

ADJUSTER LICENSE

*Tammi Williams
Assistant Director*

*Evelyn Major
Assistant Director*

*Louisiana Department of Insurance
Commissioner James J. Donelon*

PURPOSE OF THE PRODUCER LICENSING DIVISION

- The Producer Licensing Division licenses all insurance producers, managing general agents, surplus lines brokers, claims adjusters and public adjusters as mandated by the insurance code.
- The Division provides necessary information and forms to prospective applicants for licenses.



- Examination of applications to determine that applicants meet all requirements so that only honest and qualified persons are licensed to serve the public.

Recommendations are made to approve or disapprove applicants based upon such factors as criminal history, lawsuits, bankruptcy and disciplinary action in this or other states.



- Response to inquiries from the public regarding the status of licensees.
- Oversight of the producer and adjuster testing program.
- Assurance that pre-licensing and continuing education courses contain appropriate information for instructional purposes.



IMPLEMENTATION

HOW DO WE ACCOMPLISH OUR PURPOSE?

- Monitoring all producers negotiating contracts of insurance to assure proper licensing and appointments by licensed insurers.
- Recording of regulatory actions against producers and adjusters whose licenses have been revoked, suspended, fined or subject to other administrative actions. This ensures that additional licenses and appointments will not be issued until such time as the licensee is eligible for reinstatement or renewal.



- Reviewing of examination questions, pre-licensing and continuing education provider applications and course content to assure that licensees are well prepared and knowledgeable in insurance.
- Maintaining of producer databases for use by other State Insurance Departments, courts and law enforcement agencies. The databases are public records, available to consumers.



THE NEED FOR ADJUSTER LICENSING IN LOUISIANA

- After Hurricane Katrina and Rita in 2005 the Louisiana legislature decided that there was a need for adjuster licensing in Louisiana.



- Adjuster licensing legislation was submitted in 2006 Regular Session.

AUTHORITY



- **Claims Adjusters – 2006 Regular Session**
Act 783 became effective January 1, 2007
Licensing provision effective June 30, 2007.
- **Public Adjusters – 2006 Regular Session**
Act 806 became effective August 15, 2006
Licensing provision effective June 30, 2007.

TYPES OF ADJUSTERS

- **Claims Adjuster:** (Combination of independent and company staff adjusters) An individual who investigates or adjusts losses on behalf of an insurer as an independent contractor or as an employee of an adjustment bureau, an association, a property and casualty producer, an independent contractor, an insurer or a managing general agent. A claims adjuster acts solely on behalf of an insurer.
- **Public Adjuster:** Any person who, for any compensation, direct or indirect, engages in public adjusting. A public adjuster acts solely on behalf of the insured or claimant (persons making claims against the insurance policies).



LINES OF AUTHORITY

- Automobile – personal and commercial
- Personal – homeowners, including liability
- Commercial – commercial general liability, commercial property, commercial crime, commercial inland marine, boiler and machinery, farm coverage, ocean marine insurance, other policies such as boat owners, aircraft hull, residual markets and business owners and fire
- Crop – damage to crops
- Comprehensive – includes all of the above



LICENSING OBSTACLES

- No application for licensing of adjusters
- New computer database that did not recognize an adjuster
- Budgeting for only 3 positions to issue the adjuster licenses
- No knowledge of how many applications we would receive.





NUMBER OF LICENSED ADJUSTERS

- Individual Claims Adjusters – 23,541
 - Claims Adjuster Agencies – 76
 - Individual Public Adjusters – 175
 - Public Adjuster Agencies – 13
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- Still receiving an average of 200 – 250 new applications per week



EXEMPTIONS FROM LICENSE



- An attorney at law admitted to practice in this state, when acting in his professional capacity as an attorney.
- An employee of an insurer who is not regularly engaged in the adjustment or investigation of insurance claims
- A person employed only to furnish technical assistance to a licensed adjuster, including but not limited to an investigator, an attorney, an engineer, an estimator, a handwriting expert, a photographer, and a private detective.
- A producer of an authorized insurer or a licensed employee of a producer who processes an undisputed or uncontested loss for the insurer under a policy issued by the producer
- A person who performs clerical duties and does not negotiate with parties on disputed or contested claims
- A person who handles claims arising under life, accident and health insurance policies

- A person who is employed principally as a right-of-way agent or a right-of-way and claims agent whose primary responsibility is the acquisition of servitudes, leases, permits, or other real property rights and who handles only claims arising out of operations under those servitudes, leases, permits, or other contracts or contractual obligations.
- An individual who is employed to investigate suspected fraudulent insurance claims but who does not adjust losses or determine claims payments.
- A person who handles claims arising under vehicle mechanical breakdown insurance policies as defined in R.S.22:1800.
- A person who handles claims arising under property residual value insurance policies as defined in R.S.22:1900.
- A person handling claims for workers' compensation benefits pursuant to Title 23 of the Louisiana Revised Statutes of 1950 or a person handling claims arising under a workers' compensation policy or group self insurers fund indemnity agreement.
- A person handling commercial claims for excess coverages as classified by R.S. 22:6(14).



