Virginia Life and Health Insurance Exam Prep

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

1. What is the minimum number of employees needed for a small employer health plan in Virginia?

(A) At least 1
(B) At least 5
(C) At least 10
(D) At least 15

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2. An individual covered under a disability income policy is injured while engaged in an occupation that is more hazardous than the occupation stated in the policy. What is the effect of the policy's change of occupation provision?

(A) The premium rate is increased
(B) The benefit level is reduced
(C) The policy limits are increased
(D) The policy is cancelled

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3. Part A Medicare Insurance will cover inpatient psychiatric care for 190 days per:

(A) Year
(B) Policy period
(C) Hospital stay
(D) Lifetime

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4. Underwriting procedures are likely to be most restrictive for which type of health insurance?

(A) Group
(B) Individual
(C) Franchise
(D) Association

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5. The time when an insured must be disabled before becoming eligible for disability benefits is the:

(A) Benefit period
(B) Contestability period
(C) Grace period
(D) Elimination period

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6. An agent who makes an incomplete comparison of policies to encourage an insured to cancel a contract of another insurer and purchase a new one is guilty of:

(A) Rebating
(B) Coercion
(C) Twisting
(D) Defamation

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7. To determine whether unfair trade practices have been violated, who has the power to examine a licensee's books and records?

(A) The Bureau of Insurance
(B) The National Association of Insurance Commissioners
(C) The Federal Deposit Insurance Corporation
(D) The Virginia Insurance Guaranty Association

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8. No existing agent's license will be revoked until:

(A) The agent has been afforded a right to a hearing on the charges
(B) At least three violations have been incurred
(C) A jury has decided upon such action
(D) A cease and desist order has been issued

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9. Benefit payments from an individually-owned medical expense policy are:

(A) Exempt from income taxation
(B) Exempt from income taxation only when paid directly to the medical provider
(C) Taxable as ordinary income
(D) Taxable as a dividend

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10. All of the following have a restricted ability to enter into a contract EXCEPT:

(A) Individuals who are intoxicated
(B) Individuals who are mentally ill
(C) Minors under a certain age
(D) Individuals who are retired
