



Insurance Regulator Professional Designation Program

Policies

October 2011

Mission Statement

The mission of the NAIC Insurance Regulator Professional Designation Program is to provide professional growth opportunities for state insurance regulators at all levels, and to promote improving regulators' knowledge, skills, best practices, and professionalism in the areas of consumer protection, insurer solvency and market conduct regulation.

NAIC Designation Advisory Board

The Insurance Regulator Professional Designation Program will be overseen by and under the direction of the NAIC Designation Advisory Board. The Board shall be made up of five (5) state insurance regulators, consisting of two (2) financial insurance regulators and two (2) market insurance regulators. There shall be representation from all four (4) regulatory zones. In addition to these four (4) regulators, an NAIC member shall chair the Designation Advisory Board.

Duties and Operations of the NAIC Designation Advisory Board

- a. The Board shall hold quarterly meetings primarily by teleconference. Special meetings may be called by the Chair and held at a designated time and place. At least five (5) days notice shall be given of all regular and special meetings. The presence of a majority of the Board shall constitute a quorum at a meeting. The Board members present at a duly called meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum. Notwithstanding the foregoing, a member of the Board may not vote by proxy in a meeting of Designation Advisory Board.
- b. The Board Chair shall vote only in the event of a tie.
- c. The Board shall plan and develop all designation levels, eligibility criteria and educational requirements of the NAIC Insurance Regulator Professional Designation Program.
- d. The Board shall offer input to the communication and marketing of the Designation Program to regulators.
- e. The Board shall monitor and assist in revising and updating all aspects of the NAIC Designation Program.

- f. The Board shall recommend future education programs.
- g. The Board shall determine the Designation Program continuing education requirements.
- h. The Board shall submit an annual written report to the NAIC Executive Committee at the Spring National Meeting.
- i. The Board shall delegate responsibility for approving all routine enrollment requests to the NAIC Education Department. All requests for special admission consideration (enrollment vitae) shall be reviewed and approved by the Board.
- j. The Board shall delegate the development of NAIC designation course examinations to the NAIC and/or its vendor.
- k. The Board shall review and approve the awarding of Senior Professional in Insurance Regulation (SPIR) Designations on a quarterly basis. Any Board member applying for the SPIR will recuse him/herself from review and approval of his/her own application.
- l. The Board shall approve or deny any policy exception.
- m. The Board shall review all formal written appeals on the policies of the Designation Program and make all approval or denial decisions of appeals.

Designation Levels

- Associate Professional in Insurance Regulation (APIR)
- Professional in Insurance Regulation (PIR)
- Senior Professional in Insurance Regulation (SPIR)

Eligibility Criteria

Associate Professional in Insurance Regulation (APIR)

- a. Must be currently employed by a state department of insurance
-and-
- b. Have at least one (1) year of full-time work experience with a state department of insurance.

Note: A candidate may work toward the APIR Designation during his/her first year of employment. Work experience as a state department of insurance contract employee may be counted toward the work experience requirement; however, the designation is only open to state department of insurance employees, not contract employees.

Professional in Insurance Regulation (PIR)

- a. Must be currently employed by a state department of insurance
-and-
- b. Have at least three (3) years of full-time work experience with a state department of insurance.
-and-
- c. Have obtained the APIR Designation through required coursework or by achieving a passing score on the APIR comprehensive exam (test-out option). Candidates seeking to earn an APIR by simply taking the comprehensive exam without first completing APIR coursework must be employed by a state department of insurance for one year before doing so.

Note: Attempting to “test out” of the APIR, while permitted under article c above, is not recommended. The exam is rigorous, addressing concepts in the areas of market regulation, rate and form regulation, and solvency regulation. Prospective PIR Candidates will be given one opportunity to take the comprehensive exam (no retakes are permitted for this exam). If they fail the comprehensive exam, they must enter the Program as an APIR Candidate, take the required APIR courses, and pass the exam for each course in order to earn that Designation and ultimately enroll at the PIR level. Enrollment and exam fees are non-refundable.

