

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.

Wisconsin Accident and Health: General and State Series 22-03

**100 questions (5 pre-test items)
Two-hour time limit
Effective November 16, 2019**

1.0 Insurance Regulation 35% (35 Items)

1.1 Licensing

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

Commissioner's general duties and powers

Duties

Hearings

Penalties

Wisconsin 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) – (14), 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

- Fair Credit Reporting Act
- Fraud and false statements
- HIPPA

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

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. 632.895(12m)*
- Home care
 - Ref: s. 632.895, s. Ins 3.54*
- Skilled nursing facility
 - Ref: s. 632.895(3)*
- Kidney disease
 - Ref: s. 632.895(4)*
- Diabetes
 - Ref: s. 632.895(6)*
- Newborn children
 - Ref: s. 632.895(5), s. Ins 3.38*
- Maternity benefits for dependent children
 - Ref: s. 632.895(7)*
- Adopted children
 - Ref: s. 609.75, s. 631.07(3)(a)3.m, s. 632.896*
- Grandchildren
 - Ref: s. 632.895(5m)*
- Mammograms
 - Ref: s. 609.80, s. 632.895(8)*
- Lead poisoning screening
 - Ref: s. 632.895(10)*
- Temporomandibular joint disorders
 - Ref: s. 632.895(11)*
- Hospital and ambulatory surgery
 - Ref: s. 632.895(12)*
- Autism spectrum
 - Ref: s. 632.895(12m), s. Ins 3.36*
- Breast reconstruction
 - Ref: s. 632.895(13)*
- Immunizations
 - Ref: s. 632.895(14)*
- Student on medical leave
 - Ref: s. 632.895(15)*
- Hearing aids, cochlear implants, and related treatment for infants and children
 - Ref: s. 632.895(16)*
- Colorectal cancer screening
 - Ref: s. 632.895(16m), s. Ins 3.35*
- Contraceptives and services
 - Ref: s. 632.895(17)*
- Emergency medical services
 - Ref: s. 632.85*
- Prescription drugs and devices
 - Ref: s. 632.853, s. Ins 3.67(2)*
- Experimental treatment
 - Ref: s. 632.855, s. Ins 3.67(3)*
- Requirements relating to HIV
 - Ref: s. 149.12(1), s. 631.90, s. 631.93, s. 632.895(9), s. Ins 3.53*
- Cancer clinical trials

Ref: s. 609.05(3), s. 609.655, s. 609.75, s. 609.80, s. 628.34, s. 631.07(3)(a)3.m, s. 631.93, s. 632.85, s. 632.853, s. 632.855, s. 632.87, s. 632.87(1) - s. 632.87(2), s. 632.87(5) (6), s. 632.88, 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)

Prescription Eye Drops

Ref: s.632.895 (16t)

Oral and Injected Chemotherapy

Ref: s. 632.867

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. 632.746(6, 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 10% (10 Items)

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% (8 Items)

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

Employer group versus association group

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

Wisconsin Insurance Security Fund

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% (8 Items)

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% (8 Items)

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
 - Dependent child age limit
 - Court ordered dependency coverage
 - Eligibility of dependent children not based solely on residency
 - Policy extension for handicapped children
 - Adoptions
 - Federal health care reform required dependent coverage
- Benefit offers
 - Substance abuse coverage

5.5 HIPAA (Health Insurance Portability and Accountability Act) requirements

- Eligibility
- Guaranteed issue
- Creditable coverage
- Renewability

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

- Definition
- Eligibility
- Contribution limits
- Portability

5.7 Federal Health Care Reform (Patient Protection and Affordable Care Act)

6.0 Group Accident and Health Insurance 8% (8 Items)

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

Continuation of coverage under COBRA

Reinstatement of coverage for military personnel

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% (4 Items)

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

Limitations

Predetermination of benefits

7.3 Employer group dental expense

Integrated deductibles versus stand-alone plans

Minimizing adverse selection

8.0 Medicare 8% (8 Items)

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

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 Access and CHIP Reauthorization Act of 2015 (MACRA)

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)

9.0 Long-Term Care Insurance 8% (8 Items)

9.1 Long-term care (LTC) policies

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
Tax Qualified LTC plans
Exclusions
Underwriting considerations
Regulations and required provisions
Standards for marketing
Advertising
Shopper's guide
Outline of coverage
Appropriateness of recommended purchase
Right to return (free look)
Replacement
Renewal provisions
Continuation or conversion
Required disclosure provisions
Inflation protection
Pre-existing conditions
Protection against unintentional lapse
Prohibited provisions
Rate disclosure form

10.0 Federal Tax Considerations for Accident and Health Insurance 3% (3 Items)

10.1 Personally-owned health insurance

Disability income insurance
Medical expense insurance
Long-term care insurance

10.2 Employer group health insurance