

**Life and Accident and Health or Sickness Producer - Combo**  
**Series 20-30**  
**130 scored questions (plus 10 unscored)**  
**2.5-hour time limit**

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**1.0 Insurance Regulation**

**30% (39 items)**

**1.1 Licensing**

General Provisions and Definitions

Purpose

Process (*Insurance Article Annotated Code- Sec. 10-118(b)(2); Sec. 10.109; Sec. 10-103(c)(1)*)

Initial Licensure Qualifications

Examination

License fee & application

Types of licensees (*Insurance Article Annotated Code- Sec. 1-101(u)(1)*)

Producers

Advisers

Nonresidents

Business entities

Exceptions

Maintenance (*Insurance Article Annotated Code- Sec. 10- 211(e)(2)(i); Sec. 10-115; Sec. 10-1-05; Sect. 10- 116(a)(2)(i);*)

Duration and termination

Address and/or name changes

Assumed names

Requirement to report felony convictions

Requirement to report other states actions

Continuing education

Appointment procedures (*Insurance Article Annotated Code- Sec. 1-101; Sec. 10- 118; Sec. 27-209*)

Producer's contract with insurer versus producer's appointment with insurer

Poducer's appointment versus agency's appointment

Solicitation prior to appointment

Appointment requirement after becoming licensed

Acknowledgment of appointment/notice to producer

Requirement to cease solicitation

Termination of appointment/notice to producer

Termination of license without active appointment

Disciplinary actions (*Insurance Article Annotated Code- Sec. 1-301; Sec. 10- 126(e); Sec. 27-202*)

Probation, suspension, revocation or refusal to issue or renew

Cease and desist order

Penalties

Hearings/Notice of Hearings

Fraud (*Insurance Article Annotated Code- Sec. 27- 216(a)(1)(i); Sec. 2-401*)

**1.2 State regulation**

Maryland Insurance Administration's general duties and powers (*Insurance Article Annotated Code- Sec. 2-102(a); Sec. 2-103(a)(4); Sec. 2-204(b)(1); 16-601; Sec. 1-301; Sec. 2- 101; Sec. 10-126*)

Insurer Regulation (*Insurance Article Annotated Code- Sec. 15-204(B); Sec. 15-208(A)(1); Sec. 15-211(A); Sec. 18-105(1); Sec. 18- 106(b)(1); Sec. 27-501(a)(1)*)

- Forms
- Unfair Claims Settlement Practices
- Certificate of Authority
- Producer regulation (*Insurance Article Annotated Code- Sec. 27-209; Sec. 10-105; COMAR- Sec. 31.03.03*)
  - Acting for an unlicensed insurer
  - Record retention
  - Activities of unlicensed individuals
  - Payment and sharing of commissions
  - Charging of fees
  - Illegal compensation; exceptions
  - Fiduciary capacity
  - Responsibility of trust accounts
- Unfair trade practices (*Insurance Article Annotated Code- Sec. 27-304; Sec. 27-213; Sec. 27-305(a); Sec. 27-504(b)(1); COMAR- Sec. 31.15.02.12; Sec.31.15.02.18(A); Sec. 31.15.02.02; Sec.31.15.02.03(B)*)
  - Misrepresentation
  - False advertising
  - Defamation
  - Notice of Adverse Underwriting Decisions
  - False statements and entries
  - Rebating
  - Twisting
  - Referrals
- Insurance information and privacy protection

**1.3 State Insurance Requirements (Specific to Life Insurance)**

- Policy Replacement (*COMAR- Sec. 31.09.05.10*)
  - Definitions
  - Provisions and Disclosure
- Group Life (*Insurance Article Annotated Code- Sec. 17-201(a); Sec. 17-202(b); Sec. 17-209(a)(2)(i)(ii)*)
  - Eligibility
  - Dependent Coverage
  - Standard Provisions
  - Conversion
  - Assignment of Proceeds
- Life and Health Insurance Guaranty Corporation (*Insurance Article Annotated Code- Sec. 9-405(a)(2); Sec. 9-409(b); Sec. 9-402*)

**1.4 Providers (Specific to Accident and Health Insurance)**

- Types of Providers
  - Insurers (Annotated Code- Sec. 1-101)
  - Non Profits Health Service Plans (*Insurance Article Annotated Code- Sec. 14-101 and 14- 102*)
  - Health Maintenance Organizations (HMOs) (*COMAR Sec. 31.12.07.02(B)(3); Health General Article Annotated Code-Title 19 Subtitle 7- Sec. 19-701; Sec. 19-705*)