Senior Professional in Insurance Regulation (SPIR)

- a. Must be currently employed by a state department of insurance.
-and-
- b. Be elected or appointed as the chief insurance regulator in a state, U.S. territory or the District of Columbia **or** have at least five (5) years of full-time work experience with a state department of insurance.
-and-

- c. Have obtained the APIR and PIR Designations **or** have submitted a detailed enrollment vita describing how prior coursework or professional experience demonstrates exposure to, and mastery of, 1) broad fundamental concepts in the areas of market, rate and form, and solvency regulation addressed at the APIR level; and 2) the more specialized skills and competencies addressed at the PIR level of the Program.

Note: PIR Designees may enter the Designation Program at the SPIR level without Designation Advisory Board approval. Only prospective SPIR Candidates who have not earned PIR Designations are required to submit a vita for the Board’s consideration. Once a prospective SPIR Candidate’s enrollment fee and enrollment vita have been submitted, the Board will make a determination as to whether or not the prospective Candidate is eligible to enter the Program at that level. Work experience as a state department of insurance contract employee may be counted toward the work experience requirement; however, the designation is only open to state department of insurance employees, not contract employees. Applicants should consider their qualifications and experience carefully before submitting materials to the Board for review. If the Board does not approve the applicant’s request to enter the Program at the SPIR level, the applicant will be notified and will automatically be enrolled at either the APIR or PIR level, depending on his or her qualifications. If a vita has not been submitted within 60 days of enrollment date, the applicant will be notified and automatically enrolled at the APIR level. Enrollment fees are non-refundable.

Designation Completion Requirements

APIR Requirements

1. Successfully complete the three (3) qualifying online education courses and achieve a passing score of 70% on the exam for each course. (An exam must be taken no later than 60 days after a course has concluded).
 - a. Foundations of Insurance Regulation
 - b. Introduction to Financial Regulation
 - c. Regulation of Insurance Products

-or-

2. Successfully complete the APIR comprehensive exam.

Note: Attempting to “test out” of the APIR, while permitted above, is not recommended. The exam is rigorous, addressing concepts in the areas of market regulation, rate and form regulation, and solvency regulation. Prospective PIR Candidates will be given one opportunity to take the comprehensive exam (no retakes are permitted for this exam). If they fail the comprehensive exam, they must enter the Program as an APIR Candidate, take the required APIR courses, and pass the exam for each course in order to earn that Designation and ultimately enroll at the PIR level. Enrollment and exam fees are non-refundable.

PIR Requirements

1. Successfully complete five (5) of the qualifying NAIC education courses below and achieve a passing score of 70% on the exam for each course. (An exam must be taken no later than 60 days after a course has concluded).
 - a. Regulating for Solvency
 - b. Risk Based Capital
 - c. Surplus Lines
 - d. Risk-Focused IT Review
 - e. Risk-Focused Exams (self-study)
 - f. Regulating Risk Retention Groups
 - g. Basic Reinsurance
 - h. How to Analyze Insurer Portfolios
 - i. Corporate Governance
 - j. The Federal Legislative Process
 - k. VM-20 Approach to Principle Based Valuation
 - l. Core Legal (self-study)
 - m. Consumer Assistance
 - n. Producer Licensing: Integrating Policy with Process
 - o. Integrating Market Regulation
 - p. Market Conduct Examinations
 - q. Market Analysis Techniques
 - r. Basic Fraud (self study)

- or -

2. Successfully complete four (4) of the NAIC courses listed above **and** one (1) PIR elective course selected from the list of pre-qualified courses provided in the NAIC Designation Program Catalog of Electives. A passing score must be achieved in each of the applicable course exams. In order to earn Designation credit for a non-NAIC elective course, that course must have been completed no more than three years prior to application for the PIR.

Note: To earn Designation credit for a PIR-level course, candidates must first be formally admitted to the Designation Program at that level. APIR Candidates are not prohibited from taking PIR level classes; however, if they later decide to pursue a PIR Designation, they may be required to complete the course again.

