

# Your Exam Content Outline

The following outline describes the content of one of the Utah insurance examinations. The outlines are the basis of the examinations. The examination will contain questions on the subjects contained in the outline. The percentages indicate the relative weights assigned to each part of the examination. For example, 10 percent means that 6 questions will be drawn from the section on a 60-question exam, 10 will be drawn on a 100-question exam and 15 will be drawn on a 150-question exam.

## Utah Adjuster's Examination for Accident and Health Insurance Series 17-12

**100 questions – Two-hour time limit**

### 1.0 Insurance Regulation 10%

#### 1.1 Licensing requirements

- Qualifications (31A-26-203, 205)
- Process (31A-26-202)
- Licensing exemptions (31A-26-201(2))
- Nonresident adjuster (31A-26-208)
- Emergency adjuster license (31A-26-212)

#### 1.2 Maintenance and duration

- Renewal (31A-26-206, 213; Reg R590-141-3(A))
- Continuing education (31A-26-206; Reg R590-142)
- Assumed name (31A-26-209(2))
- Records (31A-26-306(2-4))
- Change of address or telephone number (31A-26-306(1)(b))

#### 1.3 Disciplinary actions

- License termination (31A-26-213)
- Probation (31A-26-214)
- Monetary forfeiture (fines) (31A-2-308)

#### 1.4 Claim settlement laws and regulations (31A-26-301, 301.5, 303; Reg R590-192-1-14)

#### 1.5 Federal regulation

- Fraud and false statements (18 USC 1033-1034)

### 2.0 Accident and Health Insurance Basics 17%

#### 2.1 Definition of potential claims

- Accidental injury
- Sickness

#### 2.2 Principal types of claims and benefits

- Loss of income from disability
- Medical expense
- Dental expense
- Long-term care expense

#### 2.3 Classes of health insurance policies

- Individual versus group
- Private versus government
- Limited versus comprehensive

#### 2.4 Limited policies

- Limited benefits and amounts
- Required notice to insured
- Types of limited policies

- Accident-only
- Specified (dread) disease
- Hospital indemnity (income)
- Credit disability
- Blanket insurance (teams, passengers, other)
- Prescription drugs
- Vision care

#### 2.5 Common exclusions from coverage

#### 2.6 Considerations in replacing accident and health insurance (Reg R590-126-9, 233)

- Pre-existing conditions (31A-22-605.1)
- Benefits, limitations and exclusions
- Underwriting requirements

#### 2.7 Accident and health insurance claims

- Insured's notice
- Standard claim forms
- Insurer's provision of claim forms
- Insured's submission of proof of loss
- Insurer's investigation/verification of loss
- Insurer's payment of claim
- Physical examination and autopsy
- Legal actions

### 3.0 Understanding the Language of Medical Reports 10%

#### 3.1 Medical terminology and abbreviations

- Location terms
- Movement terms
- Prefixes, suffixes and root words
- Abbreviations used in medical reports
- Medical specialties

#### 3.2 Basic human anatomy

- Skeletal structure
- Nervous system
- Respiratory system
- Cardiovascular system
- Abdominal organs

#### 3.3 Injuries and diseases

- Strains and sprains
- Dislocations
- Fractures
- Soft tissue injuries
- Brain injuries
- Burn classifications
- Cumulative trauma
- Repetitive motion injuries
- Lung disease
- Diabetes mellitus

- Glaucoma
- Hypertension
- Osteoarthritis
- Osteomyelitis
- Osteoporosis
- Stroke
- Tachycardia
- Atherosclerosis
- Coronary thrombosis

### 3.4 Medical tests

- Laboratory
- Radiography (X-ray)
- Magnetic resonance imaging (MRI)
- Computerized tomography (CT or CAT)
- Electromyography (EMG)
- Nerve conduction studies
- Myelography
- Arthroscopy
- Electrocardiogram (EKG or ECG)
- Electroencephalography (EEG)

