Occupational vs. nonoccupational
   8. Tax treatment of premiums and proceeds of insurance contracts (e.g., disability income, and medical expense, etc.)
   9. Managed care

F. Field underwriting procedures
   1. Completing application and obtaining necessary signatures
   2. Explaining sources of insurability information (e.g., MIB Report, Fair Credit Reporting Act, etc.)
   3. Upon payment of initial premium, giving prospect conditional receipt, and explaining the effect of that receipt (e.g., medical exam, etc.)
   4. Submitting application (and initial premium, if collected) to company for underwriting
   5. Assuring delivery of policy to client
   6. Explaining policy and its provisions, riders, exclusions, and ratings to clients
   7. In cases where initial premium did not accompany application, obtaining signed statement of continued good health, and obtaining premium for transmittal
   8. Contract law
      a. Requirements of a contract
      b. Insurable interest
      c. Warranties and representations
      d. Unique aspects of the health contract
         (1) Conditional
         (2) Unilateral
         (3) Adhesion

V. Wisconsin Health Insurance Law — 3 Hours
   A. General policy provisions
      1. Right of return
      2. Right of insurer to contest
      3. Pre-existing conditions
      4. Application responsibilities for accident and health
      5. Grace periods
   B. Mandated benefits
      1. Handicapped children
      2. Newborn children
      3. Declined risks
      4. Alcoholism, drug abuse, and mental and nervous disorders
      5. Home health care
      6. Skilled nursing care
      7. Kidney disease treatment
      8. Diabetes
      9. Maternity benefits
     10. Nurse practitioners
     11. Optometrists
     12. Chiropractic
     13. Adopted children
     14. Grandchildren
     15. Mammograms
     16. Lead screening
     17. TMJ coverage
     18. Hospital/anesthesia coverage for dental care
     19. Breast reconstruction
   C. Wisconsin Medicare supplements
   D. Requirements of Medicare supplements
   E. Special nursing home and long term care regulations for nursing home and long term care policies
   F. Special provisions, sale of group or individual health to small employers
   G. HIPAA (Health Insurance Portability and Accountability Act)
   H. Continuation and conversion privileges
   I. Cancer insurance and other dread disease
   J. Marketing methods and practices
      1. Advertising Company approval of advertising
      2. Suitability
      3. Outline of coverage
      4. Policy replacement
      5. Identification of insurer (advertiser)
      6. Testimonials, endorsements, or commendations by third parties
      7. Disparaging comparisons and statements
   K. Health Insurance Risk-Sharing Plan (HIRSP)