

YOUR EXAM CONTENT OUTLINE

for examinations on or after July 1, 2006.

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The following outline describes the content of one of the Pennsylvania 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.

Pennsylvania Producer's Examination for Life, Accident and Health Insurance

Series 16-03

150 questions – 2.5-hour time limit

1.0 Insurance Regulation 7%

1.1 Licenses

- Process (40 P.S. §§ 310.3–310.14)
- Types of licensees (40 P.S. § 310.1)
 - Producer (40 P.S. §§ 310.3–310.5)
 - Nonresident (40 P.S. § 310.10)
 - Temporary (40 P.S. § 310.9)
 - Managers and exclusive general agents (40 P.S. § 310.31)
- Maintenance and duration
 - Renewal (40 P.S. § 310.8)
 - Reporting of actions (40 P.S. § 310.78)
 - Assumed names (40 P.S. § 310.7)
 - Address change (40 P.S. § 310.11(19))
 - Continuing education (40 P.S. § 310.8(b))
- Disciplinary actions
 - Cease and desist order (40 P.S. §§ 310.91, 1171.9)
 - Revocation, suspension, nonrenewal or denial of license (40 P.S. § 310.91)
 - Fines (40 P.S. §§ 310.12, 310.91, 1171.11)

1.2 State regulation

- Commissioner's general duties and powers (40 P.S. §§ 310.2, 1171.7)
- Company regulation
 - Solvency (40 P.S. §§ 72, 112)
 - Rates (40 P.S. §§ 1181–1199, 1221–1238)
 - Policy forms (40 P.S. §§ 477b, 510, 776.1–776.7)
 - Unfair claims settlement practices (40 P.S. § 1171.5(a)(10); 31 Pa. Code Ch. 146)
- Producer regulation
 - Fiduciary responsibility (40 P.S. § 310.96)

- Examination of books and records (40 P.S. § 323.3)
- Commissions and fees (40 P.S. §§ 310.72–310.74)
- Prohibited acts (40 P.S. § 310.11)
- Appointment of producers (40 P.S. § 310.71)
 - Producer as representative of insurer
 - Producer as representative of consumer — disclosure requirements
- Unfair insurance practices (40 P.S. §§ 1171.4–1171.5)
 - Rebating (40 P.S. §§ 310.45, 1171.5(a)(8))
 - Misrepresentation (40 P.S. §§ 310.47–48, 1171.5(a)(1),(2))
 - Twisting (40 P.S. §§ 310.47, 473)
 - False advertising (40 P.S. § 1171.5; 31 Pa. Code Ch. 51)
 - Defamation (40 P.S. § 1171.5(a)(3); 31 Pa. Code Ch. 51)
 - Boycott, coercion or intimidation (40 P.S. § 1171.5(a)(4))
 - Misappropriation of funds (40 P.S. §§ 310.11(4), 310.42)
 - Unfair discrimination (40 P.S. § 1171.5; 31 Pa. Code § 145.4)
 - Illegal inducement (40 P.S. §§ 310.46, 1171.5(a)(8))
 - Privacy of consumer financial information (40 P.S. § 310.77(a); 31 Pa. Code §§ 146a.1–44)
 - Insurance fraud regulation (40 P.S. §§ 325.1–325.62; 18 Pa. C.S. § 4117)
- 1.3 Federal regulation**
 - Fair Credit Reporting Act (15 USC §§ 1681–1681d)
 - Fraud and false statements (18 USC §§ 1033, 1034)

2.0 General Insurance 6%

2.1 Concepts

- Risk management key terms
 - Risk
 - Exposure
 - Hazard
 - Peril
 - Loss
- Methods of handling risk
 - Avoidance
 - Retention
 - Sharing
 - Reduction
 - Transfer
- Elements of insurable risks
 - Adverse selection

