



Missouri Association of Insurance Agents
**Legislative, Regulatory &
Legal Accomplishments**

MAIA is your voice in Jefferson City!

One of the many benefits of membership with MAIA is our advocacy on behalf of the agents. As the only agents association in Missouri with a daily presence at the State Capitol, MAIA has worked tirelessly to advance the rights of independent agents in Missouri, and it has paid off. Here's a list of issues that affect our members that MAIA has been instrumental in.

Barton Mutual Rehabilitation

- MAIA stopped Farm Bureau from transferring agent business to Farm Bureau agents and cancelling independent agent contracts.
- ***What this means to you:*** *Even if your agency didn't represent Barton, this case set a precedent in protecting agent ownership of books of business.*

Single Producer License Model Act

- This created a single producer license, eliminating the need to hold both an agent and broker license.
- ***What this means to you:*** *It saves you time and money by streamlining the licensing process and eliminating red tape paperwork and additional fees.*

Navigator Licensing

- MAIA represented agent interests in the 8th U.S. Circuit Court of Appeals to uphold Missouri law relating to activities of insurance navigators operating under the federal health exchange.
- The court decision ultimately upheld the tenets of the law pushed by MAIA in 2013 to protect consumers, provide regulatory oversight by the Department and prohibit certain activity by untrained and unqualified individuals.
- ***What this means to you:*** *Missouri statutes now contain specific court-tested language that limits the types of activities in which a navigator may engage and prohibits navigators from performing any functions of an insurance producer without first becoming licensed as a producer.*

Certificates of Insurance

- MAIA backed this law that established rules for the language that could be placed on a certificate of insurance and prohibits anyone from requesting language to show coverage on a certificate that the policy doesn't provide.
- It clarifies that certificates are issued as proof that coverage exists, but do not modify or change any policy language.
- ***What this means to you:*** *This gives you something to refer to if you are asked to add inappropriate verbiage to a certificate, thus helping to keep you out of a potential E&O claim.*

NARAB II

- Passed at the federal level in 2015 after a seven year effort by the Big "I" to simplify multi-state licensing.
- This creates a voluntary organization that producers may join to acquire producer licensing in other states through a single process as long as they are licensed in good standing in their home state.
- ***What this means to you:*** *If you write business in more than one state, producers will be able to obtain licenses through a single clearinghouse rather than having to individually deal with each state's department of insurance and accompanying red tape to obtain a license in those states.*

Agency Cancellation Law

- Missouri has one of the best in the country.
- It specifies that insurance companies have to provide 90 days' notices to an independent agency if they intend to cancel the agency's contract.
- It also requires companies to renew insurance policies of all clients of the agency for one year and pay the agency the contracted commission.
- ***What this means to you:*** *This gives agencies and consumers time to move policies if a company and agency are parting ways. And, it ensures producers are still paid for handling the policy.*

Producer Fees (in addition to commissions)

- MAIA passed legislation for agencies and producers to be able to charge incidental fees for certain services such as policy reinstatements, credit card fees, MVRs, etc.
- Other additional fees may be charged as long as it is disclosed in writing and a producer fee agreement is signed by the producer and client.
- ***What this means to you:*** *If your agency incurs costs or you feel like you aren't making enough in commissions to cover your time spent in obtaining coverage for a client, you can charge fees to recover your costs or receive reasonable payment for your work.*

Commercial Lines Deregulation

- Requires insurers to provide 60 days' notice to commercial policyholders whenever renewal premiums are going to increase by 25% or more.
- Exempts from regulatory form filing those forms for commercial clients with at least \$100,000 in aggregate premiums if working with an insurance producer.
- ***What this means to you:*** *This allows you time to shop commercial policies with other companies if there is a significant premium increase coming so you can meet your customers' needs. It also allows for ease in manuscripting policies to better tailor solutions to client needs.*

Workers' Compensation Reform

- On numerous occasions, MAIA has worked with the business community to pass legislation to ensure injured workers can't receive workers' compensation benefits, and then also sue their employer.
- ***What this means to you:*** *This means that a workplace injury is handled by the workers' compensation policy, and will not also become a claim under another policy the employer has. This helps reduce lawsuits and maintain the original purpose of workers' compensation as a no-fault and sole remedy coverage.*

Automobile Financial Responsibility

- MAIA supported and worked toward increasing the minimum coverage required for damage to others' property while operating a motor vehicle from \$10,000 to \$25,000.
- ***What this means to you:*** *Agents have long known that the minimum was sorely out of date considering the cost to repair vehicles.*