

ACSR 9 - Workers Compensation and Employers Liability Insurance Practice Test (Sample)

Study Guide



Everything you need from our exam experts!

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Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 - 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

Questions

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- 1. Which endorsement is specifically designed to cover longshore workers under federal law?**
 - A. Jones Act endorsement**
 - B. United States Longshore and Harbor Workers' Compensation Act endorsement**
 - C. Federal Employers Liability Act Coverage endorsement**
 - D. Voluntary Compensation and Employers Liability endorsement**

- 2. Part ____ of the WC&EL policy addresses special circumstances allowing an employee or a family member to sue the employer.**
 - A. Part One**
 - B. Part Two**
 - C. Part Three**
 - D. Part Four**

- 3. Which market covers employers who obtain insurance through private, voluntary insurers without being assigned to a plan?**
 - A. Voluntary Market**
 - B. Assigned Risk Plan**
 - C. State Fund**
 - D. Self-Insured Group**

- 4. Which part of the policy provides coverage for the employer's legal obligations under employers liability?**
 - A. Part One—Workers Compensation Insurance**
 - B. Part Two—Employers Liability Insurance**
 - C. Part Three—Other States Insurance**
 - D. Part Five—Additional Coverages**

- 5. Which term best describes the catch-all category of exclusions in Part Two?**
 - A. Exclusions**
 - B. Endorsements**
 - C. Insuring agreements**
 - D. Additional coverages**

- 6. Which one of the following WC&EL endorsements can be used to add coverage for employees excluded from coverage under a state's laws?**
- A. United States Longshore and Harbor Workers' Compensation Act Endorsement**
 - B. The Voluntary Compensation and Employers Liability endorsement**
 - C. The Federal Employers' Liability Act (FELA) Coverage endorsement**
 - D. The Jones Act endorsement**
- 7. Which component allows the insurer to recover costs from a negligent third party after a covered loss?**
- A. Subrogation against negligent third-parties**
 - B. Inspections of workplaces**
 - C. Cancel policy**
 - D. Audit payroll**
- 8. Voluntary market refers to coverage offered by private insurers.**
- A. Monopolistic fund**
 - B. Assigned risk plan**
 - C. Voluntary market**
 - D. Self-insured pool**
- 9. Part Two provides coverage for these types of liability when an employee sues a third party such as a machine manufacturer, and the third party can then sue the insured.**
- A. Third-party-over claims**
 - B. Subrogation claims**
 - C. Direct action claims**
 - D. Indirect liability claims**

- 10. Which endorsement would apply to workers on navigable waterways for compensation?**
- A. United States Longshore and Harbor Workers Compensation Act endorsement**
 - B. Federal Employers Liability Act (FELA) Coverage endorsement**
 - C. Jones Act endorsement**
 - D. Voluntary Compensation and Employers Liability endorsement**

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Answers

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1. B
2. B
3. A
4. B
5. A
6. B
7. A
8. C
9. A
10. A

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Explanations

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1. Which endorsement is specifically designed to cover longshore workers under federal law?
 - A. Jones Act endorsement
 - B. United States Longshore and Harbor Workers' Compensation Act endorsement**
 - C. Federal Employers Liability Act Coverage endorsement
 - D. Voluntary Compensation and Employers Liability endorsement

The key idea is that longshore workers on navigable waters are covered under a separate federal workers' compensation program, and the endorsement that puts that federal coverage onto a policy is the United States Longshore and Harbor Workers' Compensation Act endorsement. This endorsement ensures injuries to longshore workers are handled under the federal Longshore and Harbor Workers' Compensation Act, administered by the Department of Labor, rather than under state workers' comp rules. It addresses the unique environments these workers operate in—loading and unloading ships, shipyards, docks, and related areas on or near the water—where federal law applies. The other options relate to different groups or legal theories: the Jones Act covers seamen and often provides remedies based on negligence; FELA covers railroad workers; Voluntary Compensation is an optional form of coverage not specific to longshore workers under federal law. So, the endorsement tailored to longshore workers under federal law is the Longshore and Harbor Workers' Compensation Act endorsement.

2. Part ___ of the WC&EL policy addresses special circumstances allowing an employee or a family member to sue the employer.
 - A. Part One
 - B. Part Two**
 - C. Part Three
 - D. Part Four

The part that covers when an employee or a family member can sue the employer is the Employers Liability portion. This section sits alongside the workers' compensation portion and handles liability claims that go beyond the no-fault workers' comp remedy. It addresses situations where the employee (or a family member, such as a spouse seeking loss of consortium) can sue the employer for negligence or other legal liabilities, including scenarios like dual-capacity claims where the employer's actions in a different role lead to a lawsuit. Because the workers' compensation portion provides the exclusive remedy, Part One, this part specifically handles those special liability circumstances, making Part Two the correct choice.

3. Which market covers employers who obtain insurance through private, voluntary insurers without being assigned to a plan?

- A. Voluntary Market**
- B. Assigned Risk Plan**
- C. State Fund**
- D. Self-Insured Group**

The main idea here is understanding the two main markets for workers' compensation coverage: voluntary market versus residual and government options. The voluntary market is where employers obtain coverage from private, voluntary insurers without being required to join a special plan. That description matches employers who shop with private insurers and aren't assigned to any plan by the state. If an employer can't get coverage in the voluntary market, they'd be placed in the assigned risk plan (the residual market) to ensure they still have coverage. A state fund is a government-operated option that may serve as another way to obtain coverage, often for those who can't find private carriers. A self-insured group, on the other hand, doesn't purchase insurance from an insurer at all; they fund their own workers' comp obligations, sometimes pooling resources with others. So, the scenario described—getting coverage through private, voluntary insurers and not being assigned to a plan—fits the voluntary market.

