Your Exam Content Outline

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

<table>
<thead>
<tr>
<th>Wisconsin Accident and Health: General and State</th>
<th>100 questions (5 pre-test items) Two-hour time limit</th>
<th>Effective November 24, 2017</th>
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### 1.0 Insurance Regulation 35%

#### 1.1 Licensing 25%

**Purpose**

Ref: ch. 628

**Persons Required to be licensed**

Ref: s. 618.41, ch. 628, s. 628.02(1), s. 628.02(3), s. 628.02(4), s. 628.02(5), s. 628.03, s. 628.04, s. 628.49, s. 632.69(1)(b)(2), s. 632.69(1)(c)(2), s. Ins 6.58, s. Ins 42.01, s. Ins 42.03, s. Ins 47

**License Requirements**

Ref: ch. 26, s. 628.03, s. 628.04, s. 628.04(2), s. 628.34, s. 628.51, s. 632.69(1)(b)(2), s. 632.69(1)(c)(2), s. Ins 6.59, s. Ins 6.59(4)(a), s. Ins 6.59(4)(c)

**Record keeping, maintenance, and duration**

Renewal

Continuing education requirements

Reinstatement

Assumed name

Change of address or telephone number

**Reporting of actions**

Ref: s. 134.97, s. 601.42, s. 628.04, s. 628.08, s. 628.09, s. 628.09(6), s. 628.11, s. Ins 6.57, s. Ins 6.61, s. Ins 6.63(3), s. Ins 28.04(1)(a), s. Ins 28.04(1)(f), s. Ins 28.04(2)(a), s. Ins 28.04(2)(b), s. Ins 28.04(2)(c), s. Ins 28.06(6)

**Disciplinary actions**

License termination, suspension, or revocation

Monetary forfeiture (fines)

Ref: s. 601.31, s. 628.10(1), s. 628.10(2), s. 628.10(3), s. 628.10(4), s. 628.345(1)(b), s. 628.345(2), s. 628.345(3)(a), s. 628.345(3)(d), s. 628.345(3)(e), s. 628.345(3)(f), s. Ins 6.63

## 1.2 State regulation 30%

**Commissioner’s general duties and powers**

Duties

Hearings

Penalties

Insurance security fund

Ref: ch. 227, s. 227.12, s. 601.41, s. 601.41(4), s. 601.42, s. 601.42(4) s. 601.62, s. 601.62(5), s. 601.64, s. 601.64(2), s. 601.64(3), s. 601.64(3)(d), s. 601.64(4), s. 601.65, s. 628.10, s. 628.10(2)(b), s. Ins 6.59, ch. 646

**Company regulation**

Solvency

Responsibilities of the insurer

Rates

Use of Policy forms

Readability

Producer appointments/terminations

Unfair claims, methods, and practices

Notice of right to file complaint

Ref: s. 628.11, s. 628.40, s. 631.20, s. 631.20(3), s. 631.22, s. 631.28, s. Ins 6.07, s. Ins 6.11, s. Ins 6.11(3), s. Ins 6.55, s. Ins 6.55(4)(b), s. Ins 6.57, s. Ins 6.85

**Producer regulation**

Fiduciary and trust account responsibilities

Place of business/records maintenance

Compensation of agents

Controlled business

Shared commissions

Proper exchange of business

Ref: s. 628.32, s. 628.51, s. 628.61, s. Ins 6.66

**Marketing practices**

Misrepresentation

False advertising

Rebating

Unfair discrimination

Boycott, coercion or intimidation

Illegal inducement

Ref: ch. 20, s. 628.34, s. 628.34(1) – s. 628.34(9), s. Ins 6.54, s. Ins 6.55, s. Ins 6.67, s. Ins 6.68

**Examination of records**

Ref: s. 601.43, s. 601.43(1)(b), s. 601.43(1)(c), s. 601.43(2)(a), s. 601.45, s. 601.49,
s. Ins 16.01, s. Ins 26.10, s. Ins 26.10(3), s. Ins 28.10, s. Ins 28.10(3)

General statutes, rules, and regulations affecting insurance contracts

Definitions
Specific knowledge
Misrepresentation/Warranties
Knowledge and acts of the agent

Certificates of Insurance
Ref: s. 628.34, ch. 631, s. 631.08, s. 631.09, s. 631.11, s. 631.28, ch. 632

