



A Brief History:

In 1945, the McCarran-Ferguson Act was passed which specifically provided the regulation of the business of insurance by state governments. Each state has an insurance department to regulate insurance, and these departments have the power to enforce state insurance laws and regulations. Requirements may vary by state and product, but all states have laws requiring that each individual who sells, solicits or negotiates insurance have a state-issued license, and must be appointed with an insurer to sell its products.

Licenses:

Each state insurance department establishes the required qualifications for obtaining a license. A License is a legal document issued by a state insurance department to an individual or entity, authorizing them to transact the business of insurance under the guidelines established by the insurance laws of that state. A license can be issued for a resident and a non-resident agent. State regulations will determine whether licenses are issued for individuals and/or business entities. The agent and/or agency must have a valid state-issued license in the state where the policy is sold as well as their resident state. It is the agency's and the agent's responsibility to obtain an insurance license and meet the licensing qualifications required by each state insurance department to which they apply.

With the exception of IA, RI, TN, VT and WI, all states require agencies to be licensed in order to sell, solicit or negotiate insurance business in that state.

Two states currently require each location of an agency doing business in that state to be licensed separately. These states are GA and WA.

Agencies, Agents and Appointments:

An Agent is an individual licensed by a state insurance department to sell (exchange a contract of insurance by any means), solicit (attempt to sell insurance), or negotiate (conferring directly with or offering advice to a prospective purchaser of an insurance contract), insurance within that state. Some agents work for agencies while others are independent and sell for several insurers. An Agency is a corporation, partnership, or sole proprietorship engaged in the business of insurance.

An insurance agent shall not sell an insurer's products without an appointment with that insurer. An Appointment is a transaction, tracked by the state and initiated by an insurance company that declares a licensed individual or agency to be authorized to transact insurance on their behalf. In most states, appointments are not required to obtain or maintain an insurance license, however, an agent is not allowed to sell, solicit, or negotiate insurance without an appointment with the insurer. Individuals may be appointed with multiple agencies or insurers.

An insurer must verify there is a valid insurance license for the agency, if applicable, and the agent. The agency's appointment must be under the name that is on its license and not a name the agency chooses to use instead of the true and legal name. In lieu of obtaining the agency license, an agent who holds the appropriate state issued license(s) can complete documents for an appointment as an individual agent of record.

Agency Affiliation:

Seventeen states require that an agent be affiliated on the agency's license in order to represent the Agency in that state. An Agency Affiliation is a transaction tracked by the state that declares that a producer is authorized to transact insurance on behalf of that agency. This is initiated by, and is the responsibility of, the agency.

Currently, states requiring agent affiliation are AR, CA, CO, GA, HI, KS, KY, LA, ME, MI, MO, MT, NV, NM,

OH, OR, UT and WA. In GA, only resident agents are required to be affiliated.

Commission:

A Commission is a payment made by the insurance company to the agent as compensation for the sale or distribution of a policy. A commission cannot be paid to an unlicensed, un-appointed agent. Licensing and appointment requirements apply to all commission recipients for a sold group, however the license and appointment requirements are not based on whether or not a commission is payable.

TPAs and Brokers:

A Third Party Administrator is an entity that, directly or indirectly, collects charges or premium, and/or adjusts or settles claims on behalf of a self-funded insurance plan for life, annuity or health coverages. A TPA license covers only these administration functions. It is not the correct license required to sell, solicit or negotiate insurance business. Only a licensed individual or agency authorized to transact insurance can be appointed.

A Broker is a licensed, legal representative of the insured who negotiates with insurance companies on behalf of the insured. Since the broker represents the insured, no appointment or affiliation is required for the broker to transact business. An entity or individual who holds only a broker license does not meet the license requirements needed to be appointed.

HCC Life Insurance Company (HCC Life):

HCC Life requires that the agent of record (whether an agency or individual) for any sold policy underwritten by HCC Life and the agent who signs policy documents for the group complete our appointment process. The agent of record and signing agent for a sold policy must have the necessary insurance license(s) in order to be appointed with HCC Life, and we will confirm that the agency, agent or individual has the required license(s) before an appointment is processed. Our appointment process is done entirely online and begins when a policy is sold. Licensing and appointment requirements are the same regardless of whether commission is paid.

Licensing & Appointment FAQs

Q: What is the appointment process for HCC Life?

A: Once you have sold a policy with HCC Life, we will begin the appointment process by requesting that you complete our online appointment documents.

Q: Why do I have to fill out my documents online?

A: The documents must be completed and submitted online in order for us to access licensing records, request background information and process state appointments.

Q: I am concerned about giving my personal information online. Is it safe?

A: The system used for our online appointment process does not share your personal information with any third party.

Q: Do I need an appointment with HCC Life if I am not being paid commission?

A: Yes. Licensing and appointment requirements are the same, regardless of commission.

Q: What type of license(s) do I need to be appointment with HCC Life?

A: States require that Agencies/Agents have the proper state license in order to sell, solicit or negotiate insurance. Terminology may vary by state, with some using "Agency/Agent", "Business Entity" or "Producer". Both the Agency and the Agent who will be signing the policy documents must hold required licenses, in both the Agent of Record and Policyholder states, in order for an appointment with HCC Life to be processed.

Q: Do I need an appointment as a TPA or Broker?

A: Appointments cannot be processed on a TPA or Broker license, as these do not meet the state requirements for an Agency/Agent license needed to sell, solicit or negotiate insurance on behalf of HCC Life.

Q: What is the process if my Agency does not have the required state license(s)?

