

As Passed by the House

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Sub. H. B. No. 613

Representative Sears

**Cosponsors: Representatives Hackett, Blessing, Bubp, Buchy, Combs,
Henne, Hill, Huffman, Maag, Terhar, Wachtmann Speaker Batchelder**

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A B I L L

To amend section 3905.01 and to enact sections 1
3905.47, 3905.471, 3905.472, and 3905.473 of the 2
Revised Code to specify licensing and continuing 3
education requirements for insurance agents 4
involved in selling, soliciting, or negotiating 5
sickness and accident insurance through a health 6
benefit exchange. 7

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That section 3905.01 be amended and sections 8
3905.47, 3905.471, 3905.472, and 3905.473 of the Revised Code be 9
enacted to read as follows: 10

Sec. 3905.01. As used in this chapter: 11

(A) "Affordable Care Act" means the "Patient Protection and 12
Affordable Care Act," 124 Stat. 119, 42 U.S.C. 18031 (2011). 13

(B) "Business entity" means a corporation, association, 14
partnership, limited liability company, limited liability 15
partnership, or other legal entity. 16

~~(B)~~(C) "Home state" means the state or territory of the 17

United States, including the District of Columbia, in which an 18
insurance agent maintains the insurance agent's principal place of 19
residence or principal place of business and is licensed to act as 20
an insurance agent. 21

~~(C)~~(D) "Insurance" means any of the lines of authority set 22
forth in Chapter 1739., 1751., or 1761. or Title XXXIX of the 23
Revised Code, or as additionally determined by the superintendent 24
of insurance. 25

~~(D)~~(E) "Insurance agent" or "agent" means any person that, in 26
order to sell, solicit, or negotiate insurance, is required to be 27
licensed under the laws of this state, including limited lines 28
insurance agents and surplus line brokers. 29

~~(E)~~(F) "Insurer" has the same meaning as in section 3901.32 30
of the Revised Code. 31

~~(F)~~(G) "License" means the authority issued by the 32
superintendent to a person to act as an insurance agent for the 33
lines of authority specified, but that does not create any actual, 34
apparent, or inherent authority in the person to represent or 35
commit an insurer. 36

~~(G)~~(H) "Limited line credit insurance" means credit life, 37
credit disability, credit property, credit unemployment, 38
involuntary unemployment, mortgage life, mortgage guaranty, 39
mortgage disability, guaranteed automobile protection insurance, 40
or any other form of insurance offered in connection with an 41
extension of credit that is limited to partially or wholly 42
extinguishing that credit obligation and that is designated by the 43
superintendent as limited line credit insurance. 44

~~(H)~~(I) "Limited line credit insurance agent" means a person 45
that sells, solicits, or negotiates one or more forms of limited 46
line credit insurance to individuals through a master, corporate, 47
group, or individual policy. 48

~~(I)~~(J) "Limited lines insurance" means those lines of authority set forth in divisions (B)(7) to (11) of section 3905.06 of the Revised Code or in rules adopted by the superintendent, or any lines of authority the superintendent considers necessary to recognize for purposes of complying with section 3905.072 of the Revised Code.

~~(J)~~(K) "Limited lines insurance agent" means a person authorized by the superintendent to sell, solicit, or negotiate limited lines insurance.

~~(K)~~(L) "NAIC" means the national association of insurance commissioners.

~~(L)~~(M) "Navigator" means a person selected to perform the activities and duties identified in division (i) of section 1311 of the Affordable Care Act that is certified by the superintendent of insurance under section 3905.471 of the Revised Code.

(N) "Negotiate" means to confer directly with, or offer advice directly to, a purchaser or prospective purchaser of a particular contract of insurance with respect to the substantive benefits, terms, or conditions of the contract, provided the person that is conferring or offering advice either sells insurance or obtains insurance from insurers for purchasers.

~~(M)~~(O) "Person" means an individual or a business entity.