**1.5 Plan requirements (Specific to Accident and Health Insurance)**

- Eligibility requirements
  - Dependent child age limit
  - Coverage for adopted children
  - Newborn child coverage
  - Medical child support coverage
  - Intellectual disability and physical handicap dependent coverage
- Mandated or Required Offers (*Insurance Article Annotated Code- Sec. 15-407, 15- 408, 15-409; Sec. 15-801, 15-802, 15-810, 15-839*)
- Mandated or Required Benefits (*COMAR Sec. 31.10.06.08(B)(12); Insurance Article*

*Annotated Code- Sec. 15-804(3); Sec. 15- 802, 15-838, 15- 841)*

Other Requirements

Small Employer Health Insurance (*Insurance Article Annotated Code- Sec. 15-1204 (special note)(b); Sec. 15-1205; Sec. 15-1208(C); Sec. 15- 1201(e)*)

Medicare Supplement Insurance (*Insurance Article Annotated Code- Sec. 15-901; Sec. 15-906; Sec. 15-909; Sec. 15-910)*

Purpose and Definitions

Minimum Standards and Provisions

Eligibility

Disclosure and Marketing

Maryland Health Benefit Exchange

SHOP vs. Individual Exchange

Open Enrollment/Special Enrollment

Employer Choice Options in SHOP Exchange

Mandated Referrals

### **1.6 Insurance for Senior Citizens and Special Needs Individuals**

Maryland Long-Term Care (LTC) regulations and required provisions (*Tax General Article 10-710 - Sec. 10-718; Insurance Article Annotated Code- Sec. 18-101; Sec. 18- 104; Sec. 18-105)*

Standards for marketing

Advertising

Consumer guide

Outline of coverage

Suitability including personal worksheet

Right to return (free look)

Replacement

Renewal considerations

Continuation of benefits

Required disclosure provisions

Incontestability

Inflation protection

Unintentional lapse

Pre-existing conditions

Nonforfeiture benefit

Benefit triggers

Long-Term Care (LTC) Insurance

Deductibility of Premiums for LTC Insurance for State Income Tax Purposes

Maryland Medicare Supplement regulations and required provisions

Standards for marketing

Advertising

Appropriateness of recommended purchase and excessive insurance

Buyer's guide

Outline of coverage

Right to return (free look)

Replacement

Prohibited policy provisions

Minimum benefit standards

Required disclosure provisions

Pre-existing conditions

Permitted compensation

Guaranteed issue for eligible persons

Continuation and conversion requirements

Medicare SELECT

## **2.0 General Insurance**

**5% (7 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 assessment insurers

Fraternal benefit societies

Private versus government insurers

Admitted versus nonadmitted insurers

Purchasing Groups

Government Plans

Domestic, foreign and alien insurers

Financial status (independent rating services) and operating results

Marketing (distribution) systems

Life and Health Insurance Guaranty Corporation

### **2.3 Producers and general rules of agency**

Types

Captive

Independent

Insurer as principal

Producer of insurer

Authority and powers 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

## **2.5 Federal regulation**

- Fair Credit Reporting Act (15 USC 1681–1681d)
- Fraud and false statements (18 USC 1033, 1034)
- Variable Products
- Employee Retirement Income Security Act (ERISA)
  - Applicability
  - Fiduciary responsibilities
  - Reporting and disclosure
- COBRA
- Continuation
- ACA-Related Federal Market Reforms
  - Definitions
    - Individual health insurance coverage
  - Dependent coverage
  - Lifetime and annual limits
  - Restrictions relating to premium rates
  - Essential health benefits
  - Waiting periods

## **2.6 Industry Associations**

- National Association of Insurance Commissioners (NAIC)
- NCOIL (National Conference of Insurance Legislators)
- Industry and Producer

## **3.0 Life Insurance Basics**

**9% (12 items)**

### **3.1 Insurable interest**

### **3.2 Personal uses of life insurance**

- Survivor protection
- Estate creation
- Cash accumulation
- Liquidity
- Estate conservation
- Debt Protection on Personal Mortgages (only)

### **3.3 Viatical/Life Settlements**

- Nature and Purpose
- Viatical Settlement, Broker Authority, and Licensing
- Disclosure to Consumers
- General Rules
- Fraudulent Acts
- Definitions
  - Chronically ill
  - Fraudulent Viatical Settlement Act
  - Terminally ill
  - Viatical Settlement broker
  - Viatical Settlement provider
  - Viatical settlement purchaser
  - Viator

