



South Carolina Department of Insurance

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Memorandum

To: All Licensed Insurers

Subject: Appointment Renewal – September 1-30, 2018

Date: August 21, 2018

The purpose of this Memorandum is to notify insurers of the biennial appointment renewal process that begins on September 1, 2018 and ends on September 30, 2018. **Insurers will not be able to log into the appointment renewal process before September 1st.** Please review each section of this memorandum carefully before attempting to renew producer appointments.

Please also note that the Department is transitioning its back-office operations to the NAIC's State Based Systems ("SBS") on October 15, 2018. Implementing SBS will require the temporary shutdown of the Department's Online Services, including any online applications submitted via NIPR. It is expected that NIPR will stop accepting online applications on or about October 3, 2018 and Online Services will be shut down on or about October 5, 2018. Therefore, if you do not complete the appointment *renewal* process during the month of September, you may not be able to begin *reinstating* appointments until at least October 15, 2018.

Producer Compliance

In accordance with South Carolina Code §38-43-106(C), the appointment of a producer may not be renewed unless the producer has (1) renewed their license and (2) has completed the mandated continuing insurance education requirements (CE hours and payment of CE recordkeeping fees). **Insurers conducting business with a producer whose license and/or appointments are lapsed or canceled may be fined by the Department up to \$15,000 for each violation. (See SC Code Section 38-2-10)**

Payment of Producer Reappointment Fees

Payment for appointments may be made by credit card or electronic check. Appointments are not renewed until payment is received by the Department. Therefore, payment for appointment renewal **must be received by September 30, 2018**. If the payment is not received by September 30, 2018, all appointments for the insurer will be terminated on October 1, 2018. Appointments renewed on or after October 1, 2018 will be subject to the payment of a penalty fee of \$250 for each appointment in addition to the appointment renewal fee. Please refer to Bulletin 2010-02 (Section II (B) and Section III (E)) that can be found in the Bulletin's section of the Department's website at www.doi.sc.gov.

Insurers must renew and pay for appointment fees electronically by using their User ID and Password. If the insurer does not remember the User ID and/or Password, please email the Department's Information Resource Management Division at irmmail@doi.sc.gov.

Electronic Check Payment

Insurers that need to set up an account to handle Electronic Check payments should use the following information: Trading Partner Originating Company Name: **SC State Department of Revenue**, Trading Partner Originating Company ID: **5570882454**.

Producers with a Lapsed License

The Continuing Education Administrator, Prometric, has already mailed a list of producers who are **not** CE compliant to each insurer on record. Insurers may not conduct the business of insurance with a producer that has a lapsed license and/or appointment. Therefore, the list of lapsed producers appointed with your company **must be reviewed** before proceeding with appointment renewal. To view a list of lapsed producers appointed with your company, from our home page, www.doi.sc.gov, click on Online Services, and then click on **Search SCDOI Database** and enter the company code. On the right hand side of the Company Demographics & License Information screen is a link to view the **lapsed producers for your company**. This information changes daily as producers comply with their requirements. Please advise your company's lapsed producers to contact the Department for instructions on how to reinstate their license.

Terminating Appointments

Insurers will not be able to terminate/cancel appointments through the National Insurance Producer Registry from August 26, 2018 to October 3, 2018. **Insurers may terminate appointments without incurring a fee during the renewal transaction.** New appointments may continue to be processed through NIPR. Pursuant to South Carolina Code of Laws Section 38-43-55, insurers must provide notice of cancellation to all producers that the insurer is terminating or non-renewing their appointments.

Lapsed Producers and Producers with an Out of Date Address

Lapsed producers and producers with an out of date address on file with the Department **are not eligible for appointment renewal.** As shown on the appointment renewal instructions below, a "Warning" message will appear next to a lapsed producer and/or a producer with an out of date address. The insurer should contact these producers and ask them to complete their requirements and/or update their address with the Department so they will be eligible for appointment renewal. To be eligible for appointment renewal, the producer must be compliant and/or the producer's address must be updated **before** the insurer completes the appointment renewal. Insurers are asked to notify all producers appointed with their company of their responsibility to have a current address on file with the Department. Producers with an out of date address are subject to an administrative penalty.