SPIR Requirements

1. Complete the NAIC Regulatory Leadership Forum (formerly Commissioners Forum) **and** the NAIC Management and Leadership Effectiveness course and achieve a passing score on the exam for each. Exams must be taken and passed no later than 60 days after each course has ended.

2. zComplete one of the following activities.

- a. Achieve the highest designation from AICPCU (CPCU), CLU (CLU), SOFE (CFE), IRES (CIE), or LOMA (FFSI/FLMI) program
- b. Complete two (2) SPIR-level electives from the Catalog of Elective Courses.
Note: In order to earn Designation credit for a non-NAIC elective course, that course must have been completed no more than three years prior to application for the SPIR.
- c. Teach in an NAIC Education & Training Department course
 - Participate on a course development team
 - Prepare course materials, text, handouts, and/or slide in support of pre-defined learning outcomes
 - Develop instructional techniques (exercises, cases, lectures) that assist the students in achieving learning outcomes
 - Write or review test questions as needed
 - Teach or facilitate at least part of the course online or in a classroom setting
Note: To earn credit, the teaching assignment must be completed after being formally admitted to the NAIC Designation Program at the SPIR level. This option is subject to course project availability.
- d. Research and author an article that is published in the *Journal of Insurance Regulation*.
Note: To earn credit, the article must be completed after being formally admitted to the NAIC Designation Program at the SPIR level.
- e. Be the lead in a structured, formalized mentoring relationship within the Insurance Department for at least six months.
 - Develop and submit a pre-mentoring plan that includes the name/title of the mentee and the goals of the mentoring relationship. A description of the mentoring program you have designed should also be submitted, including specific activities (training, one-on-one meetings, observations, etc.) that will take place along with a six-month timeline of those activities.
 - Implement the pre-mentoring plan
 - Ask the mentee to evaluate his or her experience based on three factors: 1) degree of participation; b) achievement of stated goals; and c) level of personal enrichment (growth in confidence, autonomy and self-direction) attained.
 - Submit the mentee's evaluation (signed by the mentee)
Note: To earn credit, the mentoring relationship must be completed after being formally admitted to the NAIC Designation Program at the SPIR level.

3. Complete and submit the *Best Practices in Regulatory Leadership Portfolio*.

Enrollment in the Designation Program and Application for Designation

- Enrollment and APIR comprehensive exam fees are non-refundable.
- Candidates will maintain their own records at a site that is accessible on the NAIC Designation webpage. Once requirements are completed, application for Designation will be submitted at this site. In order to be awarded a designation, a completed application form and proof of successful completion of courses must be submitted and reviewed. Applicable test results must be on file.
- Designations must be earned in a timely manner. Prolonged periods of inactivity could result in Candidate disqualification, in which case the Candidate will need to follow the direction of the NAIC Education & Training Department for reinstatement.
- To earn Designation credit for a course, candidates must first be formally admitted to the Designation Program at that level. APIR Candidates are not prohibited from taking PIR level classes; however, if they later decide to pursue a PIR Designation, they may be required to complete the course again. APIR and PIR Candidates are not prohibited from taking SPIR level classes; however, if they later decide to pursue a SPIR Designation, they may be required to complete the course again.

Designation Renewal Requirements

1. A designation must be renewed every three (3) years.
2. At least one (1) NAIC course must be completed every three (3) years.
3. A minimum number of points must be accumulated within each renewal period.

Renewing the APIR – earn a minimum of 30 points, every three years

Renewing the PIR – earn a minimum of 45 points, every three years

Renewing the SPIR – earn a minimum of 60 points, every three years

Following is a list of qualifying activities and points:

- Completing insurance-related education courses (*1 point per hour, per course*)
- Developing materials and teaching an NAIC education course (*3 points per hour, per course*)
- Attending a National Meeting (*1 point per meeting – maximum 10 points*)
- Participating in NAIC Zone retreats (*1 point per hour*)

- Chairing an NAIC task force or working group for at least one (1) year (*15 points per task force or working group – maximum 15 points*)
- Authoring an article that is published in *JIR* (*15 points per article*)
- Completing special projects. (i.e., NAIC committee work, special work projects or initiatives in the designee's current state insurance department position) (*point range: 1 - 15 points, depending on project, maximum 15 points*) Designee will submit a project report, which has been signed/approved by his or her supervisor to the Designation Advisory Board for approval. A document signed by the supervisor that states the number of hours the project took to complete should accompany the report.

