Your Exam Content Outline

The following outline describes the content of one of the New York 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.

New York Accident and Health Insurance Agent/Broker Examination Series 17-52

100 questions - 2-hour time limit Live Date- September 20, 2018

1.0 Insurance Regulation 8%

1.1 Licensing

Process (2103(d-l))
Definitions
Producer definition (2101(k))
Who should be licensed (2101(k))
Home state (2101(l))
Negotiate (2101(m))
Sell (2101(n))
Solicit (2101(o))
Types of licensees
Agents (2101(a, k); 2103; Reg 6, Part 22.2; Reg 7, Part 23.2)
Brokers (2101(c, h, k); 2104)
Consultants (2107)
Adjusters (2101(g), 2108)
Nonresident (2101(d, e); 2103(g)(5, 11); 2136)
Business entities (2101(p), (2103(i)(2))
Temporary (2109; Regs 9, 18, 29, Part 20.1)
Maintenance and duration
Renewal (2103(j)); Reg 5, Part 21.2
Continuing education (2132)
Assumed names (2102(f))
Change of address (all addresses, including email) (2134; Reg 5, Part 21.3; Reg 7, Part 23.4)
Reporting of actions (2110(i)(j))
Disciplinary actions
Hearings-Notice and Process (2405, 2406, Financial Services 305)
Suspension, revocation, and nonrenewal (2110)
Penalties (2127, 109)

1.2 State regulation

Superintendent's general duties and powers (2404, Financial Services 201, 202, 301)
Company regulation
Certificate of authority (1102(a-b))
Solvency (307)
Unfair claim settlement practices (2601; Reg 64, Part 216.3-216.6)
Appointment of agent (2112(a-c))
Termination of agent appointment (2112(d); Regs 9, 18, 29, Part 20.2)
Unfair and prohibited practices
Misrepresentation (2123; Reg 64, Part 216.3)
False advertising (2603)
Defamation of insurer (2604)
Unfair discrimination (2606-2608, 2612)
Rebating (2324, 4224)
Licensee regulation
Controlled business (2103(i))
Sharing commissions (2121, 2128)
Fiduciary responsibility (2120; Regs 9, 18, 29, Parts 20.3, 20.4)
License display (Reg 125, Part 34.5)
Commissions and compensation
(2102(e), 2114–2116, 2119; Regs 9, 18, 29, Part 20.6; Reg 194, Part 30)
Termination responsibilities of producer
(2112(g))
Examination of books and records (2404; Reg 152, Parts 243.0 to 243.3)
Insurance Frauds Prevention Act (401–405, Financial Services 403-405)
Aiding Unauthorized Insurer (2117)
Prohibitions (403)
Reporting (405)
Consumer privacy regulation (Reg 169, Parts 420.0–420.4)
Producer Compensation Transparency (Reg 194, Parts 30.1 to 30.5)
Cyber Security Requirements for Financial Services Companies (Reg 23)

1.3 Federal regulation
Fair Credit Reporting Act (15 USC 1681a–1681d)
Fraud and false statements including 1033 waiver (18 USC 1033, 1034)

2.0 General Insurance 6%
2.1 Concepts
Risk management key terms
  Risk (pure and speculative)
  Exposure
  Hazard (physical, moral, morale)
  Peril
  Loss
Methods of handling risk
  Avoidance
  Retention
  Sharing
  Reduction
Transfer (by contractual liability or insurance contract)
Elements of insurable risks
Adverse selection
Law of large numbers
Reinsurance

2.2 Insurers
Types of insurers
  Stock companies
  Mutual companies
  Fraternal benefit societies
Private versus government insurers
Admitted versus nonadmitted insurers
Domestic, foreign and alien insurers
Financial status (independent rating services)
Marketing (distribution) systems

2.3 Agents and general rules of agency
Insurer as principal
Agent/insurer relationship
Authority and powers of agents
  Express
  Implied
  Apparent
Responsibilities to the applicant/insured

2.4 Contracts
Elements of a legal contract
  Offer and acceptance
  Consideration
  Competent parties
  Legal purpose
Characteristics of insurance contracts
  Contract of adhesion
  Aleatory contract
  Personal contract
  Unilateral contract
  Conditional contract
Legal concepts and interpretations affecting contracts
  Indemnity
  Utmost good faith
Representations/misrepresentations (3105)
Warranties (3106)
Rescission
Concealment
Fraud
Waiver and estoppel

