STATE OF ALABAMA
DEPARTMENT OF INSURANCE
201 MONROE STREET, SUITE 1700
POST OFFICE BOX 303351
MONTGOMERY, ALABAMA 36130-3351

TO: All Licensed Insurers Writing Long-Term Care Insurance
   All Resident Insurance Producers Authorized to Sell, Solicit or
   Negotiate Long-Term Care Insurance
   All Approved Continuing Education Providers
   State LTC Partnership Program

FROM: Jim L. Ridling, Insurance Commissioner

DATE: December 2, 2008

RE: Producer Training – Policies Issued Under Qualified State Long-Term Care
    Insurance Partnership (“Qualified Partnership”)

The Deficit Reduction Act of 2005, Pub. L. 109-171 ("the DRA") allows the expansion of
Qualified Partnerships. The DRA and the State Medicaid Director's Letter (SMDL #06-019)
dated July 27, 2006, issued by Centers for Medicare & Medicaid Services, require the Alabama
Insurance Department to provide assurance that any producer who sells, solicits or negotiates
"a policy under a Partnership receives training and demonstrates an understanding of Partnership policies and their relationship to public and private coverage to long-term care."

Accordingly, an individual who is newly licensed on or after March 1, 2009, may not sell, solicit
or negotiate long-term care insurance unless the individual is authorized as an insurance
producer for accident and health or sickness and has completed a one-time eight (8) hour
training course. Those individuals who are currently licensed have until December 31, 2009, to
obtain the one-time eight (8) hour training course. Ongoing training of not less than four (4)
hours every 24 months will be required during the biennial renewal cycle thereafter. Thus,
prior to such time, an insurance producer for accident and health or sickness selling long-term
care insurance including Partnership Policies will not be considered to have satisfied these
requirements until the training is accomplished.

Insurers providing LTC insurance shall obtain verification that the producer receives such
training, maintain records subject to the state's record retention requirements and make that

EQUAL OPPORTUNITY EMPLOYER
verification available to the Insurance Commissioner upon request. The one-time training course shall be no less than eight (8) hours and the ongoing training shall be no less than four (4) hours. Training shall cover the following topics: long-term care insurance, long-term care services, Qualified Partnerships, and the relationship between Qualified Partnerships and other public and private coverage of long-term care.

The satisfaction of these training requirements in any state shall be deemed to satisfy the training requirements in Alabama. These training requirements may be approved as continuing education courses under Section 27-19-100, Code of Alabama 1975, and Regulation Chapter 482-1-091. The training requirements described by this Bulletin shall not be construed in any way to prohibit or limit direct sales of Partnership Policies by issuers of such policies.

JLR/EB/bc