Practice Tests Utah Life, Health, and Accident

Section: Utah Insurance Exams • **Total Questions:** 10 • **Format:** Verified Q&A

1. A health savings account may be established by a person who

(A) Has no health insurance
(B) Is receiving benefits from Medicare
(C) Is covered under a qualified high-deductible health plan
(D) Is claimed as a dependent on another person's tax return

2. An individual purchased an annuity with a series of premium payments continuing over a period of twenty years. The purchase payments were made during the

(A) liquidation period
(B) annuity period
(C) period certain
(D) accumulation period

3. Health Maintenance Organizations usually structure copayments to discourage

(A) preventive care
(B) non-emergency visits to emergency room
(C) prescription drug usage
(D) outpatient X-rays

4. One feature that distinguishes a continuous premium whole life policy from a limited payment whole life policy is

(A) the length of time premiums will be paid
(B) the settlement options available
(C) the mortality table from which premiums are calculated
(D) the form in which dividends are paid

5. An insurer's decision to NOT enforce a contract provision is called a

(A) waiver
(B) assignment
(C) concealment
(D) representation

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6. If the insured has physical damage coverage on a personal auto and hits a light pole while driving a borrowed auto, the damages to the borrowed auto may be covered by

(A) Supplementary payments coverage
(B) Other than collision coverage
(C) Collision coverage
(D) No fault coverage

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7. An insurance company writing business in a state other than the one in which it is domiciled is called

(A) a foreign insurer
(B) a domestic insurer
(C) an alien insurer
(D) a captive insurer

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8. Pension and profit-sharing plan investment growth is not taxable as current income. Who benefits from this tax advantage?

(A) The employer
(B) The plan fiduciary
(C) The employees participating in the plan
(D) The Internal Revenue Service

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9. Small corporations often purchase life insurance on the lives of major stockholders to

(A) take the federal income tax deduction
(B) make a charitable bequest
(C) reduce Social Security taxes
(D) fund a buy-sell agreement

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10. The designation of a beneficiary by class in a life insurance policy means that:

(A) the policy must be a form of business life insurance
(B) a primary beneficiary cannot be designated in the policy
(C) individual beneficiaries are not specified by name
(D) the beneficiaries are unrelated to the insured