### **3.4 Determining amount of personal life insurance**

- Human life value approach

- Needs approach
  - Types of information gathered
  - Determining lump-sum needs
  - Planning for income needs

Social Security Benefits

### **3.5 Business uses of life insurance**

- Buy-sell funding
- Key person
- Executive bonuses

### **3.6 Classes of life insurance policies**

- Group versus individual
- Ordinary
- Industrial (Home Service)
- Permanent versus term
- Participating versus nonparticipating
- Fixed versus variable life insurance and annuities
  - Regulation of variable products ( FINRA)
  - Types of variable products
- U.S. Government Plans

### **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**

- Rules Governing Advertisement of Life Insurance and Annuities
- Solicitation and sales presentations
  - Maryland Life and Health Insurance Guaranty Corporation
  - Advertising
  - Illustrations
  - Policy summary
  - Buyer's guide
- Life Insurance Policy Cost Comparison Methods
- Replacement
- Use and disclosure of insurance information
- Field underwriting
  - Notice of information practices
  - Adverse underwriting decisions
  - Application procedures
    - Required signatures
    - Changes in the application
    - Consequences of incomplete applications
    - Warranties and representations
    - Collecting the initial premium and issuing the receipt
    - Disclosures at point of sale (e.g., HIPAA, HIV consent)
    - USA PATRIOT Act/anti-money laundering

Delivery

- Policy review
- Effective date of coverage
- Premium collection
- Statement of good health

### **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
- Selection criteria and unfair discrimination
- Discrimination against victims of domestic violence
- Classification of risks
  - Preferred
  - Standard
  - Substandard
  - Declined

#### **4.0 Life Insurance Policies**

**5% (7 items)**

##### **4.1 Term life insurance**

- Level term
  - Annual renewable term
  - Level premium term
  - Convertible Term

- Decreasing term
- Increasing term
- Return of premium

##### **4.2 Whole life insurance**

- Ordinary whole life
- Continuous premium (straight life)
- Limited payment
- Interest sensitive/current assumption
- Indexed life
- Equity indexed life
- Graded Premium
- Single premium
- Variable whole life
- Variable universal life

##### **4.3 Flexible premium policies**

- Adjustable life
- Universal life

##### **4.4 Specialized policies**

- Family (Family Protection and Family Plan)
- Joint life (first-to-die)
- Survivorship life (second-to-die)
- Juvenile/student life

##### **4.5 Group life insurance**

- Characteristics of group plans
- Types of eligible groups
  - Employer/employee
  - Debtor groups
  - Labor union groups
  - Trust
  - Associations
- Group underwriting requirements
- Benefit payments
- Covered dependents
- Lives covered
- Conversion to individual policy

Contributory vs. noncontributory

**4.6 Credit life insurance (individual versus group)**

**5.0 Life Insurance Policy Provisions, Options and Riders**

**8% (10 items)**

**5.1 Standard provisions**

Ownership  
Assignment  
Entire contract  
Right to examine (free look)  
Payment of premiums  
Grace period  
Reinstatement  
Incontestability  
Misstatement of age and misstatement of gender  
Exclusions  
Suicide  
War clause  
Interest on proceeds  
Prohibited provisions including backdating

**5.2 Beneficiaries**

Designation options  
    Individuals  
    Classes  
    Estates  
    Minors  
    Trusts  
Succession  
Revocable versus irrevocable  
Annulment or divorce  
Common disaster clause  
Spendthrift clause  
Facility of Payment 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**

Cash loans  
Automatic premium loans  
Withdrawals or partial surrenders  
Educational loans  
Automatic Option Required

**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 benefit provision/rider**

Conditions for payment

Diagnosis of terminal illness

Diagnosis of catastrophic illness

Permanent confinement

Inability to perform ADLs

Disclosure

Written disclosure required

Effect on death benefit

Cash value

Loans and loan interest

Tax consequences

Premium

**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**

**5% (6 items)**

**6.1 Annuity principles and concepts**

Accumulation period versus annuity period

Owner, annuitant and beneficiary

Insurance aspects of annuities

Suitability

**6.2 Immediate versus deferred annuities**

Single premium immediate annuities (SPIAs)

Deferred annuities

Premium payment options

Nonforfeiture

Surrender charges

Bail-out provisions

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 (types)

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

Variable Annuities

- General Account Assets
- Guarantees
- Level Benefit Payment Amount
- Equity indexed annuities
- Market value adjusted annuities (modified guaranteed annuities)

