

EXAMINATION CONTENT OUTLINE

MICHIGAN ACCIDENT AND HEALTH PRODUCER SERIES 16-66

# of Questions	Minimum Passing Score	Time Allowed
100	72% (72 correct)	120 Minutes

CONTENT OUTLINE

Insurance Regulation 25% (25 items)
Licensing
Process (500.1201, .1201a, .1204, .1205, .1206, .1206b, .1240)
Types of Licensees (500.1206)
Producer (500.240, 500.1201, .1201a, .1204, .1205, .1206, .1206b, .1240)
Counselor (500.1232, .1234, .1236)
Managing General Agent (500.1401(b), .1405)
Limited (R501.157)
Business Entity (500.1201, .1205)
Financial Institutions (500.1206, .1243)
Resident versus Nonresident (500.1201, 500.1201a, 500.1204-.1206b, 500.1240; R500.635)
Temporary (500.1211b)
Maintenance and Duration
Continuation (24.291; 500.1206, .134, .1153)
Change of Name and Address (500.1206(5))
Reporting of Actions (500.1208b, .1239, .1244, .1246, .1247)
Assumed Names (500.1211a)
Continuing Education Requirements (500.1204, .1204c, .1204d, .1204e, .1204f, .1206)
Bond (500.1153, .1407, .1504)
Disciplinary Actions
Cease and Desist Order (500.1244, .2038)
Suspension, Revocation, Refusal to Issue or Renew (500.1200, .1209, .1239, .1244, .1379, .2029, .2043)

Penalties and Fines (500.1242, .1244, .1379, .2038, .2040, .2064, .2069)
State Regulation
Commissioner's General Duties and Powers (500.102, .200, .202, .210)
Company Regulation
Certificate of Authority (500.108, .402)
Solvency (500.408, .410, .436a, .438)
Rates (500.1609, .1615, .1904, .2106, .2403, 2411, .2603)
Forms and Exceptions (500.2236)
Unfair Claims Settlement Practices (500.2006, .2026)
Producer Appointment (500.1208a, .1208b, .1209, .811)
Termination of Appointment (500.1208b, .1209)
Producer Regulation
Acting without a License (500.1201a, .1202)
Prohibited Conduct (500.1207, .1208, .1216, .2003, .2059, .2062)
Commissions (500.1240, .2011)
Fiduciary Capacity (500.1207)
Types of Compensation - Disclosures
Unfair Insurance Trade Practices (500.1239, .1244, .2003, .2006-.2014, .2016-.2021, .2026, .2029)
Misrepresentation (500.2005, .2005a, .2055, .2057, .2064, .2218)
False Information and Advertising (500.2001, .2002, .2005, .2005a, .2007, .2055, .2057, .2064)
Twisting (500.2005(f), .2064(2))
False Financial Statements (500.1015, .2014, .2018, .2055, .2062, .2474, .2666)
Defamation (500.2007, .2009; 600.2911; 750.3149; R500.662, .1377(14))
Boycott, Coercion, and Intimidation (500.1242, .2012)
Unfair Discrimination (500.2019, .2020, .2027, .2082)
Rebating (500.2024, .2069, .2070)
Illegal Inducement (500.2024, .2066, .2069, .2070)
Examination of Books and Records (500.249, .222)
Insurance Fraud Regulation (500.2088, .4501, .4503, .4507, .4509, .4511, .8197; 752.1003, .1005)



Consumer Privacy Regulation (500.501, .505, .507, .515, .535, .2005a, .4501, .4507, .4509)
Federal Regulation
Fair Credit Reporting Act (15 USC 1681-1681d)
Patriot Act
Violent Control Act
General Insurance 7% (7 items)
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
Insurers
Types of Insurers
Stock Companies
Mutual Companies
Fraternal Benefit Societies
Lloyd's Associations
Risk Retention Groups
Private versus Government Insurers
Authorized versus Unauthorized Insurers
Domestic, Foreign, and Alien Insurers
Financial Status (independent rating services)
Marketing (distribution) Systems
Producers and General Rules of Agency
Insurer as Principal

Producer/Insurer Relationship
Authority and Powers of Producers
Express
Implied
Apparent
Responsibilities to the Applicant/Insured
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
Health Insurance Basics 10% (10 items)
Definitions of Perils
Accidental Injury
Sickness
Principal Types of Losses and Benefits
Loss of Income from Disability
Hospital/Medical Expense
Dental Expense
Long-Term Care Expense/Home Health Care
Classes of Health Insurance Policies