## 4.0 Accident and Health Insurance Policy General Provisions 13%

### 4.1 Required provisions

- Incontestability (31A-22-609)
- Grace period (31A-22-607)
- Reinstatement (31A-22-608)
- Claim procedures (31A-21-312; 31A-22-614; 31A-26-301; Reg R590-192-1-14)

### 4.2 Optional provisions

- Change of occupation (31A-22-613(1))
- Misstatement of age (31A-22-613(2, 3))
- Other insurance (31A-22-619)
- Coordination of benefits (Reg R590-131-1-9)

### 4.3 Other general provisions

- Right to examine (free look) (31A-22-606)
- Insuring clause
- Consideration clause
- Entire contract; changes
- Physical examinations and autopsy
- Legal actions
- Rights of spouse (31A-22-612)
- Change of beneficiary
- Unpaid premium
- Conformity with state statutes
- Illegal occupation
- Renewability clause (31A-30-107; Reg R590-126-5, 233)
  - Noncancelable
  - Guaranteed renewable
  - Conditionally renewable
  - Renewable at option of insurer
  - Nonrenewable (cancelable, term)

## 5.0 Disability Income and Related Insurance 10%

### 5.1 Qualifying for disability benefits

- Inability to perform duties
- Own occupation

- Any occupation
- Loss of income (income replacement contracts)
- Presumptive disability
- Requirement to be under physician care

### 5.2 Individual disability income insurance

- Basic total disability plan
  - Income benefits (monthly indemnity)
  - Elimination and benefit periods
  - Waiver of premium feature
- Coordination with social insurance and workers compensation benefits
  - Additional monthly benefit (AMB)
  - Social insurance supplement (SIS)
  - Occupational versus nonoccupational coverage
- At-work benefits
  - Partial disability benefit
  - Residual disability benefit
- Other provisions affecting income benefits
  - Cost of living adjustment (COLA) rider
  - Future increase option (FIO) rider
  - Relation of earnings to insurance
- Other cash benefits
  - Accidental death and dismemberment
  - Rehabilitation benefit
  - Medical reimbursement benefit (nondisabling injury)
- Refund provisions
  - Return of premium
  - Cash surrender value
- Exclusions

### 5.3 Unique aspects of individual disability underwriting

- Occupational considerations
- Benefit limits
- Policy issuance alternatives

### 5.4 Group disability income insurance

- Group versus individual plans
- Short-term disability (STD)
- Long-term disability (LTD)

### 5.5 Business disability insurance

- Key employee (partner) disability income
- Disability buy-sell policy

### 5.6 Social Security disability

- Qualification for disability benefits
- Definition of disability
- Waiting period
- Disability income benefits

### 5.7 Workers compensation

- Eligibility

## 6.0 Medical Plans 10%

### 6.1 Medical plan concepts

- Fee-for-service basis versus prepaid basis
- Specified coverages versus comprehensive care
- Benefit schedule versus
  - usual/reasonable/customary charges
- Any provider versus limited choice of providers
- Insureds versus subscribers/participants

## 6.2 Types of providers and plans

- Major medical insurance (indemnity plans)
  - Characteristics
  - Common limitations
  - Exclusions from coverage
  - Provisions affecting cost to insured
  - Defined contribution plans (31A-30-201-208)
- Health maintenance organizations (HMOs)
  - General characteristics
  - Preventive care services
  - Primary care physician versus referral (specialty) physician
  - Emergency care
  - Hospital services
  - Other basic services
- Preferred provider organizations (PPOs)
  - General characteristics
  - Limited health plans (31A-8-101(6))
  - Open panel or closed panel
  - Types of parties to the provider contract
- Point-of-service (POS) plans
  - Nature and purpose
  - Out-of-network provider access (open-ended HMO)
  - PCP referral (gatekeeper PPO)
  - Indemnity plan features

## 6.3 Cost containment in health care delivery

- Cost-saving services
  - Preventive care
  - Hospital outpatient benefits
  - Alternatives to hospital services
- Utilization management
  - Prospective review
  - Concurrent review