**6.5 Uses of annuities**

- Lump-sum settlements
- Qualified retirement plans including group versus individual
- Personal uses
  - Individual retirement plans
  - Tax-deferred growth
  - Retirement income
  - Education funds
  - Charitable gift annuity
- Suitability in Annuity Transactions

**7.0 Federal Tax Considerations for Life Insurance and Annuities**

**4% (5 items)**

**7.1 Taxation of personal life insurance**

- Amounts available to policyowner
  - Cash value increases
  - Dividends
  - Policy loans
  - Surrenders

- 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 accounts (IRAs)**

- Traditional IRAs
  - Contributions 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
- Distributions

**7.5 Rollovers and transfers (IRAs and qualified plans)**

**7.6 Section 1035 exchanges**

**8.0 Qualified Plans**

**2% (2 items)**

**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  
403(b) tax-sheltered annuities (TSAs)

## **9.0 Health Insurance Basics**

**7% (9 items)**

### **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  
Vision  
Prescription  
AD&D (Accidental Death and Dismemberment)  
Specified Disease

### **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  
Hospital indemnity (income)  
Credit disability  
Blanket insurance (teams, passengers, other)  
Prescription drugs  
Vision care  
Critical illness (specified conditions)  
Short-term medical

### **9.5 Common exclusions from coverage**

Pre-existing conditions  
Intentionally self-inflicted injuries  
War or act of war  
Elective cosmetic surgery  
Conditions covered by workers compensation  
Government plans  
Participation in a felony or illegal occupation

### **9.6 Producer responsibilities in individual health insurance**

Marketing requirements  
Advertising  
Prohibited Advertising of Life and Health Insurance  
Maryland Life and Health Insurance Guaranty Corporation  
Sales presentations  
Field underwriting  
Nature and purpose  
Application procedures  
Requirements at delivery of policy  
Errors and Omissions  
Notification of Medicare eligibility

**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)
- Unfair discrimination
- Discrimination against victims of domestic violence
- Genetic information privacy
- Classification of risks
  - Preferred
  - Standard
  - Substandard
  - Declined

**9.8 Considerations in replacing health insurance**

- Pre-existing conditions
- Pre-existing condition exclusion
- Benefits, limitations and exclusions
- Underwriting requirements

**10.0 Individual Health Insurance Policy General Provisions**

**2% (3 items)**

**10.1 Uniform required provisions**

- Entire contract; changes
- Time limit on certain defenses
- Grace period
- Reinstatement
- Notice of claim
- Claim forms
- Proofs of loss
- Time of payment of claims
- Payment of claims
- Physical examinations and autopsy
- Legal actions
- Change of beneficiary
- Cancellation by insured

**10.2 Uniform optional provisions**

- Change of occupation
- Misstatement of age
- Other insurance in this company
- Insurance with other companies
  - Expense-incurred basis
  - Other benefits
- Relation of Earnings to Insurance
- Unpaid premium
- Cancellation by company
- Conformity with state statutes
- Illegal occupation
- Intoxicants and narcotics

**10.3 Other general provisions**

- Right to examine (free look)
- Insuring clause
- Consideration clause
- Renewability clause

- Noncancelable
- Guaranteed renewable
- Conditionally renewable
- Renewable at option of insurer
- Nonrenewable (cancelable, term)
- Interest on claim proceeds
- Military suspension provision

**11.0 Disability Income and Related Insurance**

**5% (6 items)**

**11.1 Qualifying for disability benefits**

- Inability to perform duties
  - 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**

- Basic total disability plan
  - Income benefits (monthly indemnity)
  - Elimination and benefit periods
  - Waiver of premium benefit
- Partial Disability Insurance
  - Income Benefits (Monthly Indemnities)
  - Elimination and Benefit Periods
  - Waiver of Premium Benefit
- Coordination with Social Insurance
  - 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
  - Annual renewable term rider
  - Relation of earnings to insurance
  - Change of occupation
- Other cash benefits
  - Accidental death and dismemberment
  - Rehabilitation benefit
  - Medical reimbursement benefit (nondisabling injury)
- Refund provisions
  - Return of premium
  - Cash value benefit
- Exclusions
  - Waiver of Premium

**11.3 Unique aspects of individual disability underwriting**

- Occupational considerations
- Benefit limits
- 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
- Business overhead expense policy
- Business Disability buyout 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% (10 items)**

**12.1 Medical plan concepts**

- Fee-for-service basis versus prepaid basis
- Prepaid Basis
- Specified coverages versus comprehensive care
- Comprehensive Care
- Benefit schedule versus usual/reasonable/customary charges
- Usual - Reasonable - Customary Charges
- Any provider versus limited choice of providers
- Limited Choice of Providers
- Insureds versus subscribers/participants

