

# Your Exam Content Outline

The following outline describes the content of one of the South Carolina insurance examinations. The examination will contain questions on the subjects contained in the outline. The percentages indicate the relative weight assigned to each section 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.

## South Carolina Adjuster's Examination for Workers Compensation Insurance Series 19-25

60 questions – One-hour time limit

### 1.0 Insurance Regulation 10%

- 1.1 Director's general duties and powers (38-3-60, 110)**
- 1.2 Licensing requirements**
  - Qualifications (38-47-10)
  - Nonresident (38-47-20)
  - Emergency adjuster permit (Reg 69-1)
- 1.3 Maintenance and duration (38-47-40)**
  - Change of address (38-47-15)
- 1.4 Disciplinary actions**
  - Cease and desist order (38-57-200, 230)
  - Hearings (38-3-170; 38-57-200)
  - Penalties (38-2-10-30; 38-47-70)
- 1.5 Claim settlement laws and regulations (38-59-20)**
- 1.6 Federal regulation**
  - Fraud and false statements (18 USC 1033, 1034)

### 2.0 Workers Compensation Insurance 36%

- 2.1 Workers compensation laws**
  - Types of laws
    - Monopolistic versus competitive
    - Compulsory versus elective
  - South Carolina Workers' Compensation Law (RL Title 42)
    - Exclusive remedy (RL 42-1-540)
    - Employment covered (required, voluntary) (RL 42-1-130-150, 310, 360)
    - Covered injuries (RL 42-1-160; RL 42-9-60; RL 42-15-20, 40)
    - Occupational disease (RL 42-11-10)
    - Benefits provided (RL 42-9-10-30, 200, 260, 290; RL 42-13-90; RL 42-15-10, 60-70)
    - Second injury fund (RL 42-7-310; RL 42-9-400)
- 2.2 Workers compensation and employers liability insurance policy**
  - General section
  - Part One — Workers compensation insurance
  - Part Two — Employers liability insurance
  - Part Three — Other states insurance
  - Part Four — Your duties if injury occurs

- Part Five — Premium
- Part Six — Conditions
- Selected endorsement
  - Voluntary compensation

### 2.3 Sources of coverage

- South Carolina Workers' Compensation Uninsured Employers' Fund (RL 42-7-200)
- Self-insured employers (RL 42-5-20, 50)
- South Carolina residual workers compensation
- Voluntary market

### 3.0 Workers Compensation Claim Principles 40%

#### 3.1 Role of the adjuster

- Duties and responsibilities
- Relationship to the legal profession

#### 3.2 Contract basics

- Elements of a legal contract
  - Offer and acceptance
  - Consideration
  - Competent parties
  - Legal purpose
- Distinct characteristics of an insurance contract
  - Contract of adhesion
  - Aleatory contract
  - Personal contract
  - Unilateral contract
  - Conditional contract
  - Utmost good faith
  - Representations/misrepresentations
  - Warranties
  - Concealment
  - Fraud

#### 3.3 Negligence

- Elements of a negligent act
- Defenses against negligence
- Absolute liability
- Strict liability
- Vicarious liability

#### 3.4 Controlling medical costs

- Managed care
- Utilization review
  - Inpatient services
  - Outpatient services
- Hospital bill auditing
- Designated provider

#### 3.5 Investigation and evaluation

- Compensability
  - Employee/non-employee

- Arising out of employment
- Arising in the course of employment
- Documentation
  - First report of injury
  - Claimant statement
  - Insured's records
  - Witness statements
  - Current activity reports
- Medical determination
  - Medical authorization
  - Diagnosis
  - Prognosis
  - Independent Medical Examinations (IMEs)

### **3.6 Claim reserves**

- Components
  - Indemnity
  - Medical
  - Expense
- Factors affecting reserves
- Reserving techniques
  - Individual case method
  - Formula method
  - Round-table technique

### **3.7 Claims management**

- Analysis
  - On-site inspections
  - Selecting an evaluating physician
  - Physician evaluation
- Disposition
- Litigation management
- Settlement negotiation

## **4.0 Understanding the Language of Medical Reports 14%**

### **4.1 Medical terminology and abbreviations**

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

### **4.2 Basic human anatomy**

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

### **4.3 Common occupational injuries and disease**

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

### **4.4 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)