RESIDENT LICENSING REQUIREMENTS

- 18 years of age
- Designate Louisiana as home state
- Fees of \$55.00
- Maintain office in home state with public access
- Written consent of the Commissioner of Insurance pursuant to 18 U.S.C.1033 when required.
- Pass exam or qualify for exemption
- At least one claims adjuster responsible for business entity's compliance and to exercise business entity's license.
- Any and all documents reasonably necessary to verify information in application



EXAMINATION

- Administered by Prometric
- No Pre-Licensing Requirement
- Application, registration form mailed directly to Prometric
- Exam registration remains valid for 90 calendar days after processing
- Exam registration fees are not refundable or transferable



LICENSING INFORMATION BULLETIN

- Who needs an adjuster license
- Exam information
- Licensing requirements
- Scheduling your exam
- Test centers
- Preparing for exam
- Taking exam
- Once you are licensed
- Exam Content Outline
- Checklist, Application and Forms



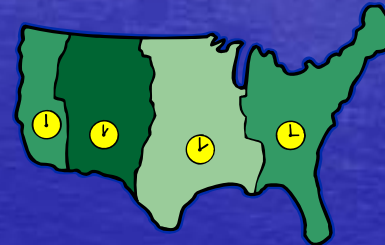
EXEMPTIONS FROM EXAM

- Previously licensed in another state by exam
- Licensee in good standing
- Waiver – On January 1, 2007, must have 3 consecutive years in this state or have 5 total years of adjusting experience in any state



Non-Resident Requirements

- Currently licensed and in good standing in home state
- If home state does not require an exam and applicant does not meet waiver requirements, applicant must take Louisiana exam
- Completed application form
- \$55 fee
- Applicant's home state awards license on the same basis (home state must license same type as Louisiana). If home state does not license, applicant can select another home state (where licensed) as home state for licensing purposes only



LICENSE APPROVAL

- License card issued
- Notify DOI of any change of address, name, other information within 30 days to avoid \$50 fine
- Renewal due every 2 years
- \$50 Renewal fee
- 24 hours of Continuing Education – due second renewal
- May reinstate within 12 months of expiration with application and \$50 reinstatement fee & double (\$50) renewal fee – total of \$150
- Waiver of renewal procedure – military service, long-term medical disability, extenuating circumstances.



ROADBLOCKS TO LICENSURE

- Outdated application
- Incomplete application
- Fees not included
- Background information incomplete



LICENSE DENIED, NON-RENEWED OR REVOKED

- Routing process
- Statutory reasons for disapproval
- Authority to impose fines for code violations
- Notification to applicant in writing, including right to hearing



REPORTING OF ACTIONS

- Administrative Actions reported to the Commissioner within 30 days of final disposition
- Criminal prosecution reported to the Commissioner within 30 days of conviction



Renewal of License

- All adjuster licenses expire on April 30th of every odd numbered year regardless of date of issuance.
- Renewal applications will be available starting November 1, 2008 on our website at www.lidi.state.la.us and will remain available until April 30, 2009.
- The Department does not mail out paper renewal forms.
- No CE is due with this renewal since it is the first time to renew the license.



Changing to Birth Month Renewals

- The Department will be changing all producer and adjuster licenses to renew during the producer or adjusters birth month.
- We plan to begin with the Life, Health & Accident producer type licenses starting in April 2009.
- This will change the adjuster renewals starting with the licenses which will expire on April 30, 2011.

Continuing Education

- 24 hour CE requirement for residents
- Exempt from CE for first renewal
- Non-residents meet home state requirements
- CE courses must be approved by Commissioner of Insurance



CATASTROPHE/ EMERGENCY CLAIMS ADJUSTER



- REGISTRATION VIA INTERNET
- REGISTRATION EFFECTIVE NOT TO EXCEED 180 DAYS/POSSIBLE 90 DAY EXTENSION
- \$25 FEE PER ADJUSTER DUE WITHIN 10 DAYS OF REGISTRATION

Insurance Company Catastrophic/Emergency Adjuster Provision Disaster
Declaration
TO BE COMPLETED BY INSURANCE COMPANIES ONLY

- Company Name:
- Insurance Company NAIC #:
- Contact First Name:
- Contact Last Name:
- Contact Title:
- Address:
- City:
- State:
- Zip:
- Phone:
- Fax:
- Email:
- Disaster Name:
- Short Description of Disaster:
- Areas Affected by Disaster:

**CATASTROPHE OR EMERGENCY
CLAIMS ADJUSTER REGISTRATION
FORM**

Submit this form along with your check made payable to the Louisiana Department of Insurance.

Insurer Name:
NAIC Number:
Contact Name:
Contact Address:
Contact Phone Number:
DOI Catastrophe/Emergency Number:

Adjuster Name	Adjuster Address	Adjuster Phone Number	\$25.00 fee per Adjuster
1)			
2)			
3)			
4)			
5)			
6)			
7)			
8)			
9)			
10)			

CONTACT INFORMATION

- Tammi Williams
Assistant Director
(225) 342-5415
twilliams@ldi.state.la.us
- Evelyn Major
Assistant Director
(225) 219-7784
emajor@ldi.state.la.us

Licensing: (225) 342-0860

DOI Website: www.lidi.state.la.us

Questions?

