

Arizona Examination for Accident and Health or Sickness Insurance Producer

Series 13-32

100 Items - 2 Hours

Insurance Regulation 5%

Licensing

License application requirements (20-285)

Number of exam attempts 20-284(H)

Licensing eligibility/lawful presence (41-1080)

Types of licensees

Producers (20-281(5), 286)

Nonresidents (20-281(11))

Adjusters (20-321)

Life Settlement Broker (ARS 20-3202)

Business entities (20-281(1), 285(D, E), 290(B))

Surplus lines brokers (20-407, 411)

Temporary (20-294)

Vending machines (20-293)

Lines of producer license authority (20-286, (A), 321, 331, 332, 411, 411.01, 1580, 1693.01, 2662)

Fingerprinting requirements (20-142(E), 285(E), 286(C), 289(D))

Assumed business name (20-297)

Maintenance and duration

Expiration, surrender and renewal (20-289)

Inactive license status during military service (20-289.01)

Change of contact information (20-286(C))

Change of business information (20-286)(C))

Report of actions (20-301)

Continuing education (20-2902, 2903)

Disciplinary actions

Denial, suspension, revocation or refusal to renew; civil penalties (20-295, 296)

Cease and desist order (20-292)

State regulation

Acts constituting insurance transaction (20-106, 282, 401.01)

Negotiate (20-281(10))

Sell (20-281(14))

Solicit (20-281(15))

Payment of premiums (20-191)

Certificate of authority (20-217(A))

Identification of Producer (20-229)

Producer regulation

Sharing commissions (20-298)

Place of business and records (20-157, 290; AZ Const Art 14 s 16)

Unfair practices and frauds

Unfair trade practices (20-442)

Misrepresentation (20-443, 443.01, 447; Rule R20-6-801(D))

- False or deceptive advertising (20-444)
- Defamation of insurer (20-445)
- Boycott, coercion or intimidation (20-446)
- False financial statements (20-447)
- Unfair discrimination (20-448)
- Gender discrimination (Rule R20-6-207)
- Rebating (20-449–451)
- Prohibited inducements (20-452)
- Fees (20-465)
- Unfair claims settlement practices (20-461; Rule R20-6-801)
- Claims payment (20-462)
- Insurance fraud (20-463, 466–466.04)
- Insurance information and privacy protection (20-2101–2122)

Federal Laws and Regulations 3%

- Fair Credit Reporting Act (15 USC 1681–1681d)
- Mental Health Parity and Addiction Equity Act (45 CFR Parts 146 and 147)
- National Do Not Call List
- Gramm-Leach-Bliley Act (20-2121; Public Law 106-102)
- Prohibited Persons in Insurance (18 United States Code (USC) Sections 1033 and 1034) waiver
- Affordable Care Act (45 CFR 144, 146, 147, 148, 150, 154, 155, 156, 157, 164 and 170; and 42 USC 300gg-300gg-91)
- CAN-SPAM Act of 2003 (15 USC 7701; 18 USC 1037)
- Genetic Information Nondiscrimination Act (45 CFR Parts 144, 146, and 148; 45 CFR Parts 160 and 164; and 29 CFR Part 2590)
- Violent Crime Control and Law Enforcement Act (20-489; 18 USC 1033, 1034; 15 USC 6101-6108; ARS 44-1282)
- Telemarketing Sales Rule (16 CFR 310; 15 USC 6101–6108; A.R.S. 44-1282)

General Insurance Concepts 11%

- Risk
 - Methods of Handling Risk (Avoidance, Retention, Sharing, Reduction, Transfer)
 - Elements of Insurable Risks
 - Definitions (Risk, Hazard, Peril, Loss)
- Elements of a Contract
 - Consideration
 - Competent Parties
 - Legal Purpose
 - Offer
 - Acceptance
- Authority and Powers of Producers
 - Express
 - Implied
 - Apparent
 - The Law of Agency
- Legal Interpretations Affecting Contracts

- Reasonable Expectations
- Indemnity
- Good Faith
- Fraud
- Warranties, Representations, Misrepresentations, and Concealment

Accident and Health Insurance Basics 16%

- Field Underwriting
 - Application Procedures
 - Disclosures and Privacy
- Underwriting Requirements (Varies by Insurer)
- Sources of Underwriting
 - Application
 - Producer's report
 - Medical information bureau (MIB)
 - Inspection report
 - Medical examination
 - Attending physician's report
- Policy Delivery
 - Effective Date of Coverage
 - Policy Review
 - Premium Collection Methods (e.g., Electronic, Physical, EFT, ACH)
 - Statement of Good Health
- Definitions of Perils
 - Accidental Injury
 - Sickness
- Types of Losses and Benefits
 - Loss of Income from Disability (Short-Term/Long-Term Disability)
 - Medical Expense
 - Long-Term Care Expense
- Classification of Risks
 - Preferred
 - Standard
 - Substandard