## 6.4 Utah requirements (individual and group)

- Eligibility requirements
  - Newborn child coverage (31A-22-610)
  - Dependent child age limit (31A-22-610.5)
  - Eligibility of dependent children not based solely on residency (31A-22-718)
  - Policy extension for handicapped children (31A-22-611)
- Benefit offers
  - Substance abuse coverage (31A-22-715)

## 6.5 HIPAA (Health Insurance Portability and Accountability Act) requirements

- Eligibility
- Guaranteed issue
- Pre-existing conditions
- Creditable coverage
- Renewability

## 6.6 Medical savings accounts (MSAs) and Health savings accounts (HSAs)

- Definition
- Eligibility
- Contribution limits
- Portability

## 7.0 Group Accident and Health Insurance 10%

### 7.1 Characteristics of group insurance

- Group contract
- Certificate of coverage
- Experience rating versus community rating

### 7.2 Types of eligible groups

- Employment-related groups
  - Individual employer groups
  - Multiple-Employer Trusts (METs) or Welfare Arrangements (MEWAs)
- Associations (alumni, professional, other)
- Customer groups (depositors, creditor-debtor, other)

### 7.3 Marketing considerations

- Advertising
- Regulatory jurisdiction/place of delivery

### 7.4 Employer group health insurance

- Insurer underwriting criteria
  - Characteristics of group
  - Plan design factors
  - Persistency factors
  - Administrative capability
- Eligibility for insurance
  - Annual open enrollment
  - Employee eligibility
  - Dependent eligibility
- Coordination of benefits provision (Reg R590-131-1-9)
- Change of insurance companies or loss of coverage
  - Coinsurance and deductible carryover
  - No-loss no-gain
  - Events that terminate coverage
  - Extension of benefits
  - Continuation of coverage under COBRA and Utah specific rules (31A-22-722)
  - Conversion rights (31A-22-723)
  - Conversion rights for former spouse (31A-22-612)
  - Reinstatement of coverage for military personnel (31A-22-717)

### 7.5 Small employer medical plans

- Definition of small employer (31A-1-301)
- Basic coverage (31A-22-613.5; Reg R590-175)
- Availability of coverage (31A-30-108)
- Renewability of coverage (31A-30-107)
- Pre-existing conditions (31A-22-605.1)
- Participation requirements (31A-30-112)
- Open enrollment (Reg R590-176-1-11)

### 7.6 Regulation of employer group insurance plans

- Employee Retirement Income Security Act (ERISA)
  - Applicability
  - Fiduciary responsibilities
  - Reporting and disclosure
- Age Discrimination in Employment Act (ADEA)
  - Applicability to employers and workers
  - Permitted reductions in insured benefits
  - Permitted increases in employee contributions

- Requirements for medical expense coverage
- Civil Rights Act/Pregnancy Discrimination Act
- Applicability
- Guidelines
- Relationship with Medicare
  - Medicare secondary rules
  - Medicare carve-outs and supplements
- Nondiscrimination rules (highly-compensated)

### **7.7 Types of funding and administration**

- Conventional fully-insured plans
- Fully self-funded (self-administered) plans
  - Characteristics
  - Conditions suitable for self-funding
  - Benefits suitable for self-funding

## **8.0 Dental Insurance 7%**

### **8.1 Categories of dental treatment**

- Diagnostic and preventive
- Restorative
- Oral surgery
- Endodontics
- Periodontics
- Prosthodontics
- Orthodontics

### **8.2 Indemnity plans**

- Choice of providers
- Scheduled versus nonscheduled plans
- Benefit categories
  - Diagnostic/preventive services
  - Basic services
  - Major services
- Deductibles and coinsurance
- Combination plans
- Exclusions
- Limitations
- Predetermination of benefits