Any questions regarding producer appointment renewal should be submitted to the Department's Licensing Division via email to agentmail@doi.sc.gov or by phone at (803) 737-6095. Please do not contact the Licensing Division for assistance with User IDs and Passwords. For assistance with User IDs and Passwords, please email the Department's Information Resource Management Division at irmmail@doi.sc.gov **before September 1, 2018.**

Online Appointment Renewal Instructions (September 1, 2018 – September 30, 2018)

1. Go the Department's home page at www.doi.sc.gov. On the home page click on **Online Services** and proceed to scroll down to **Registered Company Users** and click on **2018 Appointment Renewals**.
2. Enter the company User ID and Password.
3. On the Welcome screen, click on **Renew Appointed Producers**. The "Terms of Use" screen will appear and after reading the Terms of Use, click on **I Agree**.
4. The **Renew Appointed Producer** screen will appear.
5. Click the **View/Cancel Producer's** button to view the producer list and/or cancel producer appointments.
6. A **Warning** message will appear next to a producer that is lapsed and/or with an out of date address on file with the Department. These producers will be marked for cancellation. The company will not be able to renew the producer's appointment until the producer's address is updated and/or the lapsed producer is active. This must occur before the company completes the renewal process.
7. Check the box to the right of the producer's name in the **Cancel** column to cancel a producer. Click on the **Cancel All** button to cancel all producer appointments.
8. The user may periodically save changes by clicking on the **Save** button.
9. *Click on the **Export to Excel** button to export the entire list of producer appointments to an excel spreadsheet. When all cancellations have been checked, the user should click on the **Save and Close** button to save the changes. **(INSURERS SHOULD EXPORT THE UPDATED PRODUCER APPOINTMENT LIST FOR THEIR RECORDS.)**

10. The **Renew Appointed Producer** screen displays. Update the company's contact information (if applicable) then click the **Save Address and Contact Information** button. Click on the **Complete** button if all changes to the renewal are complete.
11. A box will open asking you if you want to complete the renewal, click OK.
12. A new screen will open with the company's invoice. The invoice will show the amount owed.
13. If the insurer is paying by paper check, click the **Print Invoice** button. After the invoice has printed close the screen. The company will need to submit a copy of the invoice with a check. **A separate invoice and check is required for each company that is being renewed.**
14. If the insurer is paying by electronic check or credit card, click the **Proceed to Payment** button on the invoice screen. The user will be redirected to the payment option screen.
15. If paying by electronic check, select the **Electronic Check** option from the dropdown list. Enter the check routing and account number and contact phone number. Then click the **Continue** button. Carefully review the information on the screen and click the **Authorize** button. Wait while the payment is being processed. After the payment is processed, the user will be redirected to the confirmation page.
16. If paying by credit card, select the **Credit Card** option from the dropdown list. Enter the credit card information and click the **Submit** button. Carefully review the information on the screen and click the **Authorize** button. Wait while the payment is being processed. After the payment is processed, the user will be redirected to the confirmation page.

Online Reinstatement Instructions (October 1, 2018 – December 1, 2018)

As noted on page 1, the Department is transitioning its back-office operations to the NAIC's State Based Systems ("SBS") on October 15, 2018. Implementing SBS will require the temporary shutdown of the Department's Online Services, including any online applications submitted via NIPR. It is expected that NIPR will stop accepting online applications on or about October 3, 2018 and Online Services will be shut down on or about October 5, 2018. Therefore, if you do not complete the appointment *renewal* process during the month of September, you may not be able to begin *reinstating* appointments until at least October 15, 2018.