Application for Designation Renewal

1. Designations expire in July; three (3) years following the awarding date. For example, a designation awarded in March 2009 will expire in July 2012.
2. NAIC will notify designees to apply for renewal one year prior to their designation expiration date.
3. Designees must apply for renewal no later than sixty (60) days prior to their designation expiration date. To renew a designation an application and evidence of the completion of the required number of hours of acceptable continuing education must be submitted. The Board may declare an individual designation inactive for failure to apply and submit the required documentation.
4. A person whose designation has expired or been declared inactive may have the designation reinstated if, within 30 days after the designation expiration date, he or she submits a renewal application and proof to the Board that he or she has satisfactorily completed the renewal requirements.
5. Random audits of designee self-reporting will be conducted by the NAIC Education & Training Department.
6. Designees who do not apply for designation renewal within three (3) years of their designation expiration date shall convert to an inactive status.

Course Examinations and Assessments

Course examinations are required of Candidates at every level of the NAIC Designation Program.

Candidates working toward the APIR must successfully complete the course and pass all applicable exams or assessments.

Candidates working toward the PIR must successfully complete the course and pass exams over each of the NAIC courses they complete as well as any applicable exams for non-NAIC elective courses they take for Designation credit.

Candidates working toward the SPIR must successfully complete the course and pass exams over the Regulatory Leadership Forum and Management and Leadership courses.

- Unless otherwise specified, NAIC course exams must be taken within sixty (60) days following the end of the course.
- Candidates who wish to “test out” of the APIR coursework by taking the APIR comprehensive exam, and thereby earn the APIR simply by passing the exam, may only take the exam one time. If they fail to achieve a passing score, they must complete the APIR required courses and course exams. The exam fee is non-refundable.
- Candidates who have completed the required coursework and fail to achieve a passing score on a course exam may retake that exam. There is no limit on the number of times a Candidate who has completed the coursework can retake a course exam. However, an exam retake fee will apply.
- Exam questions will be written by NAIC staff and/or by a third party vendor.
- Exams can be taken online at the NAIC Executive Headquarters or any State Insurance Department. All exams must be proctored by an individual who meets the NAIC Designation Program proctor criteria. Proctoring criteria will be provided to Candidate prior to exam.
- Exams must be scheduled and access will be available for a period of one (1) week.
- A passing score is achieved when participants respond correctly to at least 70% of the questions.

Recordkeeping and statistics

Records on each Designation candidate, including application forms, courses completed, examination results, and other related documentation will be kept in a secure file in the Education & Training Department. Records will be kept permanently.

Appeals (eligibility & test results)

Written appeals may be directed to the NAIC Education & Training Department Manager. The Designation Advisory Board will review and decide all appeals.

New Course Vendors

Vendors interested in providing elective courses for the Designation Program must complete an application for consideration. The application should include evidence that the vendor is qualified to provide quality courses related to insurance regulation. The application will be reviewed by the Designation Advisory Board.

Confidentiality

The application for designation and all subsequent related forms, reports, and records will be held by the NAIC Education & Training Department in strict confidence. Applicants will have access to all information in their file.

Examinations are confidential. The NAIC Education & Training Department Manager is responsible for maintaining this confidentiality. Staff in the Education Department may have access to the exams as deemed appropriate by the Manager.

Non discrimination

The NAIC Insurance Regulator Professional Designation Program is open to any full-time state insurance department employee.

The NAIC does not discriminate on the basis of race, color, age, religion, national origin, sexual orientation, gender identity, sex, marital status, disability, or status as a U.S. veteran. The NAIC will consider reasonable accommodations for persons with proper documentation of a disability.