Individual versus Group
Private versus Government
Limited versus Comprehensive
Self-Funded Coverage/ERISA
Limited Policies
Limited Benefits
Required Notice to Insured
Types of Limited Policies
Accident-Only
Critical Illness
Hospital Indemnity (income)
Credit Disability
Blanket Insurance (500.3636, .3640, .3650)
Prescription Drugs
Dental
Vision Care
Medicare Supplements
Common Exclusions from Coverage
Producer Responsibilities in Individual Health Insurance
Marketing Requirements
Advertising (R500.651-.658, .660-.668)
Life and Health Insurance Guaranty Association (500.7702)
Sales Presentations
Outline of Coverage (R500.656-.658, .661)
Field Underwriting
Nature and Purpose
Disclosure of Information about Individuals
Application Procedures
Requirements at Delivery of Policy
Common Situations for Errors/Omissions
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)
Use of Genetic Information (500.3407b)
Unfair Discrimination (500.2020, .2027, .2082)
Classification of Risks
Preferred
Standard
Substandard
Considerations in Replacing Health Insurance
Pre-Existing Conditions (500.3406f, .3607; R500.657)
Credit for Previously Satisfied Pre-Existing Condition Exclusion (R500.657)
Benefits, Limitations, and Exclusions
Underwriting Requirements
Producer Liability for Errors and Omissions
Individual Health Insurance Policy General Provisions 6% (6 items)
Required Provisions
Entire Contract; Changes (500.3407)
Time Limit on Certain Defenses (500.3408)
Grace Period (500.3410)
Reinstatement (500.3411)
Claim Procedures (500.2006, .3412-.3418)
Physical Examinations and Autopsy (500.3420)
Legal Actions (500.1247, 3422)
Change of Beneficiary (500.3424)
Right to Examine (free look) (500.3409)
Optional Provisions
Change of Occupation (500.3432)
Misstatement of Age (500.2218, .3434)
Other Insurance in this Insurer (500.3436)
Insurance with other Insurers
Expense-Incurred Basis (500.3438)
Other Benefits (500.3439, .3440)
Unpaid Premium (500.3446)
Conformity with State Statutes (500.3450)
Illegal Occupation (500.3452)
Other General Provisions



Insuring Clause
Consideration Clause
Renewability Clause (500.2213b; R500.658)
Noncancelable
Guaranteed Renewable
Conditionally Renewable
Renewable at Option of Insurer
Nonrenewable (cancelable, term)
Disability Income and Related Insurance 7% (7 items)
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
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 Non-occupational Coverage
At-Work Benefits
Partial Disability Benefit
Residual Disability Benefit
Other Provisions affecting Income Benefits
Cost of Living Adjustment (COLA) Rider
Future Increase Option Rider
Relation of Earnings to Insurance (500.3444)
Other Cash Benefits
Accidental Death and Dismemberment
Rehabilitation Benefit
Medical Reimbursement Benefit (nondisabling injury)
Refund Provisions

Return of Premium
Exclusions
Unique Aspects of Individual Disability Underwriting
Occupational Considerations
Benefit Limits
Policy Issuance Alternatives
Group Disability Income Insurance
Group versus Individual Plans
Short-Term Disability (STD)
Long-Term Disability (LTD)
Business Disability Insurance
Key Person Disability Income
Disability Buy-Sell Policy
Social Security Disability
Qualification for Disability Benefits
Definition of Disability
Waiting Period
Disability Income Benefits
Workers' Compensation
Eligibility
Benefits
Medical Plans 8% (8 items)
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
Types of Plans
Major Medical Insurance (indemnity plans)
Characteristics
Common Limitations
Exclusions from Coverage
Provisions affecting cost to Insured
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 Arrangements and Point-of-Service (POS) Plans
General Characteristics
In-Network and Out-of-Network Provider Access
PCP Referral
Indemnity Plan Features
Cost Containment in Health Care Delivery
Cost-Saving Services
Preventive Care
Hospital Outpatient Benefits
Alternatives to Hospital Services
Utilization Review
Precertification Authorization (Prospective Review)
Concurrent Review
Michigan Eligibility Requirements (individual and/or group)
Dependent Child Age Limit (500.2264, .3402, .3406h)
Child Enrollment; Non-Custodial Parents (500.2264, .3406g, .3406h)
Newborn Child Coverage (500.3403)
Adopted Children
Health Insurance Portability and Accountability Act (HIPAA) Requirements
Eligibility
Guaranteed Issue
Pre-Existing Conditions
Creditable Coverage
Renewability
Group Health Insurance 15% (15 items)
Characteristics of Group Insurance
Group Contract
Certificate of Coverage (500.2242, .3606, .3608)
Experience Rating versus Community Rating
Types of Eligible Groups

