

# EXAMINATION CONTENT OUTLINES

## ACCIDENT & HEALTH PRODUCER & INSTRUCTOR EXAMINATION

Examination	# of Items	Minimum Passing Score	Time Allowed
Producer	88	70% Correct	3.5 Hours
Instructor	88	85% Correct	3.5 Hours

### I.0 TYPES OF POLICIES (14 Items)

#### 1.1 Disability Income

- Individual disability income policy
- Business overhead expense policy
- Business disability buyout policy
- Group disability income policy
- Key employee/partner policies

#### 1.2 Accidental Death and Dismemberment

#### 1.3 Medical Expense Insurance

- Basic hospital, medical, and surgical policies
- Major medical policies
- Comprehensive major medical policies
- Health Maintenance Organizations (HMOs)
- Preferred Provider Organizations (PPOs)
- Service organizations (Blue Plans)
- Point of Service (POS) plans
- Medical Savings Accounts (MSAs)
- Flexible Spending Accounts (FSAs)
- Health Reimbursement Accounts (HRAs)
- High Deductible Health Plans (HDHPs) and related Health Savings Accounts (HSAs)
- Consumer Driven Health Plans (CDHPs)

#### 1.4 Medicare Supplement Policies

#### 1.5 Group Insurance

- Group conversion
- Differences between individual and group contracts
- General concepts
- COBRA
- HIPAA

#### 1.6 Long Term Care

- Individual LTC contracts
- Group/voluntary LTC contracts
- Service days vs. calendar days

#### 1.7 Cancer (for specified diseases) Plans

#### 1.8 Critical Illness Plans

#### 1.9 Worksite (employer-sponsored) Plans

### 2.0 POLICY PROVISIONS, CLAUSES, AND RIDERS (20 Items)

#### 2.1 Mandatory Provisions

- Entire contract
- Time limit on certain defenses (incontestable)
- Grace period
- Reinstatement
- Notice of claim
- Claim forms
- Proof of loss
- Time of payment of claims
- Payment of claims
- Physical examination and autopsy
- Legal actions
- Change of beneficiary

#### 2.2 Optional Provisions

- Change of occupation
- Misstatement of age
- Illegal occupation

#### 2.3 Other Provisions and Clauses

- Insuring clause
- Free look (10-day, 20-day, etc.)
- Consideration clause
- Probationary period
- Elimination period
- Waiver of premium
- Exclusions
- Preexisting conditions
- Recurrent disability
- Coinsurance
- Deductibles
- Eligible expenses
- Copayments
- Pre-authorizations and prior approval requirements
- Usual, reasonable, and customary (URC) changes
- Lifetime, annual or per cause maximum benefit limits

#### 2.4 Riders

- Impairment rider
- Guaranteed insurability rider
- Multiple indemnity rider (double, triple)

#### 2.5 Rights of Renewability

- Noncancelable
- Cancelable
- Guaranteed renewable
- Conditionally renewable
- Optionally renewable
- Period of time for renewal