Individual Accident and Health Insurance Policy Provisions 16%

- Uniform Required Provisions
 - Time Limit on Certain Defenses
 - Grace Period
 - Reinstatement
 - Claim Forms
 - Proof of Loss
 - Time of Payment of Claims
 - Physical Examinations and Autopsy
 - Legal Actions
 - Entire Contract

- Payment of Claims
- Change of Beneficiary
- Notice of Claim
- Uniform Optional Provisions
 - Change of Occupation
 - Misstatement of Age/Sex
 - Illegal Occupation
 - Intoxicants, Narcotics, or Other Controlled Substances
- Other General Provisions
 - Right to Examine/Free Look
 - Insuring Clause
 - Consideration Clause
 - Coinsurance
 - Probationary Period
 - Elimination Period
 - Exclusions

Disability Income and Related Insurance 13%

- Benefits Determination for Disability
 - Indemnity
 - Loss of Income
- Qualifications of Disability
 - Total (Own Occupation, Any Occupation)
 - Partial
 - Permanent
 - Presumptive
 - Recurrent
 - Residual
 - Inability to Perform Duties
 - Occupational versus Non-Occupational
- Individual Disability Income Insurance
 - Basic Total Disability Plan
 - Cost of Living Rider
 - Future Increase Option Rider
 - Change of Occupation
 - Other Cash Benefits - (Accidental Death and Dismemberment (AD&D), Rehabilitation Benefit, Medical Reimbursement Benefit)
 - Refund Provisions
 - Exclusions
 - Waiver of Premium
 - Probationary Period
 - Elimination Period
 - Benefit Limits
- Unique Aspects of Individual Disability Income Underwriting
 - Occupational Considerations

- Benefit Limits
- Policy Issuance Alternatives
- Group Disability Income Insurance
 - Short-Term Disability
 - Long-Term Disability
 - Coordination of Benefits (Workers' Compensation Benefits and Social Insurance)
 - At-work benefits
- Business Disability Income Insurance
 - Key Employee Disability Income
 - Disability Buy-Sell Policy
 - Business Overhead Expense
- Social Security Disability Income
 - Qualification for Disability Benefits
 - Definition of Disability
 - Waiting Period

Medical Plans 16%

- Medical Plan Concepts
 - Fee-for-Service
 - Prepaid
 - Specified disease/Dread disease insurance
 - Comprehensive Coverage
 - Dependent Coverage
- Provisions and Clauses
 - Deductibles
 - Stop-Loss Provision
 - Impairment rider
- Types of Medical Plans
 - Major Medical Insurance
 - Health Maintenance Organizations (HMOs)
 - Preferred Provider Organizations (PPOs)
 - Point-of-Service (POS) Plans
- Cost Containment in Health Care Delivery
 - Managed Care
 - Preventive Care
 - Outpatient Benefits
 - Utilization Management
 - Preauthorization
 - Primary Care Physician
- Limited Health Insurance Policies
 - Accidental Death and Dismemberment
 - Hospital indemnity
 - Critical Illness/Dread Disease
 - Vision Care
 - Hearing

- Dental
- Health Insurance Portability and Accountability Act (HIPAA)
 - Eligibility Requirements
 - Terms
 - Privacy
 - Portability
- Affordable Care Act (ACA)
 - Eligibility
 - Dependent coverage
 - Essential health benefits
 - Levels of Coverage (Metallic Plans)

Group Health Insurance 7%

- Characteristics of Group Health Insurance
 - Group Contract
 - Certificate of Coverage
 - Eligible Groups
 - Contributory versus Non-Contributory
- Employer Group Health Insurance
 - Underwriting Criteria
 - Eligibility for Insurance
 - Conversion of Coverage
 - Open Enrollment
 - Probation/Waiting Period
 - Coordination of Benefits
- COBRA
 - Eligibility
 - Duration of Coverage
 - Premium

Specialized Health Insurance for Qualified Individuals 8%

- Medicare
 - Eligibility
 - Part A
 - Part B
 - Part C
 - Part D
- Medicare Supplement Insurance
 - Enrollment Periods
 - Standardized Plan Benefits
- Medicaid
 - Eligibility
- Long-Term Care Policies
 - Eligibility for Benefits (Activities of Daily Living)
 - Benefit/Elimination Periods
 - Levels of care (Skilled, Intermediate, Custodial)

Federal Tax Considerations for Health Insurance 5%

Health Insurance Premiums and Benefits

Individual

Group

Disability Income (Individual and Group)

Business Disability Insurance

Consumer-Driven Health Plans

Health Savings Accounts (HSAs)

High Deductible Health Plans (HDHPs)

Health Reimbursement Accounts (HRAs)

Flexible Spending Accounts (FSAs)