- Law of large numbers
- Reinsurance
- 2.2 Insurers**
 - Types of insurers
 - Stock companies
 - Mutual companies
 - Fraternal benefit societies
 - Reciprocal
 - Lloyd's associations
 - Private versus government insurers
 - Admitted versus nonadmitted insurers
 - Domestic, foreign and alien insurers
 - Financial status (independent rating services)
 - Marketing (distribution) systems
- 2.3 Producers and general rules of agency**
 - Insurer as principal
 - Producer/insurer relationship
 - Powers and authority of producers
 - Express
 - Implied
 - Apparent
 - Responsibilities to the applicant/insured
- 2.4 Contracts**
 - 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
 - Legal interpretations affecting contracts
 - Ambiguities in a contract of adhesion
 - Reasonable expectations
 - Indemnity
 - Utmost good faith
 - Representations/misrepresentations
 - Warranties
 - Concealment
 - Fraud
 - Waiver and estoppel
- 3.0 Life Insurance Basics 9%**
 - 3.1 Insurable interest (40 P.S. § 512)**
 - 3.2 Personal uses of life insurance**
 - Survivor protection
 - Estate creation
 - Cash accumulation
 - Liquidity
 - Estate conservation
 - Viatical settlements
 - 3.3 Determining amount of personal life insurance**
 - Human life value approach
 - Needs approach
- Types of information gathered
- Determining lump-sum needs
- Planning for income needs
- Coordination with Social Security, employee benefit plans, and other assets
- 3.4 Business uses of life insurance**
 - Buy-sell funding
 - Key person
 - Executive bonuses
 - Deferred compensation funding
 - Change of insured provision
- 3.5 Viatical and life settlements**
 - Viatical settlement broker authority and licensing
 - 40 P.S. § 626.3
 - Disclosure to consumers 40 P.S. §§ 626.7, 626.206
 - General rules 40 P.S. § 626.8
 - Definitions 40 P.S. § 626.2
 - Chronically ill
 - Fraudulent Viatical Settlement Act
 - Terminally ill
 - Viatical Settlement broker
 - Viatical Settlement provider
 - Viatical settlement purchaser
 - Viator
- 3.6 Classes of life insurance policies**
 - Group versus individual
 - Ordinary versus industrial (home service)
 - Permanent versus term
 - Participating versus nonparticipating
 - Fixed versus variable life insurance
 - General account versus separate account (40 P.S. § 506.2; 31 Pa. Code Ch. 82.41-.51)
 - Regulation of variable life insurance (31 Pa. Code Ch. 82.1, .14, .81)
- 3.7 Premiums**
 - Factors in premium determination
 - Mortality
 - Interest
 - Expense
 - Premium concepts
 - Net single premium
 - Gross annual premium
 - Premium payment mode
- 3.8 Producer responsibilities**
 - Solicitation and sales presentations
 - Advertising (31 Pa. Code Ch. 51.1–.36)
 - Life and Health Insurance Guaranty Association (40 P.S. § 991.1717)
 - Life insurance disclosure statement (31 Pa. Code Ch. 83)
 - Illustrations (40 P.S. § 625.7–625.8)
 - Life insurance surrender comparison index disclosure (31 Pa. Code Ch. 83.51–.57)
 - Replacement (31 Pa. Code Ch. 81.1–.8)
 - Use and disclosure of insurance information

- Field underwriting
 - Notice of information practices
 - Application
- Delivery
 - Policy review
 - Effective date of coverage
 - Premium collection
 - Statement of good health
 - Delivery receipt requirement (40 P.S. § 625.4)

3.9 Individual underwriting by the insurer

- Information sources and regulation
 - Application
 - Producer report
 - Attending physician statement
 - Investigative consumer (inspection) report
 - Medical Information Bureau (MIB)
 - Medical examinations and lab tests including HIV (35 P.S. § 7605, 31 Pa. Code Ch. 90c)
- Selection criteria and unfair discrimination (40 P.S. § 477a)
- Classification of risks
 - Preferred
 - Standard
 - Substandard
 - Declined