### 3.0 SOCIAL INSURANCE (3 Items)

#### 3.1 Medicare

- Primary, secondary payor
- Medicare Parts A, B, C, D

#### 3.2 Medicaid

#### 3.3 Social Security Benefits



<b>4.0 OTHER INSURANCE CONCEPTS (4 Items)</b>
4.1 Total, Partial, and Residual Disability
4.2 Owner's Rights
4.3 Dependent Children Benefits
4.4 Primary and Contingent Beneficiaries
4.5 Modes of Premium Payments (annual, semiannual, etc.)
4.6 Nonduplication and Coordination of Benefits (e.g., primary vs. excess)
4.7 Occupational vs. Nonoccupational
4.8 Tax Treatment of Premiums and Proceeds of Insurance Contracts (e.g., disability income and medical expenses, etc.)
4.9 Managed Care
4.10 Workers Compensation
4.11 Subrogation
<b>5.0 FIELD UNDERWRITING PROCEDURES (9 Items)</b>
5.1 Completing application and obtaining necessary signatures
5.2 Explaining sources of insurability information (e.g., MIB Report, Fair Credit Reporting Act, etc.)
5.3 Initial premium payment and receipt and consequences of the receipt (e.g. medical examination, etc.)
5.4 Submitting application (and initial premium if collected) to company for underwriting
5.5 Assuring delivery of policy and related documents to client
5.6 Explaining policy and its provisions, riders, exclusions, and ratings to clients
5.7 Replacement
5.8 Contract law
Requirements of forming a contract
Insurable interest
Warranties and representations
Unique aspects of the health contract
Conditional
Unilateral
Adhesion
<b>6.0 New Jersey Laws, Rules, and Regulations Common to Life, Accident and Health, Property, and Casualty Insurance (25 Items)</b>
<i>Ref: Title 17B and Title 17 refer to laws; Title 11 refers to regulations</i>
<b>6.1 State Regulatory Jurisdiction (4 Items)</b>
<i>Ref: Standard insurance textbook</i>
Legislation
State Laws
Court Action
Interpretations
Effect on Law and Policy Forms
Related Federal Laws and court Cases
Paul v. Virginia
US v. South-Eastern Underwriters Assoc.
McCarran-Ferguson Act/Public Law 15

Commissioner/Dept. of Banking and Insurance
Broad Powers of Commissioner
<i>Ref: 17:1-8.1, 17:1-15, 17:22A-45</i>
Notice and Hearing
<i>Ref: 17:22A-45, 17:1-16, 17:29B-6 thru 13</i>
Penalties
<i>Ref: 17:22A-40, 17: 22A-45</i>
<b>6.2 Definitions (4 Items)</b>
Insurance-related conduct
<i>Ref: 11:17-1.2</i>
Domestic, foreign, and alien companies
<i>Ref: 17B:17-7</i>
Stock and mutual
<i>Ref: 17B:18-2,3</i>
Reinsurance
<i>Ref: 17B:18-62</i>
Certificate of authority
<i>Ref: 17B:17-10,12</i>
A producer acting as:
<i>Ref: 17:22A-28</i>
Insurance Agent
<i>Ref:11:17B-1.3</i>
Insurance Broker
<i>Ref: 11:17B-1.3</i>
Insurance Consultant
<i>Ref: 17:22A-28</i>
"Sell, Solicit, and Negotiate"
<b>6.3 Licensing (8 Items)</b>
Types of licenses/authorities/requirements
Producer
<i>Ref: 17:22A-29 ,32,33; 11:17-1.2, 2.2 thru 2.4, 2.6</i>
Business entity
<i>Ref: 17:22A-32,33; 11:7-2.2 thru 2.4, 2.6</i>
Nonresident
Producer
<i>Ref: 17: 22A-34 ;11:17-1.2, 2.2(b)</i>
Business Entity
<i>Ref: 17:22A-34</i>
Prelicensing requirements
<i>Ref: 11:17-2,11:17-3.5,3.7, 4</i>
Surplus lines
<i>Ref: 17: 22A-38</i>
Temporary work authority
<i>Ref: 11:17-2.1, 2.4</i>
Contractual relationships
Company/producer
<i>Ref: 22A-42; 11:17-2.9</i>
Producer employing another producer
<i>Ref: 11:17-2.9(b)</i>
Producer substituting for or taking over the business of a disabled/deceased producer
<i>Ref: 17: 22A-37; 11:17-2.10(c)</i>
Maintenance and duration of license