~~(N)~~(P) "Sell" means to exchange a contract of insurance by any means, for money or its equivalent, on behalf of an insurer.

~~(O)~~(Q) "Solicit" means to attempt to sell insurance, or to ask or urge a person to apply for a particular kind of insurance from a particular insurer.

~~(P)~~(R) "Superintendent" or "superintendent of insurance" means the superintendent of insurance of this state.

~~(Q)~~(S) "Terminate" means to cancel the relationship between

an insurance agent and the insurer or to terminate an insurance agent's authority to transact insurance. 79
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~~(R)~~(T) "Uniform application" means the NAIC uniform application for resident and nonresident agent licensing, as amended by the NAIC from time to time. 81
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~~(S)~~(U) "Uniform business entity application" means the NAIC uniform business entity application for resident and nonresident business entities, as amended by the NAIC from time to time. 84
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(V) "Exchange" means a health benefit exchange established by the state government of Ohio or an exchange established by the United States department of health and human services in accordance with the "Patient Protection and Affordable Care Act," 124 Stat. 119, 42 U.S.C. 18031 (2011). 87
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Sec. 3905.47. (A)(1) No agent shall sell, solicit, or negotiate insurance through an exchange on or after January 1, 2014, without first completing training approved by the superintendent of insurance in accordance with division (B) of this section. 92
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(2) Any agent that sells, solicits, or negotiates insurance through an exchange shall complete continuing education, as required by the superintendent in accordance with division (B) of this section, as applicable. 97
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(B) The superintendent shall approve courses to be used for compliance with division (A) of this section. Division (B) of this section may be satisfied by those continuing education courses approved by the superintendent under sections 3905.481 to 3905.486 of the Revised Code. Any course the superintendent approves shall consist of topics related to insurance offered within an exchange, including all of the following: 101
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(1) The levels of coverage provided in an exchange; 108

<u>(2) The eligibility requirements for individuals to purchase insurance through an exchange;</u>	109 110
<u>(3) The eligibility requirements for employers to make insurance available to their employees through a small business health options program;</u>	111 112 113
<u>(4) Individual eligibility requirements for medicaid;</u>	114
<u>(5) The use of enrollment forms used in an exchange;</u>	115
<u>(6) Any other topics as required by the superintendent.</u>	116
<u>(C) The superintendent shall certify an agent who successfully completes the courses approved by the superintendent.</u>	117 118
<u>(D) An individual who receives a resident insurance agent license under section 3905.06 of the Revised Code and that is certified under this section shall submit to the exchange the individual's name, business address, telephone number, electronic mail address, and any other information required by the exchange.</u>	119 120 121 122 123
<u>Sec. 3905.471. (A) A navigator may do any of the following:</u>	124
<u>(1) Conduct public education activities to raise awareness of the availability of qualified health plans;</u>	125 126
<u>(2) Distribute fair and impartial general information concerning enrollment in all qualified health plans offered within the exchange and the availability of the premium tax credits under section 36B of the Internal Revenue Code of 1986, 26 U.S.C. 36B, and cost-sharing reductions under section 1402 of the Affordable Care Act;</u>	127 128 129 130 131 132
<u>(3) Facilitate enrollment in qualified health plans, without suggesting that an individual select a particular plan.</u>	133 134
<u>(B) A navigator shall not do any of the following, unless that navigator is otherwise licensed to do so under this chapter:</u>	135 136
<u>(1) Sell, solicit, or negotiate health insurance;</u>	137

(2) Enroll an individual or employee in a qualified health plan offered through an exchange; 138
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(3) Assist or provide information to an individual or entity seeking to purchase health insurance through the small business health options program portion of an exchange. 140
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(C) An individual, or an individual performing navigator duties on behalf of an organization serving as a navigator, shall not act in the capacity of a navigator unless the individual has met all of the following requirements, as applicable: 143
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(1) Is at least eighteen years of age; 147

