

Pennsylvania Travel Insurance Producer Responsibilities

License Information:

- **Yes, I need a license:**
 - o License must be held to sell, solicit, and negotiate coverage under a policy of travel insurance
 - In accordance with the Producer Licensing Act (40 P.S. § 310), “**sell**” is defined as: to exchange a contract of insurance by any means for money or its equivalent on behalf of an insurance entity. “**Solicit**” is defined as: to attempt to sell insurance or ask or urge a person to apply for a particular kind of insurance from a particular insurance entity. “**Negotiate**” is defined as: to confer directly with or to offer advice directly to a purchaser or prospective purchaser of a particular contract of insurance concerning the substantive benefits, terms or conditions of the contract, provided that the person engaged in that act either sells insurance or obtains insurance from insurers for purchasers.
 - o Limited lines travel insurance producer needs to hold a license and designated licensees need licenses
 - o License allows for business entities, each employee, or authorized representative of travel retailers operating under the business entity, to offer and disseminate coverage under a policy of travel insurance to a customer at each location where the travel retailer or authorized representative engages in travel insurance transactions and to receive compensation for those activities
 - Per Act 26, “**offer and disseminate**” is defined as: to provide general information, including a description of the coverage and price, as well as processing an application for travel insurance, collecting premiums and performing other activities for which no insurance license is required.
 - o Renewed every 2 years for a \$400 fee

- **No, I do not need a license:**
 - o You do not need a license to offer and disseminate travel insurance to customers if:
 - The limited lines travel insurance producer has a license
 - The limited lines travel insurance producer or travel retailer provides to each customer of travel insurance:
 - A description of material terms of the insurance coverage
 - Description of the process for filing a claim
 - Description of the review or cancellation process for the travel insurance policy
 - The identity and contact information of the travel retailer, insurer and limited lines travel insurance producer

- Limited lines travel insurance producer maintains a register of each location in PA where travel insurance is being offered on the travel insurance producer's behalf
 - Register must be maintained and updated annually by the limited lines travel insurance producer and shall include:
 - Name, address and contact information of the travel retailer
 - Name of the officer or person who directs or controls the travel retailer's operations
 - Travel retailer's Federal Tax Identification Number
 - This information must be maintained for a period of at least 3 years following the date the information was entered into the register
 - Register must be submitted to department upon request
- Whoever does NOT hold a limited lines travel insurance producer license may NOT:
 - Evaluate or interpret the technical terms, benefits and conditions of the offered travel insurance coverage
 - Evaluate or provide advice concerning a prospective customer's existing insurance coverage
 - Advertise, represent or otherwise hold himself/herself as a licensed insurer, designated licensee or insurance expert
- Unlicensed individuals may receive compensation

Responsibilities of Travel Insurance Producer (licensee):

- Training

- Limited lines travel insurance producer must supervise or authorize a designated licensee to supervise the administration of a training program
- Requirements of training program:
 - It must be delivered to employees and authorized representatives of a travel retailer who offer and disseminate travel insurance information
 - It may be provided in electronic format. If so, the insurer shall implement a supplemental education program regarding travel insurance that is conducted and overseen by the designated licensee
 - It shall, at a minimum, include basic instruction about the types of travel insurance offered, ethical sales practices and the disclosures required under this section

- Written materials

- Limited lines travel insurance producer shall provide to every prospective customer a brochure or other written material that:
 - Provides the identity and contact information of the insurer and limited lines travel insurance producer

- Discloses that travel insurance may provide a duplication of coverage already provided under insurance policies that the producer already maintains
 - Explains that purchase of travel insurance is not required in order to purchase any other product or service from the travel retailer
 - Explains that an unlicensed travel retailer and unlicensed individual are permitted to provide general information about the insurance offered by the travel insurance producer, including description of coverage and price, but is **NOT** qualified or authorized to answer technical questions about the terms and conditions of insurance coverage, including those coverages that are already maintained by the customer.
- **18 U.S.C. § 1033**
 - At application and upon renewal, every limited line travel insurance producer must attest that it is complying with, and all employees selling underneath its license are complying with, the provisions in 18 U.S.C. § 1033
 - **Charges**
 - Charges for travel insurance coverage may be billed and collected, but they have to be separately itemized on the enrolled customer's bill