<i>Ref: 11:17-2.1, 2.5</i>
Renewal
<i>Ref: 11:17-25</i>
Certification of license status
<i>Ref: 11:17- 2.15 (c)</i>
License refusal/termination
Denial
<i>Ref: 11:17- 2.13; 17: 22A-40</i>
Cancellation/reinstatement
<i>Ref: 11:17-2.13</i>
Revocation/suspension
<i>Ref: 17: 22A-40 ; 17D:2.1, 2.5-2.7</i>
<b>6.4 Trade Practices (6 Items)</b>
Prohibited practices
<i>Ref: 17:29B-1 thru 14; 11:2-17</i>
Licensee responsibilities (Reporting information to the Department of Banking and Insurance)
Business names (including fictitious)
<i>Ref: 17: 22A-36; 11:17-1.2, 2.7; 11:17A-2.1</i>
Branch offices
<i>Ref: 11:17-1.2, 2.8</i>
Change of address
<i>Ref: 11:17-2.7(f), (g)</i>
Standards of conduct
<i>Ref: 11:17A thru 17D</i>
<b>6.5 Guaranty Associations</b>
<i>Ref: 17:30A</i>
<b>6.6 Fraud</b>
<i>Ref: 17:33A</i>
<b>7.0 New Jersey Laws, Rules, and Regulations Common to Life and Accident and Health Insurance Only (4 Items)</b>
<i>Ref: Title 11 refers to regulations</i>
Credit Life and Credit Accident and Health
<i>Ref: 11:2-3.1 thru 3.19</i>
Group Life and Health Coverage
<i>Ref: 11:2-13.1 thru 13.9; NJSA 17B:27-1 thru 8, 11, 21</i>
<b>8.0 New Jersey Laws, Rules, and Regulations Pertinent to Accident and Health Insurance Only (9 Items)</b>
<i>Ref: Title 17B and Title 17 refer to laws; Title 11 refers to regulations</i>
Marketing Methods and Practices
<i>Ref: 17B:30-1 thru 22</i>
Solicitation
<i>Ref: 11:4-17.1 thru 17.9</i>
Advertising
<i>Ref: 11:2-11.1 thru 11.22</i>
Discrimination based on genetic characteristics
<i>Ref: 17:48-6.18;17:48A-6.11;17:48E-15.2; 17B:26-3.2; 17B:27-36.2</i>
Policy Clauses and Provisions
Minimum standards
<i>Ref: 11:4-16.1 thru 16.11; 17B:26 sec 8, 10, 11,45 thru 47; 17B:27-46</i>
Mandated Benefits

<i>Ref: 17B:26-2.1, 17B:27-46.1; 11:4-15.1 thru 15.3; 11:4-14.1 thru 14.5; 17B:27A-22; 17B:27-55</i>
Coordination of benefits
<i>Ref: 11:4-28</i>
Prompt payment of claims
<i>Ref: 17B:26-9.1; 11:22-1.5</i>
Medicare supplement plans
<i>Ref: 17:35C-1 thru 9; 17B:26A-1 thru 8; 11:4-23.1 thru 23.22</i>
Temporary disability law
<i>Ref: 43:21-27 thru 36</i>
Health Insurance Reform Markets
Individual
<i>Ref: 11:20, 17B:27A-1 thru 16</i>
Small employer
<i>Ref: 11: 21, 17B:27A-17 et seq</i>
Health Care Quality Act
<i>Ref: NJSA 26:2J-1 et seq; NJAC 8:38, 38(a)</i>

#### References

You may access all New Jersey Statutes at <http://www.njleg.state.nj.us/> Select "Statutes" from the left side list under the heading "Laws and Constitution".

OR

[http://lis.njleg.state.nj.us/cgi-bin/om\\_isapi.dll?clientID=147438&depth=2&expandheadings=off&headingswithhits=on&infobase=statutes.nfo&softpage=TOC\\_Frame\\_Pg42](http://lis.njleg.state.nj.us/cgi-bin/om_isapi.dll?clientID=147438&depth=2&expandheadings=off&headingswithhits=on&infobase=statutes.nfo&softpage=TOC_Frame_Pg42)

The New Jersey Administrative Code can be found at [www.lexisnexis.com](http://www.lexisnexis.com).

The Statutes and Administrative Code are available at all NJ State, County libraries, and most large libraries in New Jersey. Individuals may also make an appointment with the Department librarian to make copies at the states location in Trenton (a per page fee will be accessed for this service).

