



August 18, 2020

Mr. Robert H. Muriel, Director
Illinois Department of Insurance
122 S. Michigan Ave., Fl. 19
Chicago, IL 60603-6137

Re: Producer Licensure COVID Accommodations under EO 2020-29

Dear Director Muriel:

We write to you on behalf of the members of the American Council of Life Insurers (“ACLI”), the Illinois Insurance Association (“IIA”) and the Illinois Life and Health Insurance Council (“ILHIC”) who represent over 90% of the Illinois life, health, property and casualty insurance market in Illinois. We appreciate the opportunity to comment on the Department’s recent communications regarding recent changes to Producer Licensing and Coronavirus (COVID-19) as provided for in the updated FAQs.

According to the FAQs, all temporary licenses that are more than 90 days old will be canceled on August 23. Additionally, beginning August 23, all prelicensure, continuing education (CE), including the classroom ethics portion of the CE requirements will no longer be allowed to be completed via webinar and must be completed in-person. The Department cites EO 2020-48, which only extends previously issued executive orders including EO 2020-29 regarding producer licensure accommodations during COVID-19 until August 22.

EO 2020-29 provides accommodations on specific provisions of the Illinois Insurance Code and accompanying regulations that require in-person education and provisions related to professional licensure for producers for the duration of the Gubernatorial Disaster Proclamations. Our organizations believe that the Governor’s Office will continue to renew the disaster proclamations until the state achieves Phase 5 of the Restore Illinois plan. While the Administration has also issued new executive orders to renew pre-existing executive orders, like EO 2020-29, it is our belief that as long as the Governor continues to renew the disaster proclamation then the producer licensure accommodations set forth in EO 2020-29 remain intact unless the Governor actively rescinds the executive order.

Our organizations strongly support retaining the provisions set forth in EO 2020-29 and would urge the Department and the Governor to maintain the current producer licensure accommodations for several reasons.

First, requiring prospective producer licensees to return to an in-person pre-licensure environment at a time when COVID cases are increasing statewide will serve as a barrier to attracting and recruiting producer talent for our companies. Additionally, requiring licensed producers to meet their two-year continuing education requirements by attending the mandatory in-person classroom ethics also serves as a barrier to those licensed producers who may be uncomfortable returning to an in-person setting. It should also be noted that some education providers in the state are not allowing in-person pre-licensure or continuing education ethics courses at this time.

Second, repeal of EO 2020-29 will mean that temporary licensed producers will lose that temporary license after 90 days. Under current law, those producers who have a temporary license are only allowed one temporary license so they will be unable to renew or extend those temporary licenses past the 90 days. The temporary license extensions offered under the executive order were necessary because testing sites across Illinois were closed during the stay at home order and remote proctored examinations are not currently available in this state.

Testing centers resumed in-person testing on May 1, but those centers are currently limited to 50% capacity and they also serve as testing sites for other professional licenses. While some testing centers downstate are able to seat prospective producers, including producers with a temporary license, relatively quickly, some testing centers in the Cook and collar counties are still experiencing a significant delay between the time an appointment is made until the time the applicant is able to be seated for the exam.

Some of our companies have seen an increase in the number of producers who currently operate under a temporary license because of COVID. One company currently has 475 agents on a temporary license and of those, 127 have temporary licenses in excess of 90 days. All agents that have a temporary license operate under the supervision of a fully-licensed agent, but should EO 2020-29 be rescinded on August 22, all of those temporary licensed agents will lose their employment on August 23.

Our organizations believe that temporary licenses are a temporary solution and we do not support permanent extension of these licenses, but we do believe that reverting back to the pre-COVID licensure restrictions when the state is not yet past the realities of COVID is unwarranted at this time. Producers are a vital distribution channel for our life and health companies, but they are also a vital resource for consumers, particularly at a time when consumers are relying more heavily on access to their insurance and availing themselves of necessary policy benefits.

While we support maintaining EO 2020-29 in full at this time, we also encourage the state to pursue remote proctored exams as a way to overcome the current backlog and also resolve any concerns with extending temporary licenses beyond 90 days. Fourteen other states have already implemented remote proctored examinations through their vendor and both ILHIC and ACLI strongly support Illinois following the lead of these other states. By implementing remote proctored examinations, the need to extend temporary licenses beyond the 90-day limitation would not be necessary once that option is up and fully functioning.

We also support a change in the statute to allow prelicensure and the ethics portion of the continuing education requirements to be completed via webinar. Until such time these changes can be made to the statute or Illinois achieves Phase 5 of the Restore Illinois Plan, we support maintaining webinar-based accommodations currently set forth in EO 2020-29.

We again urge the Department and the Governor to maintain the current EO 2020-29 in order to prevent disruption to our producer partners, but also to prevent limiting consumer access to these producer

partners who can help them navigate their insurance needs and policy benefits. Several other states have extended similar accommodations, including New York, which just announced on August 6 that it was allowing pre-licensing and continuing education requirements to be completed online through at least November 5.

We appreciate the opportunity to comment and look forward to further dialogue on ways in which we can support strengthening producer licensure accommodations more permanently, including securing a remote proctored producer examination option.

Sincerely,



Laura Minzer
President, Illinois Life & Health Insurance Council



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Executive Director, Illinois Insurance Association



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Cc: Lauren Peters, Chief of Staff
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