4.0 Life Insurance Policies 11%

4.1 Term life insurance

- Level term
 - Annual renewable term
 - Level premium term
 - Life expectancy contract
 - Term-to-65 contract

Decreasing term

4.2 Whole life insurance

- Continuous premium (straight life)
- Limited payment
- Single premium
- Graded premium
- Modified life
- Current assumption

4.3 Flexible premium policies

- Adjustable life
- Universal life
- Equity indexed universal life
- Variable universal life

4.4 Specialized policies

- Joint life (first-to-die)
- Survivorship life (second-to-die)
- Juvenile life

4.5 Group life insurance

- Characteristics of group plans
- Types of plan sponsors
- Group underwriting requirements
- Conversion to individual policy (40 P.S. § 532.7)

4.6 Credit life insurance (individual versus group)

5.0 Life Insurance Policy Provisions, Options and Riders 11%

5.1 Standard provisions (40 P.S. § 510)

- Ownership
- Assignment
- Entire contract (d)
- Modifications
- Right to examine (free look) (40 P.S. § 510c(a))
- Payment of premiums (a)
- Grace period (b)
- Reinstatement (k)
- Incontestability (c)
- Misstatement of age (e)
- Exclusions
- Payment of claims (l)
- Prohibited provisions including backdating (40 P.S. § 511)

5.2 Beneficiaries

- Designation options
 - Individuals
 - Classes
 - Estates
 - Minors
 - Trusts
- Succession
- Revocable versus irrevocable
- Common disaster clause
- Spendthrift clause

5.3 Settlement options

- Cash payment
- Interest only
- Fixed-period installments
- Fixed-amount installments
- Life income
 - Single life
 - Joint and survivor

5.4 Nonforfeiture options

- Cash surrender value
- Extended term
- Reduced paid-up insurance

5.5 Policy loans and withdrawal options

- Cash loans
- Automatic premium loans
- Withdrawals or partial surrenders

5.6 Dividend options

- Cash payment
- Reduction of premium payments
- Accumulation at interest
- One-year term option
- Paid-up additions
- Paid-up insurance

5.7 Disability riders

- Waiver of premium
- Waiver of cost of insurance
- Disability income benefit
- Payor benefit life/disability (juvenile insurance)

- 5.8 Accelerated (living) benefit provision/rider**
 - Conditions for payment (31 Pa. Code Ch. 90f.3)
 - Effect on death benefit (31 Pa. Code Ch. 90f.3)
 - Exclusions and restrictions (31 Pa. Code Ch. 90f.4)
- 5.9 Riders covering additional insureds**
 - Spouse/other-insured term rider
 - Children's term rider
 - Family term rider
- 5.10 Riders affecting the death benefit amount**
 - Accidental death
 - Guaranteed insurability
 - Cost of living
 - Return of premium
- 6.0 Annuities 7%**
 - 6.1 Annuity principles and concepts**
 - Accumulation period versus annuity period
 - Owner, annuitant and beneficiary
 - Insurance aspects of annuities
 - 6.2 Immediate versus deferred annuities**
 - Single premium immediate annuities (SPIAs)
 - Deferred annuities
 - Premium payment options
 - Nonforfeiture
 - Surrender charges
 - Death benefits
 - 6.3 Annuity (benefit) payment options**
 - Life contingency options
 - Pure life versus life with guaranteed minimum
 - Single life versus multiple life
 - Annuities certain
 - Installments for a fixed period
 - Installments for a fixed amount
 - 6.4 Annuity products**
 - Fixed annuities
 - General account assets
 - Interest rate guarantees (minimum versus current)
 - Level benefit payment amount
 - Equity indexed annuities
 - Market value adjusted annuities (modified guaranteed annuities) (40 P.S. § 71, 510a–510d)
 - Variable annuities
 - Assets in a separate account (31 Pa. Code Ch. 85.21–.27)
 - Regulation of variable annuities (SEC, NASD and Pennsylvania) (31 Pa. Code Ch. 85.1–.4)
 - 6.5 Uses of annuities**
 - Lump-sum settlements
 - Qualified retirement plans
 - Group versus individual annuities
 - Personal uses
 - Individual retirement plans
 - Tax-deferred growth
 - Retirement income
 - Education funds