(2) Has completed and submitted the disclosure form required under division (D)(2) of this section and has declared, under penalty of refusal, suspension, or revocation of the navigator's certification, that the statements made in the form are true, correct, and complete to the best of the applicant's knowledge and belief; 148
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(3) Has completed a criminal records check under section 3905.051 of the Revised Code, as required by the superintendent; 154
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(4) Has successfully completed the certification and training requirements adopted by the superintendent in accordance with division (D) of this section; 156
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(5) Has paid all fees required by the superintendent. 159

(D) The superintendent of insurance shall, prior to any exchange becoming operational in this state, do all of the following: 160
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(1)(a) Adopt rules to establish a certification and training program for a prospective navigator and the navigator's employees that includes screening via a criminal records check performed in accordance with section 3905.051 of the Revised Code, initial and continuing education requirements, and an examination; 163
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(b) The certification and training program shall include training on compliance with the "Health Insurance Portability and Accountability Act of 1996," 110 Stat. 1955, 42 U.S.C. 1320d, et seq., as amended, training on ethics, and training on provisions of the Affordable Care Act relating to navigators and exchanges.

(2) Develop a disclosure form by which a navigator may disclose any potential conflicts of interest, as well as any other information the superintendent considers pertinent.

(E)(1) The superintendent may suspend, revoke, or refuse to issue or renew the navigator certification of any person that has committed any act that would be a ground for denial, suspension, or revocation of an insurance agent license, as prescribed in section 3905.14 of the Revised Code.

(2) The superintendent shall not certify as a navigator, and shall revoke any existing navigator certification of, any individual, organization, or business entity that is receiving financial compensation, including monetary and in-kind compensation, gifts, or grants, on or after October 1, 2013, from an insurer offering a qualified health benefit plan through an exchange operating in this state.

(F) Navigators are subject to the laws of this chapter, and any rules adopted pursuant to the chapter, in so far as such laws are applicable.

(G) The superintendent may deny, suspend, approve, renew, or revoke the certification of a navigator if the superintendent determines that doing so would be in the interest of Ohio insureds or the general public. Such an action is not subject to Chapter 119. of the Revised Code.

(H) The superintendent may adopt rules in accordance with Chapter 119. of the Revised Code to implement sections 3905.47 to 3905.473 of the Revised Code.

(I) Any fees collected under this section shall be paid into 199
the state treasury to the credit of the department of insurance 200
operating fund created under section 3901.021 of the Revised Code. 201

Sec. 3905.472. An exchange shall permit an insurer to offer 202
any health benefit plan that the insurer seeks to offer through 203
the exchange, so long as the health benefit plan in question is a 204
qualified health plan under the Affordable Care Act, as approved 205
by the superintendent of insurance. 206

Sec. 3905.473. (A) An exchange operating in this state shall 207
maintain a current list of both of the following: 208

(1) Licensed insurance agents that have met all of the 209
requirements necessary to sell insurance through an exchange; 210

(2) Individuals or entities that are not licensed insurance 211
agents that have met all the requirements to be certified by the 212
superintendent as a navigator. 213

(B) An exchange shall make available to an individual upon 214
request a list of insurance agents operating near the individual's 215
residence address that are certified to sell a health benefit plan 216
through an exchange and navigators that are certified under 217
section 3905.471 of the Revised Code. An exchange operating in 218
this state shall maintain a means of communication by which an 219
individual may make such a request. 220

(C) Any web site, software application, or other electronic 221
medium, or an exchange-sanctioned outreach event that enables a 222
consumer to determine eligibility for and to purchase a qualified 223
health plan through an exchange shall include information on how 224
an individual can obtain from an exchange the contact information 225
of insurance agents operating near the individual's residence 226
address that are certified to sell health benefit plans through an 227
exchange and navigators that are certified under section 3905.471 228

of the Revised Code. 229

Section 2. That existing section 3905.01 of the Revised Code 230

is hereby repealed. 231