### **8.3 Employer group dental expense**

- Integrated deductibles versus stand-alone plans
- Minimizing adverse selection

## **9.0 Insurance for Senior Citizens and Special Needs Individuals 10%**

### **9.1 Medicare**

- Nature, financing and administration
- Part A — Hospital Insurance
  - Individual eligibility requirements
  - Enrollment
  - Coverages and cost-sharing amounts
- Part B — Medical Insurance
  - Individual eligibility requirements
  - Enrollment
  - Coverages and cost-sharing amounts
  - Exclusions
  - Claims terminology and other key terms
- Part C — Medicare Advantage
- Part D — Prescription Drug Insurance

### **9.2 Medicare supplements**

- Purpose
- Open enrollment (Reg R590-146-11)
- Standardized Medicare supplement plans
  - Core benefits (Reg R590-146-8(B))
  - Additional benefits (Reg R590-146-8(C))
- Utah regulations and required provisions
  - Standards for marketing (Reg R590-146-20)
  - Advertising (Reg R590-146-19)
  - Appropriateness of recommended purchase and excessive insurance (Reg R590-146-21)
  - Right to return (free look) (31A-22-620(6))
  - Replacement (Reg R590-146-18, 22)
  - Pre-existing conditions (Reg R590-146-23)
  - Required disclosure provisions (Reg R590-146-17)
  - Outline of coverage (Reg R590-146-17(C))
  - Guide to Health Insurance for People with Medicare (Reg R590-146-17(A)(6)(a))
  - Permitted compensation (Reg R590-146-16)
- Medicare Select (Reg R590-146-10)

### **9.3 Other options for individuals with Medicare**

- Employer group health plans
  - Disabled employees
  - Employees with kidney failure
  - Individuals age 65 and older
- Medicaid
  - Eligibility
  - Benefits

### **9.4 Long-term care (LTC) policies**

- LTC, Medicare and Medicaid compared
- Eligibility for benefits
- Levels of care
  - Skilled care
  - Intermediate care
  - Custodial care
  - Home health care
  - Adult day care
  - Respite care
- Benefit periods
- Benefit amounts
- Optional benefits
  - Guarantee of insurability
  - Return of premium
- Qualified LTC plans
- Exclusions
- Underwriting considerations
- Utah regulations and required provisions
  - Standards for marketing (Reg R590-148-18)
  - Advertising (Reg R590-148-20)
  - Shopper's guide (Reg R590-148-16)
  - Outline of coverage (31A-22-1409; Reg R590-148-15)
  - Appropriateness of recommended purchase (Reg R590-148-17)
  - Right to return (free look) (31A-22-1408)
  - Replacement (Reg R590-148-6(6))
  - Renewal provisions (Reg R590-148-6(1))

- Continuation or conversion  
(Reg R590-148-10)
- Required disclosure provisions  
(Reg R590-148-6)
- Inflation protection (Reg R590-148-13)
- Pre-existing conditions (31A-22-1406;  
Reg R590-148-6(3))
- Protection against unintentional lapse  
(Reg R590-148-11)
- Prohibited provisions (31A-22-1405, 1407)

#### **9.5 Utah Comprehensive Health Insurance Pool (31A-29-101-123)**

- Eligibility (31A-29-111)
- Coverages and limits (31A-29-113)
- Exclusions (31A-29-113)
- Deductibles and coinsurance (31A-29-114)

#### **10.0 Federal Tax Considerations for Accident and Health Insurance 3%**

##### **10.1 Personally-owned health insurance**

- Disability income insurance
- Medical expense insurance
- Long-term care insurance

##### **10.2 Employer group health insurance**

- Disability income (STD, LTD)
  - Benefits subject to FICA
- Medical and dental expense
- Long-term care insurance
- Accidental death and dismemberment

##### **10.3 Medical expense coverage for sole proprietors and partners**

##### **10.4 Business disability insurance**

- Key person disability income
- Buy-sell policy

##### **10.5 Medical savings accounts (MSAs) and Health savings accounts (HSAs)**