**12.2 Types of providers and plans**

- Insurers
- Nonprofits Health Service Plans
- Major medical insurance (insurers)
  - Characteristics
  - Common limitations
  - Common exclusions from coverage
  - Deductibles
  - Coinsurance feature
  - Stop-loss feature
  - Maximum benefits
- Fixed Indemnity
- Health services plans
  - Definitions
  - Plans offered
  - Other services
  - Qualified providers
  - Choice of provider or pharmacy
  - Provider panels
  - Disclosure of benefits
  - Subscribers
- Health maintenance organizations (HMOs)
  - Combined health care delivery and financing
  - Limited service area/out of area benefits
  - Limited choice of providers
  - Gatekeeper concept
  - Copayments
  - Prepaid basis
  - Preventive care services
  - Primary care physician versus referral (specialty) physician
  - Emergency care
  - Hospital services
  - Other basic services

- Subscribers
- Preferred provider organizations (PPOs)
  - General characteristics
  - Open panel or closed panel
- Point-of-service (POS) plans
  - Nature and purpose
  - Out-of-network provider access (open-ended HMO)
  - PCP referral
  - Indemnity plan features
- TRI-CARE

**12.3 Cost containment in health care delivery**

- Cost-saving services
  - Preventive care
  - Outpatient ambulatory services
  - Alternatives to hospital services
- Utilization management
  - Prospective review
  - Concurrent review
- Coordination of Benefits

**12.4 HIPAA (Health Insurance Portability and Accountability Act) requirements**

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

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

- Definition
- Eligibility
- Contribution limits

**12.6 Patient Protection and Affordable Care Act**

- Coverage of Children to Age 26
- Preventative Care
- Pre-existing Conditions
- Lifetime and Annual Limits
- Grandfathered vs. Non-Grandfathered Plans
- Rescissions
- Essential Health Benefits
- Metal Levels
- SHOP Payment and Billing
- Internal Appeal and External Review
- Subsidies/Tax Credits
- Penalties and Fines

**13.0 Group Health Insurance**

**2% (3 items)**

**13.1 Characteristics of group insurance**

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

**13.2 Defined groups**

- Employer
- Creditor
- Labor union
- Multiple Employer Trust
- Association
- Credit union

### **13.3 Marketing considerations**

- Advertising
- Regulatory jurisdiction/place of delivery

### **13.4 Employer group health insurance**

- Insurer underwriting criteria
  - Characteristics of the 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
  - Reinstatement of Coverage for Military Personnel
  - Notification of Medicare Eligibility
  - Reinstatement of coverage for military personnel
  - Notification of Medicare eligibility
  - Extension of benefits
  - Continuation of coverage under COBRA and Maryland specific rules
  - Conversion privilege
- Continuation of Coverage
- Special Enrollment Periods
- Minimizing Adverse Selection

### **13.5 Small employer medical plans**

- Definition of small employer
- Availability of coverage
- Disclosure of coverage provisions
- Enrollment eligibility
- Renewability

## **14.0 Dental Insurance**

**1% (1 item)**

### **14.1 Types 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**

**5% (7 items)**

### **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 supplement insurance**

Purpose  
Open enrollment  
Rating of Medicare supplement plans  
Attained age  
Issue age  
Community rated  
Standardized Medicare supplement plans  
Core benefits  
Additional benefits  
High deductible plans

### **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) policies**

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  
Inflation Protection  
Nonforfeiture  
Guarantee of insurability  
Return of premium

- Qualified and Nonqualified
- Exclusions
- Underwriting Considerations
- Partnership
- Qualified LTC plans
- Deductibility of premiums for LTC insurance for state income tax purposes
- Exclusions
- Underwriting considerations

**15.5 Interaction with Other Coverage**

- Medicare
- Medicaid
- Medical Insurance

**16.0 Federal Tax Considerations for Health Insurance**

**2% (3 items)**

**16.1 Personally-owned health insurance**

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

**16.2 Employer group health insurance**

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

**16.3 Medical expense coverage for sole proprietors and partners**

**16.4 Business disability insurance**

- Key person disability income
- Business overhead expense
- Business Disability Buyout

**16.5 Health Savings Accounts (HSAs), Health Reimbursement Accounts (HRAs), and Flexible Spending Accounts (FSAs)**

- Health Savings Accounts
- Health Reimbursement Accounts
- Flexible Spending Accounts
- High Deductible Health Plans