Employment-Related Groups
Individual Employer Groups
Associations (alumni, professional, other)
Customer Groups (depositors, creditor-debtor, other)
Marketing Considerations
Advertising (500.2005, .2007, .2055, .2091; R500.651-.658, .660-.668)
Regulatory Jurisdiction/Place of Delivery
Employer Group Health Insurance
Insurer Underwriting Criteria
Characteristics of Group
Plan Design Factors
Persistency Factors
Administrative Capability
Eligibility for Coverage
Annual Open Enrollment
Employee Eligibility
Dependent Eligibility
Coordination of Benefits Provision (500.3610a; 550.253)
Change of Insurers or Loss of Coverage
Coinsurance and Deductible Carryover
No-Loss No-Gain
Events that Terminate Coverage
Extension of Benefits (500.3607)
Continuation of Coverage under COBRA and Michigan Specific Rules
Conversion Privilege (500.3612)
Small Employer Medical Plans
Definition of Small Employer (500.3701)
Eligibility of Employees (500.3701, .3707)
Renewability (500.3701, .3711)
Dental Insurance 3% (3 items)
Types of Dental Treatment
Diagnostic and Preventive
Restorative
Oral Surgery
Endodontics
Periodontics



Prosthodontics
Orthodontics
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
Employer Group Dental Expense
Integrated Deductibles versus Stand-Alone Plans
Minimizing Adverse Selection
Insurance for Senior Citizens and Special Needs Individuals 9% (9 items)
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
Medicare Supplements (500.3803-.3836, .3838-.3861)
Purpose
Open Enrollment
Standardized Medicare Supplement Plans (500.3811)
Core Benefits
Additional Benefits

Michigan Regulations and Required Provisions
Advertising (500.3819, .3847)
Standards for Marketing (500.3835)
Permitted Compensation
Appropriateness of Recommended Purchase and Excessive Insurance (500.3835)
Required Disclosure Provisions (500.3815)
Reporting of Multiple Policies (500.3827)
Buyer's Guide (500.3813)
Right to Return (500.3815)
Replacement (500.3833, .3835)
Benefit Standards (500.3819)
Pre-Existing Conditions (500.3831)
Outline of Coverage (500.3815)
Guaranteed Issue for Eligible Persons (500.3830)
Medicare Select (500.3817)
Other Options for Individuals with Medicare
Employer Group Health Plans
Disabled Employees
Employees with Kidney Failure
Individuals Age 65 or Older
Medicaid
Eligibility
Benefits
Long-Term Care (LTC) Insurance (500.3901-3955)
Eligibility for Benefits
Levels of Care
Skilled Nursing Care
Intermediate Care
Custodial Care
Home Health Care or Assisted Living (500.3913)
Adult Day Care
Respite Care
Benefit Periods
Benefit Amounts
Optional Benefits
Guarantee of Insurability
Return of Premium



Qualified LTC Plans (state and federal)
Exclusions
Underwriting Considerations
Michigan Regulations and Required Provisions (500.3901-.3955)
Standards for Marketing (500.3942)
Shopper's Guide (500.3937)
Outline of Coverage (500.3933)
Required Disclosure Provisions (500.3923)
Replacement (500.3917)
Right to Return (500.3943)
Inflation Protection (500.3909)
Federal Tax Considerations for Health Insurance 4% (4 items)
Personally-Owned Health Insurance
Disability Income Insurance
Medical Expense Insurance
Dental Insurance
Long-Term Care Insurance
FSAs, HRAs, and HSAs
Employer Group Health Insurance
Disability Income (STD, LTD)
Benefits Subject to FICA
Medical and Dental Expense
Long-Term Care Insurance
Accidental Death and Dismemberment
Medical Expense Coverage for Sole Proprietors, Partners, and Limited Liability Companies
Business Disability Insurance
Key Person Disability Income
Buy-Sell Policy