4. Which part of the policy provides coverage for the employer's legal obligations under employers liability?

- A. Part One—Workers Compensation Insurance**
- B. Part Two—Employers Liability Insurance**
- C. Part Three—Other States Insurance**
- D. Part Five—Additional Coverages**

In a workers' compensation policy, coverage for the employer's legal obligations under employers liability is provided by the employers liability portion. This part handles the employer's liability for injuries to employees that aren't paid through the workers' compensation system, including the defense costs and any damages an employee may seek in a civil claim or lawsuit arising out of and in the course of employment. It protects the employer from the kinds of lawsuits that go beyond the exclusive remedy provided by workers' comp, up to the policy limits. The other parts serve different purposes—Part One covers the employees' workers' compensation benefits, Part Three handles coverage in other states, and Part Five adds optional coverages—so they don't address the employer's liability exposure in the same way.

5. Which term best describes the catch-all category of exclusions in Part Two?

- A. Exclusions**
- B. Endorsements**
- C. Insuring agreements**
- D. Additional coverages**

In Part Two, the section that defines what is not covered is Exclusions. It acts as the catch-all list, laying out the specific situations, conditions, and types of losses that the policy will not cover under Employer's Liability. Endorsements modify or add to coverage, the insuring agreement states the insurer's promise to pay for covered losses, and additional coverages provide extra protections beyond the standard terms. Because those elements serve different purposes, the term that best fits the catch-all exclusions is Exclusions.

6. Which one of the following WC&EL endorsements can be used to add coverage for employees excluded from coverage under a state's laws?

- A. United States Longshore and Harbor Workers' Compensation Act Endorsement**
- B. The Voluntary Compensation and Employers Liability endorsement**
- C. The Federal Employers' Liability Act (FELA) Coverage endorsement**
- D. The Jones Act endorsement**

The key idea is adding coverage for employees who aren't covered by a state workers' compensation law. The Voluntary Compensation and Employers Liability endorsement is designed for exactly that: it lets an employer voluntarily extend workers' compensation benefits to employees who would otherwise be excluded under state law, while also providing employers liability coverage for those workers. This fills gaps where the state doesn't require coverage or where certain classes of employees aren't covered by state statutes, giving both the employee benefits and the employer's liability protection on a voluntary basis. The other endorsements are targeted to specific groups or federal frameworks—Longshore and Harbor Workers' coverage for maritime workers under a federal act, FELA coverage for railroad employees, and the Jones Act for seamen—rather than addressing coverage gaps created by state-specific exclusions.

7. Which component allows the insurer to recover costs from a negligent third party after a covered loss?

- A. Subrogation against negligent third-parties**
- B. Inspections of workplaces**
- C. Cancel policy**
- D. Audit payroll**

Subrogation lets the insurer recover costs from the negligent third party after benefits have been paid. Once the insurer covers workers' compensation benefits or employer liability losses, it gains the right to step into the insured's position and pursue the party at fault to recoup those payments. This mechanism shifts the financial burden back to the party responsible, helping to keep insurance costs down for the employer and promoting accountability. The other options serve different purposes—inspections are about safety and compliance, cancelling the policy ends coverage, and payroll audits determine premium levels—not recovering losses from third parties.

8. Voluntary market refers to coverage offered by private insurers.

- A. Monopolistic fund**
- B. Assigned risk plan**
- C. Voluntary market**
- D. Self-insured pool**

The voluntary market is where private insurers actually offer and sell workers' compensation coverage to employers. This market operates on underwriting and rating carried out by private carriers, with employers choosing to buy coverage from those insurers through standard policies. It's distinct from the residual market, which includes programs designed for employers who can't obtain coverage in the voluntary market—such as assigned risk plans and state funds—where coverage is provided by a non-private mechanism. A self-insured pool, on the other hand, involves employers paying and managing their own risk, sometimes pooling resources for stability, rather than purchasing a policy from a private insurer. So the statement matches the idea that the voluntary market is the coverage offered by private insurers.

9. Part Two provides coverage for these types of liability when an employee sues a third party such as a machine manufacturer, and the third party can then sue the insured.

A. Third-party-over claims

B. Subrogation claims

C. Direct action claims

D. Indirect liability claims

The situation describes third-party-over liability. In Employers Liability coverage, the insured can be exposed when a third party (like a machine manufacturer) is sued by an employee for damages, and that third party then seeks indemnity from the insured. That sequence—employee sues a third party, and the third party sues the insured for indemnity—is classic third-party-over, and Part Two provides coverage for this type of liability. Subrogation would occur after the insurer has already paid a claim and then tries to recover from the third party, not the insured being sued by the third party. Direct action would involve a third party suing the insurer directly, which isn't the described scenario. Indirect liability claims isn't a standard term for this context.

10. Which endorsement would apply to workers on navigable waterways for compensation?

A. United States Longshore and Harbor Workers Compensation Act endorsement

B. Federal Employers Liability Act (FELA) Coverage endorsement

C. Jones Act endorsement

D. Voluntary Compensation and Employers Liability endorsement

When workers operate on navigable waterways, federal maritime coverage applies rather than just state workers' comp. The United States Longshore and Harbor Workers' Compensation Act endorsement specifically extends workers' compensation benefits to longshoremen, harbor workers, and shipyard workers injured on navigable waters. It fills the gap where state WC wouldn't apply and aligns benefits with the federal act's rules. The other endorsements cover different groups—railroad workers under FELA, seamen under the Jones Act, or voluntary, general WC coverage—so they don't fit the scenario described.

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

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We wish you the very best on your exam journey. You've got this!

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