**FSRA Proposed Rule 2025-001- Life and Health Insurance Managing General Agents**

**Comments / Feedback**

Thank you for giving us the opportunity to provide feedback on the proposed changes and regulations to Life and Health Insurance Managing General Agents (MGAs). I am speaking on behalf of Health Insurance Managing General Agents. In reviewing the activities that MGA’s do on behalf of or in support of an insurer many of these tasks are not doing by a Group Benefits MGA. For example.

Tasks completed by a typical Group MGA:

* Recruiting agents or proposed agents to solicit insurance or to submit applications for insurance. We do not recruit agents for the insurance company though.
* Reviewing applications for insurance BUT not underwriting authority. Applications are then sent to the insurance company for them to review and for them to bind coverage.
* Submitting applications for the insurance agent but not becoming the agent or record or sub-broker.

Tasks on the list for MGAs but are not completed by Group MGAs:

* Screening agents or proposed agents to confirm they are suitable to act as agents of the insurer with respect to insurance
* Entering into written agreements with agents to sell or solicit L&H insurance offered by the insurer
* Training agents who are affiliated with or under contract to the MGA or the insurer on whose behalf the MGA is providing training, or ensuring such agents are trained with respect to insurance
* Supervising or monitoring the activities of agents who sell or solicit an insurer’s L&H insurance
* Administering insurance contracts or customer relationships, either directly or indirectly through sub-agents, on behalf of an insurer
* Any functions historically performed by insurers when they had their own direct agent team as a dedicated / exclusive sales force.

One big difference is the advisors are contracted directly with the insurance companies who provide screening and contracting directly. In addition, the carriers pay them commissions and bonuses directly.

We need to recognize and respond to the significant variation between distribution models where one model simply acts in the capacity of bringing the insurer and the advisor together to complete the sale and another where contractual agreements extricate the insurer altogether from the sales process.

It is unfortunate that no Group MGA’s are included in the Technical Advisory Committee to better explain and provide feedback.

Thanks,

Sally Hagan

Group Force Benefits Inc.

NFP Canada Corp (an Aon Company)