- 7.0 Federal Tax Considerations for Life Insurance and Annuities 4%**
 - 7.1 Taxation of personal life insurance**
 - Amounts available to policyowner
 - Cash value increases
 - Dividends
 - Policy loans
 - Surrenders
 - Accelerated benefits
 - Viatical settlements
 - Amounts received by beneficiary
 - General rule and exceptions
 - Settlement options
 - Values included in insured's estate
 - 7.2 Modified endowment contracts (MECs)**
 - Modified endowment versus life insurance
 - Seven-pay test
 - Distributions
 - 7.3 Taxation of non-qualified annuities**
 - Individually-owned
 - Accumulation phase (tax issues related to withdrawals)
 - Annuity phase and the exclusion ratio
 - Distributions at death
 - Corporate-owned
 - 7.4 Taxation of individual retirement plans**
 - Traditional IRAs
 - Contributions, limits and deductible amounts
 - Premature distributions (including taxation issues)
 - Annuity phase benefit payments
 - Values included in the annuitant's estate
 - Amounts received by beneficiary
 - Roth IRAs
 - Contributions and limits
 - Qualified distributions
 - 7.5 Rollovers and transfers (IRAs and qualified plans)**
 - 7.6 Section 1035 exchanges**
- 8.0 Qualified Plans 2%**
 - 8.1 General requirements**
 - 8.2 Federal tax considerations**
 - Tax advantages for employers and employees
 - Taxation of distributions (age-related)
 - 8.3 Plan types, characteristics and purchasers**
 - Simplified employee pensions (SEPs)
 - Self-employed plans (HR 10 or Keogh plans)
 - Profit-sharing and 401(k) plans
 - SIMPLE plans
 - Pension plans
 - 403(b) tax-sheltered annuities (TSAs)
 - 8.4 Special rules for life insurance**
 - Taxation of economic benefit
 - Taxation of life insurance distributions

9.0 Health Insurance Basics 7%

9.1 Definitions of perils

Accidental injury
Sickness

9.2 Principal types of losses and benefits

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

9.3 Classes of health insurance policies

Individual versus group
Private versus government
Limited versus comprehensive

9.4 Limited policies

Limited perils and amounts
Required notice to insured
Types of limited policies
Accident-only
Specified (dread) disease
(31 Pa. Code Ch. 88.169, .193)
Hospital indemnity (income)
Credit disability
Blanket insurance (teams, passengers, other)
Prescription drugs
Vision care

9.5 Common exclusions from coverage

(31 Pa. Code Ch. 88.84)

Pre-existing conditions
Intentionally self-inflicted injuries (1)(ii)
War or act of war (1)(i)
Elective cosmetic surgery (1)(vii)
Conditions covered by workers compensation
(1)(iii)
Government plans (2)(viii)
Commission of or attempt to commit a felony

9.6 Producer responsibilities in individual health insurance

Marketing requirements
Advertising standards for accident and health insurance (31 Pa. Code Ch. 51.1-.36, .42)
Life and Health Insurance Guaranty Association (40 P.S. § 991.1717)
Sales presentations
Outline of coverage (40 P.S. § 991.1111; 31 Pa. Code Ch. 88.181)
Field underwriting
Nature and purpose
Disclosure of information about individuals
Application procedures
Requirements at delivery of policy
Common situations for errors/omissions

9.7 Individual underwriting by the insurer

Underwriting criteria
Sources of underwriting information
Application
Producer report

Attending physician statement
Investigative consumer (inspection) report
Medical Information Bureau (MIB)
Medical examinations and lab tests (including HIV consent) (35 P.S. § 7605(h))