3.0 Accident and Health Insurance Basics 12%

3.1 Definitions of perils
Accidental injury
Sickness

3.2 Principal types of losses and benefits
Loss of income from disability
Hospital and medical expense
Long-term care expense

3.3 Classes of accident and health insurance coverage
Individual and group
Private versus government
Limited versus comprehensive

3.4 Types of Limited policies
Limited benefits and amounts
Required notice to insured
Types of limited policies
  Accident-only
  Specified (dread) disease
  Hospital indemnity (income)
  Dental insurance
  Vision care

3.5 Common exclusions from coverage
Workers compensation
Cosmetic
Experimental/investigation
Medical necessity

3.6 Licensee responsibilities in individual accident and health insurance
Marketing requirements
  Advertising (Reg 35, Parts 215.1–215.18)
  Sales presentations
  Outline of coverage
  Application procedures
  Requirements at delivery of policy

3.7 Considerations in replacing accident and health insurance

3.8 Community rating of policies (4317; Reg 145, Part 360)
Definition of small group

4.0 Individual Accident and Health Insurance Policy General Provisions 10%

4.1 Required provisions
Entire contract; changes (3216(d)(1)(A))
Grace period (3216(d)(1)(C))
Reinstatement (3216(d)(1)(D))

4.2 Other provisions
  Coordination of benefits
  Other benefits (3216(d)(2)(E))
  Unpaid premium (3216(d)(2)(G))
  Cancellation (3216(d)(2)(H))
  Conformity with state statutes (3216(d)(2)(I))
  Illegal occupation (3216(d)(2)(J))
  Intoxicants and narcotics (3216(d)(2)(K))

4.3 Other general provisions
Right to examine (free look)
Insuring clause
Consideration clause
Renewability clause (3216(g))
  Noncancelable
  Guaranteed renewable

5.0 Disability Income and Related Insurance 10%

5.1 Qualifying for disability benefits
Inability to perform duties
  Own occupation
  Any occupation
  Presumptive disability
  Proof of Loss

5.2 Individual disability income insurance
Basic total disability plan
  Income benefits (monthly indemnity)
  Elimination and benefit periods
  Waiver of premium feature
Coordination of benefits
Individual premium consideration
  Additional monthly benefit (AMB)
  Social insurance supplement (SIS)
  Occupational versus nonoccupational coverage
  Noncancelable (3216(d)(2)(H))
  Guaranteed renewability
Other provisions affecting income benefits
  Cost of living adjustment (COLA) rider
  Future increase option (FIO) rider
  Relation of earnings to insurance (3216(d)(2)(F))
Benefits
  Accidental death and dismemberment
  Rehabilitation benefit
  Medical reimbursement benefit (nondisabling injury)
  Partial disability benefit
  Residual disability benefit
  Total disability benefit
  24-hour coverage versus limited/at-work coverage
Exclusions

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

5.4 Business disability insurance
  Key person disability income
  Disability buy-sell policy
  Business overhead expense policy

6.0 Medical Plans 15%

6.1 Medical plan concepts
  Coordination of benefits
  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 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 (4303(j))
    Primary care physician (PCP)
    Referral (specialty) physician
    Emergency care
    Hospital services
    Other basic services
  Preferred provider organizations (PPOs), point-of-service (POS) plans and Exclusive Provider Organizations (EPOs)
    General characteristics
    In-network and out-of-network provider access
    Primary care physician (PCP) referral
    Catastrophic

6.3 Cost containment in health care delivery
  Utilization review (Art .49)
    Prospective review
    Concurrent review
    Retrospective review

6.4 New York dependent requirements (individual and/or group)
  Dependent child age limit (3216(a)(4); 4235(f)(1)(2))
  Policy extension for handicapped children (3216(c)(4)(A))
  Newborn child coverage (3216(c)(4)(C))

6.5 New York required benefits (Individual and/or group)

6.6 New York mandated offers (individual and/or group)
6.7 HIPAA (Health Insurance Portability and Accountability Act) requirements

- Eligibility
- Guaranteed issue
- Renewability
- Privacy protections

7.0 Federal Patient Protection and Affordable Care Act 10%

7.1 Affordable Care Act

- Preexisting conditions
- Insurance exchanges
  - Eligibility (individual and small employer)
  - APTC (advance premium tax credit)
  - Cost share reduction
  - Benchmark plan
  - State vs. federal
  - Metal levels
- Catastrophic
- Medical loss ratio
- Actuarial value
- Enrollment period
- Individual mandate
- Employer shared responsibility
- Annual lifetime dollar limits
- 10 Essential benefits

