

The general account provides a fixed rate of interest and the cash value in the general account provides for a guaranteed minimum death benefit.

Quiz :Viatical Settlement - Answer :An agreement between a policyowner and a third-party buyer to purchase the life policy covering a person who is diagnosed as terminally ill with less than 24 months remaining life expectancy.

Quiz :Principle of Indemnity - Answer :To indemnify means to restore a person, in whole or in part, to the same physical or financial condition which existed prior to a loss, but without profit or gain.

In life and health insurance, it may not be possible to truly indemnify a person for all losses.

o Instead, indemnity takes the form of cash (a death or disability income benefit) or payments to physicians or hospitals for care and services provided to an insured who is injured or ill.

Quiz :Joint Life - Answer :Joint Life (First to Die) is a whole life policy that is written to cover 2 or more lives.

- The death benefit is paid upon the first insured to die and the policy terminates.

Quiz :Joint Survivorship - Answer :Joint Survivorship (Last to Die) is a whole life policy written to cover 2 or more lives, and the death benefit is not paid until the last insured dies.

Quiz :Family Policies - Answer :To this base life insurance policy, a term insurance rider is attached that is designed to provide a monthly income to the survivor if the insured dies during the specified term.

Quiz :Irrevocable Beneficiary - Answer :An irrevocable beneficiary has certain guaranteed rights to assets held in the policy, and this beneficiary must agree to any changes in rights to compensation from policyowner.

Quiz :Contributory Plan - Answer :A type of group insurance plan where employees pay 100% of premium payments and at least 75% of employees participate in this policy.

Quiz :Partial Surrender - Answer :A partial withdrawal is considered a partial surrender of a Universal or Variable Universal Life policy.

Deferred Annuity: Annuity that will pay periodic benefits starting at some specified time in the future; begins more than 1 year from the issue date. Deferred annuities are ideal for accumulating a retirement fund.

Quiz :Life Income Joint & Survivor - Answer :Joint annuity with lifetime income and is payable to 2 annuitants (in one check) while both are living.

Upon the death of the first annuitant, survivor benefits continue, either paying the full amount or reduced to $\frac{2}{3}$ or $\frac{1}{2}$ for the survivor's income until the survivor dies.

Quiz :Joint Life Annuity - Answer :Annuity is payable to 2 or more named annuitants while all are living.

o Upon death of the first annuitant, the benefit stops.

Quiz :Endow - Answer :Maturity date of policy, when it ends.

Quiz :Limit of Liability - Answer :Also known as the face amount

it is the death benefit payable or coverage provided on a life insurance policy.

Quiz :Capitation - Answer :How HMO Primary Care Physicians are paid

A fixed monthly fee made for each subscriber enrolled in the doctor's office regardless of the services provided.

Quiz :Health Maintenance Organization (HMO) - Answer :An Health Maintenance Organization (HMO) is regarded as a managed health care system providing a comprehensive array of medical services on a prepaid basis, which means little or no out of pocket expenses.

o Copayment is required for office visits and hospital services. Copayments discourage unnecessary use of medical resources, such as emergency room services for non-emergency care.

o HMOs are deemed to be both a health care financing and servicing mechanism by emphasizing preventive medicine by providing routine medical exams, wellness programs, and diagnostic screenings.

Services include usual physician, hospitalization, prescription drugs, laboratory, x-ray, urgent care.

Quiz :An agent mostly sells long-term care insurance to individuals. He obtained his insurance license (life and health) in January of 1998. In 1998 he must:

- A. Complete 25 hours of life and health continuing education only
- B. Complete 25 hours of life and health continuing education and, in addition, complete 8 hours of LTC specific continuing education, a total of 33 hours
- C. Complete 25 hours of life and health continuing education, 8 of which are LTC specific
- D. None of the above - Answer :C

Quiz :Jose is covered by an insurance plan that will pay him disability income benefits if he is injured either while working or at home. The type of plan he has is a/an:

- A. Workers compensation policy
- B. Key person policy
- C. Non-occupational policy
- D. Occupational Policy - Answer :D

Quiz :Teresa is injured while working at her company's plant. She is taken to a hospital and receives several weeks of care. She has a non-occupational group health plan at work. The hospital will not be paid by the non-occupational policy because:

- A. Non-occupational injuries are specifically excluded in her group health plan.
- B. This is an on-the-job injury
- C. Group plans must have certain riders to cover working in a plant
- D. All the above are false. - Answer :B

Quiz :All of the following statements are correct regarding a "warranty" except:

- A. It is a statement merely made to the best of one's knowledge, and can only be express.
- B. Should either party violate a warranty it entitles the other party to cancel the contract.
- C. Warranties can be made about events in the past, present or future.
- D. Warranties made at or during the execution of a policy must be contained in the policy, signed by the insured and attached to the contract - Answer :A