Classification of risks

Preferred
Standard
Substandard
Declined

9.8 Considerations in replacing health insurance

Pre-existing conditions
Waiting periods
Benefits, limitations and exclusions
Underwriting requirements
Producer's liability for errors and omissions
Pennsylvania replacement requirements (31 Pa. Code Ch. 88.101-.103)

10.0 Individual Health Insurance Policy General Provisions 6%

10.1 Required provisions (40 P.S. § 753(A))

Entire contract; changes (1)
Time limit on certain defenses (2)
Grace period (3)
Reinstatement (4)
Claim procedures (5-9)
Physical examinations and autopsy (10)
Legal actions (11)
Change of beneficiary (12)

10.2 Other provisions (40 P.S. § 753(B))

Change of occupation (1)
Misstatement of age (2)
Other insurance in this insurer (3)
Insurance with other insurers
Expense-incurred benefits (4)
Other benefits (5)

Unpaid premium (7)
Cancellation (8)
Conformity with state statutes (9)
Illegal occupation (10)
Intoxicants and narcotics (11)

10.3 Other general provisions

Right to examine (free look)
(40 P.S. § 752(A)(10); 31 Pa. Code Ch. 89.73)
Insuring clause
Consideration clause
Renewability clause
Noncancelable
Guaranteed renewable
Conditionally renewable
Renewable at option of insurer
Nonrenewable (cancelable, term)

11.0 Disability Income and Related Insurance 5%

11.1 Qualifying for disability benefits

- Inability to perform duties
(31 Pa. Code Ch. 88.137)
 - Own occupation
 - Any occupation
- Pure loss of income (income replacement contracts)
- Presumptive disability
- Requirement to be under physician care

11.2 Individual disability income insurance

- Pennsylvania minimum benefit standards
(31 Pa. Code Ch. 88.167)
 - 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
(31 Pa. Code Ch. 88.138)
 - Residual disability benefit
(31 Pa. Code Ch. 88.139)
 - Other provisions affecting income benefits
 - Cost of living adjustment (COLA) rider
 - Future increase option (FIO) rider
 - Relation of earnings to insurance
(40 P.S. § 753(B)(6))
 - Annual renewable term rider
 - Change of occupation
 - Other cash benefits
 - Accidental death and dismemberment
 - Rehabilitation benefit
 - Medical reimbursement benefit (nondisabling injury)
 - Refund provisions
 - Return of premium
 - Cash surrender value
 - Exclusions
- ### **11.3 Unique aspects of individual disability underwriting**
- Occupational considerations
 - Benefit limits
 - Starter plans for professionals
 - Policy issuance alternatives
- ### **11.4 Group disability income insurance**
- Group versus individual plans
 - Short-term disability (STD)
 - Long-term disability (LTD)

11.5 Business disability insurance

- Key employee (partner) disability income
- Disability buy-sell policy
- Business overhead expense policy
- Disability reducing term policy

11.6 Social Security disability

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

11.7 Workers compensation

- Eligibility
- Benefits

12.0 Medical Plans 8%

12.1 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

12.2 Types of providers and plans

- Major medical insurance (indemnity plans)
 - Characteristics
 - Common limitations
 - Exclusions from coverage
 - Provisions affecting cost to insured
- 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
 - 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

12.3 Cost containment in health care delivery

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

12.4 Pennsylvania mandated benefits (individual and group)

- Postpartum coverage (40 P.S. § 1583)
- Routine pap smears (40 P.S. § 1574(2))
- Treatment for alcohol abuse and dependency (40 P.S. §§ 908-1–908-8)
- Serious mental illness (40 P.S. § 764q)
- Annual gynecological examinations (40 P.S. § 1574(1))
- Cancer therapy (40 P.S. § 764b)
- Mammography coverage (40 P.S. § 764c)
- Childhood immunizations (40 P.S. § 3503)
- Dependent child age limit (31 Pa. Code Ch. 88.32)
- Coverage of adopted children (40 P.S. § 775.1)
- Newborn child coverage (40 P.S. §§ 771–775.2; 31 Pa. Code Ch. 89.201–.209)
- Physically handicapped/mentally retarded children (40 P.S. § 752(A)(9))