8.0 Long-term Care (LTC) Insurance 5%

8.1 Benefits

- LTC, Medicare and Medicaid compared
- Eligibility for benefits
- Levels of care
  - Skilled care
  - Intermediate care
  - Custodial care
- Types of care
  - Home health care
  - Adult day care
  - Respite care
  - Nursing home facility care
  - Assisted living
- Benefit periods
- Benefit amounts
- Activities of Daily Living (ADLs)
- Optional benefits
  - Reimbursement versus indemnity/cash
  - Inflation protection (COLA) (Reg 62, Part 52.25(c)(3))
  - Nonforfeiture benefits (Reg 62, Part 52.25(c)(7))
  - Guarantee of insurability
  - Return of premium
  - Shared care
  - Individual, group and association plans
  - Hybrid plans
  - Exclusions (Reg 62, Part 52.25(b)(2))
  - Underwriting considerations
  - Suitability

8.2 New York regulations and required provisions

- Renewability (Reg 62, Part 52.25(b)(1))
- Required disclosure provisions (Reg 62, Part 52.65)
- Prohibited practices
- Replacement (Reg 62, Part 52.29)
- New York State Partnership for Long Term Care (Reg 144, Part 39)
- Dollar for dollar or time element
- Medicaid Estate Recovery Act (OBRA ’93)
- New York Tax Credit

9.0 Group Health and Blanket Insurance 10%

9.1 Characteristics of group insurance

- Group contract
- Certificate of coverage
- Experience rating versus community rating
- Definition of eligible group (4235(b)(c))

9.2 Types of eligible groups (4235)

- Employer group
- Customer groups (depositors, creditor-debtor and others)
- Blanket customer groups (teams, passengers, students, associations, PEO, and others)
9.3 Regulation of employer group insurance plans
Employee Retirement Income Security Act (ERISA)
  Applicability
  Fiduciary responsibilities
  Reporting and disclosure / compliance
  Family Medical Leave Act (FMLA)
Relationship with Medicare
  Medicare secondary rules
  Medicare carve-outs and supplements
Nondiscrimination rules (highly-compensated)

9.4 Types of funding and administration
Conventional fully-insured plans
Partially self-insured plans
  Stop-loss coverage
  Administrative-services only (ASO) arrangements

9.5 Marketing considerations
Advertising
Regulatory jurisdiction/place of delivery

9.6 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
    Probationary period
    Dependent eligibility
Coordination of benefits provision (Reg 62, Part 52.23)
Change of insurers or loss of coverage
  Events that terminate coverage
  Extension of benefits
  Continuation of coverage under COBRA and New York continuations
  Conversion privilege (3221(e))

9.7 Small employer medical plans
Definition of small employer (Reg 145, Part 360.2(f))
Benefit plans offered
Availability of coverage (Reg 145, Part 360.2(e), 360.3)
Renewability (Reg 145, Part 360.2(e))

9.8 Flexible Spending Accounts (FSA) and Health Savings Accounts (HSA)
Definition
Eligibility
Contribution

10.0 Government Health Insurance Plans 9%

10.1 Worker’s compensation
Eligibility
Benefits

10.2 Social Security Disability
Qualifications for disability benefits
Definition of disability
Waiting period
Disability income benefits

10.3 New York State Disability Benefits Law
Purpose
Definitions
Employment covered
Benefits

10.4 Medicaid
Eligibility and Benefits
Child Health Plus

10.5 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
Part C — Medicare Advantage
Part D — Prescription Drug Insurance

10.6 Healthy New York (4326)

11.0 Private Insurance for Senior Citizens and Special Needs Individuals 5%

11.1 Medicare supplements (Reg 62 Part 58)

Purpose
Open Enrollment (Reg 193, Part 58)
Standardized Medicare supplement plans
  Core benefits
  Additional benefits

New York Regulations and Required Provisions
  Standards for marketing (Reg 193, Part 58)
  Permitted Compensation Arrangements (Reg 193, Part 58)
  Appropriateness of Recommended Purchase or Replacement (Reg 193, Part 58)
  Replacement (Reg 193, Part 58)
  Disclosure Statement (Reg 193, Part 58)
  Renewability (Reg 193, Part 58)

Med Advantage

11.2 Other Medicare options for individuals
  Disabled individuals
  Individuals with kidney failure
  Employer group health plans
  Employees age 65 or older