Regulation of specific clauses in insurance contracts
Cancellation
Renewal/Nonrenewal
Notice of proof of loss
Payment of claims
Ref: s. 102.31(2)(a), s. 102.31(2)(b)(1), s. 102.315(10)(a)(4), s. 102.315(10)(a)3, s. 102.315(10)(b)3, s. 628.46, s. 631.36, s. 631.43, s. 631.48, s. 631.81, s. 632.36(1–2), s. Ins 18.10, s. Ins 21.01(4)(a–c), s. Ins 21.01(5), s. Ins 21.01(6), s. Ins 21.01(10), s. Ins 21.01(11), s. Ins 6.11, s. Ins 6.77

Privacy of Consumer Information
Ref: s. 134.97, s. 610.70, s. Ins 25

1.3 Federal regulation 15% Fair
Credit Reporting Act Fraud
and false statements Hippa

1.4 Wisconsin statutes, rules, and regulations pertinent to disability (A&H) insurance only 30%

Policy provisions
Right to return a policy Right of insurer to contest Preexisting conditions Application
responsibilities Grace period Disclosure requirements
Continuation privileges
Independent review
Grievance
Ref: s. 628.32, s. 632.73, s. 632.745(11), s. 632.746(1), s. 632.76(1), s. 632.76(2), s. 632.76(2)(ac), s. 632.78(1), s. 632.83, s. 632.835, s. 632.897, s. 635.02(7), s. 635.11, s. Ins 18.01(4), s. Ins 18.01(6), s. Ins 18.02(1), s. Ins 18.10, s. Ins 18.105, s. Ins 18.11(2)(a)4, s. Ins 3.28, s. Ins 3.33, s. Ins 3.39(27), s. Ins 3.41 – .45, s. Ins 3.46(14), s. Ins 3.60(6) – (7), s. Ins 8.48

Coverages
Nurse practitioners
Ref: s. 632.87
Optometrists
Ref: s. 632.87(2)
Chiropractic benefits
Ref: s. 632.87
Handicapped children

Ref: s. 632.88
Alcohol, drug abuse, mental, and nervous disorders
Ref: s. 609.05(3), s. 609.655, s. 632.89,

s. 632.89(2), s. 632.895, s. 632.895(3) – (14), s. 632.896, s. 632.875, s. Ins 3.35, s. Ins 3.36, s. Ins 3.37 s. Ins 3.38, s. Ins 3.47, s. Ins 3.54, s. Ins 3.67(2) - (3)

Marketing methods and practices
Advertising
Suitability
Outline of coverage
Policy replacement
Interstate insurance product regulation compact
Ref: s. 601.58, s. 628.34, s. Ins 3.27, s. Ins 3.27(1), s. Ins 3.27(12) – (13), s. Ins 3.27(22) – (24), s. Ins 3.27(5) – (5a), s. Ins 3.27(7) – (9), s. Ins 3.29, s. Ins 3.39(15), s. Ins 3.46, s. Ins 3.46(22), s. Ins 6.90

Long-term care insurance
Long-term care insurance
Long-term care partnership program
Agent training requirements
Ref: s. 632.825, s. Ins 3.46, s. Ins 3.465
Requirements for group health policies
Special provisions Disclosure requirements
Termination/nonrenewal regulation
Fair marketing standards
Ref: s. 600.03(35)(a), s. 625.13, s. 625.746(6), s. 7, 9, 10, s. 632.747, s. 632.748, s. 632.749, s. 632.7495, ch. 635, s. 635(19), s. 635.11, s. 635.18, s. Ins 3.13(3), s. Ins 3.33, ch. Ins 8, s. Ins 8.48, s. Ins 8.68

Medicare supplement
Ref: s. 628.34, s. 632.84, s. Ins 3.27, s. Ins 3.39
Short-term medical policies
Ref: s. 632.7495(4)
Interstate insurance product regulation compact
Ref: s. 601.58

2.0 General Insurance 5%

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
- Reciprocals
- Lloyd's associations
- Risk retention groups

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
- Authority and powers of producer
  - 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 Accident and Health Insurance Basics 8%

3.1 Definitions of perils
- Accidental injury
- Sickness, medical necessity and emergency

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

3.3 Classes of health insurance policies
- Individual versus group
- Private versus government Self-funded vs fully insured Limited versus comprehensive

3.4 Limited policies
- Limited perils 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

3.5 Common exclusions from coverage

3.6 Licensee responsibilities in individual health insurance
- Marketing requirements
- Advertising
- Life and Health Insurance Guaranty Association
- Sales presentations
- Outline of coverage
- Compensation disclosure

- Field underwriting
  - Nature and purpose Employee waiver form
  - Disclosure of information about individuals
  - Application procedures
  - Requirements at delivery of policy
  - Individual and small employer health insurance application

- Common situations for errors/omissions

3.7 Individual underwriting by the insurer
- Underwriting criteria
- Sources of underwriting information
  - Application
- Licensee report
  - Attending physician statement
- Investigative consumer (inspection) report
- Medical Information Bureau (MIB)
- Medical examinations and lab tests (including HIV consent)