A: In lieu of obtaining the Agency license, an agent who holds the proper license(s) can complete documents for an appointment as an individual Agent of Record. Please note that commission (if any) can only be paid to a licensed entity, so in the case of an individual Agent of Record, it would be payable under the individual's SSN.

Q: Can an Agency's appointment be under a DBA name?

A: No. The Agency's appointment must be under the name that is on its license.

Q: My Agency and I are both licensed, are there additional license requirements?

A: There are several states that also require an agent to be affiliated on the Agency's license in order to represent the Agency in that state. If that impacts the Agent of Record or Policyholder state, then the Affiliation must be in place prior to any appointment being processed.

Q: How do I know if my license meets the state requirements? Can HCC Life help me get my license or complete state license requirements?

A: HCC Life can provide general information regarding state license requirements as they pertain to our appointment process. However, each state's requirements are specific to that state. The Department of Insurance for the state in which you are doing business is your best resource for any detailed information.

State Department of Insurance:

Alabama

<http://www.aldoi.gov>

ProducerLicensing@insurance.alabama.gov

Alaska

<http://www.commerce.alaska.gov/dnn/ins/Home.aspx>

insurance@alaska.gov

Arizona

<http://www.azinsurance.gov/producers/index.html>

licensing@azinsurance.gov

Arkansas

<http://www.insurance.arkansas.gov>

insurance.license@arkansas.gov

California

<http://www.insurance.ca.gov/>

<https://interactive.web.insurance.ca.gov/pli/servlet/InformationRequest>

Colorado

<http://www.dora.sate.co.us/insurance>

insurance@dora.state.co.us

Connecticut

<http://www.ct.gov/cid>

cid.licensing@ct.gov

Delaware

<http://delawareinsurance.gov>

licensing@state.de.us

District of Columbia

<http://www.disr.dc.gov>

Florida

<http://www.myfloridacfo.com/division/agents>

agentlicensing@myfloridaCFO.com

Georgia

<http://www.gainsurance.org>

Agents@oci.ga.gov

Hawaii

<http://cca.hawaii.gov/ins/>

inslic@dcca.hawaii.gov

Idaho

<http://www.doi.idaho.gov/>

agent@doi.idaho.gov

Illinois

<http://www.insurance.illinois.gov>

DOI.licensing@illinois.gov

Indiana

<http://www.in.gov/idoi/>
cdain@idoi.in.gov

Iowa

<http://www.iid.state.ia.us/>
producer.licensing@iid.iowa.gov

Kansas

<http://www.ksinsurance.org>
licensing@ksinsurance.org

Kentucky

<http://insurance.ky.gov/>
DOI.AgentLicensingMail@ky.gov

Louisiana

<http://www.lidi.state.la.us>

Maine

<http://www.maine.gov/pfr/insurance>
insurance.PFR@maine.gov

Maryland

<http://www.mdinsurance.state.md.us>
producerlicensing.mia@maryland.gov

Massachusetts

<http://www.mass.gov/doi>
producerupdate.mailbox@state.ma.us

Michigan

<http://www.michigan.gov/difs>
difs-licensing@michigan.gov

Minnesota

<http://mn.gov/commerce/insurance/>
licensing.commerce@state.mn.us

Mississippi

<http://www.mid.ms.gov/>
licensing@mid.ms.gov

Missouri

<http://www.insurance.mo.gov>
licensing@insurance.mo.gov

Montana

<http://www.csi.mt.gov>
producerlicensing@mt.gov

Nebraska

<http://www.doi.ne.gov>
licensing@doi.state.ne.us

Nevada

<http://www.doi.nv.gov>
insinfo@doi.state.nv.gov

New Hampshire

<http://www.nh.gov/insurance>

ProducerQuestion@ins.nh.gov

New Jersey

<http://www.state.nj.us/dobi/index.html>

inslic@dobi.state.nj.us

New Mexico

<http://www.osi.state.nm.us>

Agents.Licensing@state.nm.us

New York

<http://www.dfs.ny.gov/>

licensing@dfs.ny.gov

North Carolina

<http://www.ncdoi.com>

ASD@ncdoi.net

North Dakota

<http://www.nd.gov/ndins/>

ndlicensing@nd.gov

Ohio

<http://insurance.ohio.gov>

licensing@insurance.ohio.gov

Oklahoma

<http://www.ok.gov/oid/>

licensing@oid.ok.gov

Oregon

<http://www.oregon.gov/dcbs/insurance/Pages/index.aspx>

web.insagent@state.or.us

Pennsylvania

<http://www.insurance.pa.gov>

ra-in-producer@state.pa.us

Rhode Island

<http://www.dbr.ri.gov/divisions/insurance> InsuranceInquiry@dbr.ri.gov

South Carolina

<http://www.doi.sc.gov>

agntmail@doi.sc.gov

South Dakota

<http://dlr.sd.gov/insurance/default.aspx>

insurance@state.sd.us

Tennessee

<http://www.state.tn.us/commerce/>

ce.agent.licensing@tn.gov

Texas

<http://www.tdi.texas.gov/>

license@tdi.texas.gov

Utah

<https://insurance.utah.gov/>
licensing.uid@utah.gov

Vermont

<http://www.dfr.vermont.gov>
dfr.producerLicensing@state.vt.us

Virginia

<http://www.scc.virginia.gov/boi/index.aspx>
bureauofinsurance@scc.virginia.gov

Washington

<http://www.insurance.wa.gov>
licinfo@oic.wa.gov

West Virginia

<http://www.wvinsurance.gov>
Agent.Licensing@wvinsurance.gov

Wisconsin

http://www.oci.wi.gov/oci_home.htm
ociagentlicensing@wisconsin.gov

Wyoming

<http://doi.wyo.gov/>
wyinsdep@wy.gov