12.5 HIPAA (Health Insurance Portability and Accountability Act) requirements (40 P.S. § 981-1)

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

13.0 Group Health Insurance 5%

13.1 Characteristics of group insurance

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

13.2 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)

13.3 Marketing considerations

- Advertising
- Regulatory jurisdiction/acceptable place of delivery

13.4 Employer group health insurance

- Insurer underwriting criteria
 - Characteristics of group
 - Plan design factors
 - Persistency factors
 - Administrative capability
- Eligibility for coverage
 - Annual open enrollment
 - Employee eligibility
 - Dependent eligibility
- Coordination of benefits provision
- Change of insurance companies or loss of coverage
 - Coinsurance and deductible carryover
 - Pre-existing conditions (31 Pa. Code Ch. 89.402–.406)

- Events that terminate coverage
- Extension of benefits
- Continuation of coverage under COBRA
- Conversion privilege (40 P.S. §§ 756.2, 981-9)

13.5 Regulation of employer group insurance plans

- Employee Retirement Income Security Act (ERISA)
 - Applicability
 - Fiduciary responsibilities
 - Reporting and disclosure

14.0 Dental Insurance 1%

14.1 Categories of dental treatment

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

14.2 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

14.3 Employer group dental expense

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

15.0 Insurance for Senior Citizens and Special Needs Individuals 8%

15.1 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

15.2 Medicare supplements

- Purpose
- Open enrollment (31 Pa. Code Ch. 89.778)
- Standardized Medicare supplement plans
 - Core benefits
 - Additional benefits
- Pennsylvania regulations and required provisions
 - Standards for marketing (31 Pa. Code Ch. 89.786)
 - Advertising (31 Pa. Code Ch. 89.785)
 - Appropriateness of recommended purchase and excessive coverage (31 Pa. Code Ch. 89.787)
 - Replacement (40 P.S. § 3108; 31 Pa. Code Ch. 89.784, .789)
 - Minimum benefit standards (40 P.S. § 3105)
 - Required disclosure provisions (40 P.S. § 3107; 31 Pa. Code Ch. 89.783)
 - Permitted compensation arrangements (31 Pa. Code Ch. 89.782)
 - Guaranteed issue (31 Pa. Code Ch. 89.790)

15.3 Other options for individuals with Medicare

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

- Medicaid
 - Eligibility
 - Benefits

15.4 Long-term care (LTC) insurance

- 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

- Pennsylvania regulations and required provisions
 - Outline of coverage (40 P.S. § 991.1111; 31 Pa. Code Ch. 89a.107, 126)
 - Right to examine (free look) (40 P.S. § 991.1110)
 - Pre-existing conditions (40 P.S. §§ 991.1105(c), 1107)
 - Continuation and conversion (31 Pa. Code Ch. 89a.105)
 - Unintentional lapse (31 Pa. Code Ch. 89a.106)
 - Required disclosure provisions (31 Pa. Code Ch. 89a.107)
 - Inflation protection (31 Pa. Code Ch. 89a.112)
 - Nonforfeiture benefit (31 Pa. Code Ch. 89a.123)
 - Benefit triggers (31 Pa. Code Ch. 89a.124, 125)
 - Replacement (31 Pa. Code Ch. 89a.113, 122)
 - Standards for marketing (31 Pa. Code Ch. 89a.120)
 - Suitability of recommended purchase (31 Pa. Code Ch. 89a.121)
 - Shopper's guide (31 Pa. Code Ch. 89a.127)
 - Permitted compensation arrangements (31 Pa. Code Ch. 89a.129)
 - Penalties (31 Pa. Code Ch. 89a.128)

16.0 Federal Tax Considerations for Health

Insurance 3%

16.1 Personally-owned health insurance

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

16.2 Employer group health insurance

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

16.3 Business disability insurance

- Key person disability income
- Buy-sell policy