- Unfair discrimination
- Genetic Information and Nondiscrimination Act of 2008 (GINA)
- Classification of risks
  - Preferred Standard
  - Substandard

3.8 Considerations in replacing accident and health insurance
- Pre-existing conditions
- Benefits, limitations and exclusions
- Underwriting requirements
- Licensee liability for errors and omissions
- Required notification

3.9 Other required, uniform and general provisions
- Incontestability
- Grace period
- Reinstatement
- Claim procedures
Change of occupation  
Misstatement of age  
Coordination of benefits  
Right to examine (free look)  
Rights of spouse  
Insuring clause  
Consideration clause  
Entire contract; changes  
Physical examinations and autopsy  
Legal actions  
Change of beneficiary  
Unpaid premium  
Conformity with state statutes  
Illegal occupation  
Renewability clause  
Noncancelable  
Guaranteed renewable  
Conditionally renewable  
Renewable at option of insurer  
Nonrenewable (cancelable, term)  

4.0 Disability Income and Related Insurance 8%

4.1 Qualifying for disability benefits  
Inability to perform duties  
Own occupation  
Any occupation  
Loss of income (income replacement contracts)  
Definition of total disability  
Presumptive disability  
Requirement to be under physician care  

4.2 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  

4.3 Unique aspects of individual disability underwriting  
Occupational considerations  
Benefit limits  
Policy issuance alternatives  

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

4.5 Social Security disability  
Qualification for disability benefits  
Definition of disability  
Waiting period  
Disability income benefits  

5.0 Medical Plans 8%

5.1 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  

5.2 Types of providers and plans  
Major medical insurance (indemnity plans)  
Characteristics Common limitations Exclusions from coverage  
Provisions affecting cost to insured Defined contribution plans  
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  
Open panel or closed panel  
Types of parties to the provider contract  

5.3 Cost containment in health care delivery  
Cost-saving services  
Preventive care  
Hospital outpatient benefits  
Alternatives to hospital services  
Maternity stay minimum limits  
Utilization management  
Prospective review  
Concurrent review  

5.4 State requirements (individual and group)  
Eligibility requirements  
Newborn child coverage
6.0 Group Accident and Health Insurance 8%

6.1 Characteristics of group insurance
- Group contract
- Certificate of coverage
- Experience rating versus community rating

6.2 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)
- Discretionary groups

6.3 Marketing considerations
- Advertising
- Unfair inducements
- Regulatory jurisdiction/place of delivery

6.4 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
- Change of insurance companies or loss of coverage
  - Coinsurance and deductible carryover
  - No-loss no-gain
  - Events that terminate coverage

6.5 Small employer medical plans
- Definition of small employer
- Availability of coverage
- Rating of small employer plans
- Benefit choices
- Defined contribution arrangement market
- Renewability of coverage
- Participation requirements
- Open enrollment
- State Health Exchange

6.6 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)

6.7 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

6.8 Health Insurance Exchange

7.0 Dental Insurance 4%

7.1 Categories of dental treatment
- Diagnostic and preventive
- Restorative
- Oral surgery
- Endodontics
- Periodontics
- Prosthodontics
- Orthodontics

7.2 Indemnity plans
- Choice of providers
- Scheduled versus nonscheduled plans
- Benefit categories
  - Diagnostic/preventive services
  - Basic services
  - Major services
- Deductibles and coinsurance
- Combination plans
- Exclusions
8.0 Medicare 8%

8.1 Medicare standard policies
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

8.2 Medicare supplement
Purpose
Open enrollment
Standardized Medicare supplement plans
  Core benefits
  Additional benefits
Regulations and required provisions
  Standards for marketing
  Advertising
  Appropriateness of recommended purchase and excessive insurance
  Right to return (free look)
  Replacement
  Pre-existing conditions
  Required disclosure provisions
  Outline of coverage
  Guide to Health Insurance for People with Medicare
  Permitted compensation
  New plans effective June 1, 2010
Medicare Advantage

8.3 Other options for individuals with Medicare
Employer group health plans
  Disabled employees
  Employees with kidney failure (End Stage Renal Disease) (ESRD)
  Individuals age 65 and older
Medicaid
  Eligibility
  Benefits

8.4 Medicare Improvements for Patients and Providers Act of 2008 (MIPPA)

9.0 Long-Term Care Insurance 8%

9.1 Long-term care (LTC) policies

10.0 Federal Tax Considerations for Accident and Health Insurance 8%

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 Health Savings Accounts (HSAs) and Health Reimbursement Accounts (HRAs)