

Indiana State Life and Health Insurance Practice Exam (Sample)

Study Guide



Everything you need from our exam experts!

This is a sample study guide. To access the full version with hundreds of questions,

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Table of Contents

Copyright	1
Table of Contents	2
Introduction	3
How to Use This Guide	4
Questions	6
Answers	9
Explanations	11
Next Steps	17

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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. Don't worry about getting everything right, 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, and take breaks to retain information better.

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.

7. Use Other Tools

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!

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Questions

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- 1. According to Indiana's Mammography Coverage statute, what is a mandatory benefit in every Medical Expense Policy?**
 - A. One baseline mammogram for women between ages 30-34**
 - B. One mammogram every year for women aged 35 and older**
 - C. One mammogram every year for women aged 40 and older**
 - D. Two mammograms every year for those considered "women at risk"**
- 2. Which statement regarding a policy's Grace Period is FALSE?**
 - A. Past due premiums are waived**
 - B. Policy loans may still be made**
 - C. Full coverage continues**
 - D. Grace period terms are stated in the policy**
- 3. Which condition is typically covered by a Critical Illness plan?**
 - A. Asthma**
 - B. Leukemia**
 - C. Alcohol Rehabilitation**
 - D. Severe car accident**
- 4. Who can modify a policy of adhesion?**
 - A. The agent**
 - B. The applicant**
 - C. The primary beneficiary**
 - D. The insurance company**
- 5. Which of the following will a Long Term Care plan typically provide benefits for?**
 - A. Disability Income**
 - B. Death**
 - C. Unemployment**
 - D. Home Health Care**

6. Which Long Term Care insurance statement is true?

- A. Inflation protection is usually not offered**
- B. Benefits are usually payable for alcohol rehabilitation**
- C. Can only be offered to individuals under the age of 70**
- D. Pre-existing conditions must be covered after the coverage has been in force for 6 months**

7. When must insurable interest be present for a life insurance policy to be valid?

- A. When the insured dies**
- B. Within the contestability period**
- C. When the application is made**
- D. Before the insured dies**

8. In Indiana, which of the following must be delivered to a policyowner upon the sale of an individual life insurance policy?

- A. Insurers AM Best rating**
- B. The written sales proposal**
- C. Policy Summary and Buyer's Guide**
- D. Buyer's Guide only**

9. In Indiana, which of the following is considered an Unfair Competition Practice?

- A. Replacement**
- B. Coercion**
- C. Aleatory**
- D. Subrogation**

10. What is the purpose of non-occupational disability coverage?

- A. 24 hour protection**
- B. Those who are exempt from Workers' Compensation coverage**
- C. Sole proprietors and self-employed individuals**
- D. Employees who suffer non-work related disabilities**

Answers

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

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Explanations

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1. According to Indiana's Mammography Coverage statute, what is a mandatory benefit in every Medical Expense Policy?

- A. One baseline mammogram for women between ages 30-34**
- B. One mammogram every year for women aged 35 and older**
- C. One mammogram every year for women aged 40 and older**
- D. Two mammograms every year for those considered "women at risk"**

The premise of Indiana's Mammography Coverage statute is to ensure adequate healthcare access for women regarding preventive services, specifically mammograms for breast cancer screening. The law mandates that health insurance policies provide certain coverage for mammograms, reflecting an acknowledgment of the importance of early detection in improving health outcomes. The correct answer stipulates that a medical expense policy must cover one mammogram every year for women aged 40 and older. This is significant because evidence supports that women in this age group benefit greatly from annual screenings, which can lead to the early detection of breast cancer, thereby improving treatment success rates and survival chances. Additionally, the law recognizes that starting this preventive care at age 40 aligns with the recommendations from various health organizations, fostering proactive health management. Regular mammograms are a vital part of women's health, and this mandate ensures that women aged 40 and above have access to this crucial service without financial barriers. On the other hand, while the options concerning baseline mammograms for younger women and additional screenings for those at risk are also important, they do not represent the mandatory standard outlined within this particular statute, which focuses specifically on the annual requirement for those aged 40 and older.

2. Which statement regarding a policy's Grace Period is FALSE?

- A. Past due premiums are waived**
- B. Policy loans may still be made**
- C. Full coverage continues**
- D. Grace period terms are stated in the policy**

The statement regarding a policy's Grace Period that is considered false is that past due premiums are waived. During the Grace Period, which is a specified time after a premium due date during which a policy remains in force even if the premium has not been paid, the purpose is to allow the policyholder a chance to make the payment without losing coverage. However, this does not mean that past due premiums are waived; they still owe those premiums and must be paid to keep the policy in force. In contrast, the other statements accurately reflect the provisions typically associated with a Grace Period. Policy loans can often still be taken during this time, allowing the policyholder access to the cash value of the policy. Full coverage generally continues throughout the Grace Period, meaning the benefits of the policy remain intact during this time frame. Lastly, the terms regarding the Grace Period, including its length and conditions, are generally specified within the policy documentation to inform policyholders of their responsibilities and the coverage status.

3. Which condition is typically covered by a Critical Illness plan?

- A. Asthma
- B. Leukemia**
- C. Alcohol Rehabilitation
- D. Severe car accident

A Critical Illness plan is designed to provide financial support when an individual is diagnosed with specific severe medical conditions, which often include life-threatening diseases. Leukemia is classified as a critical illness because it is a type of cancer that could significantly impact one's life and require extensive and costly treatment. The nature of leukemia, in terms of severity and potential long-term consequences, aligns well with the purpose of critical illness insurance, which is to offer a financial safety net during challenging health circumstances. In contrast, conditions like asthma, while serious, are generally considered chronic but manageable disorders and do not fall under the severe categories that Critical Illness plans typically cover. Alcohol rehabilitation focuses on recovery from substance abuse, which may not be deemed a critical illness in the context of insurance plans. Severe car accidents can lead to critical conditions but are not classified under the specific diseases typically covered by these plans unless they result in a diagnosis that fits the criteria established by the insurer. Thus, leukemia is the clear choice that is recognized under critical illness insurance policies.

4. Who can modify a policy of adhesion?

- A. The agent
- B. The applicant
- C. The primary beneficiary
- D. The insurance company**

A policy of adhesion is characterized by its one-sided nature, where one party (the insurer) drafts the contract and the other party (the insured) must accept it as is, without negotiation. This means that any modifications or changes to the terms of the policy can only be made by the party that created it, which is the insurance company. The insurance company holds the authority to alter the provisions of the policy. This can occur through endorsements or amendments that they provide, ensuring that any changes meet regulatory requirements and align with their underwriting guidelines. Only the insurer has the legal standing to alter the terms since they are the ones who established the original contract and take on the risk. Other parties involved, such as the agent, the applicant, or the primary beneficiary, do not possess the authority to unilaterally modify the contract. The applicant may request changes, but ultimate discretion rests with the insurance company. Similarly, beneficiaries do not have the contractual rights to modify policies as their role pertains primarily to receiving benefits under the terms set out by the insurer.

5. Which of the following will a Long Term Care plan typically provide benefits for?

- A. Disability Income**
- B. Death**
- C. Unemployment**
- D. Home Health Care**

A Long Term Care plan primarily focuses on providing necessary assistance and care for individuals who can no longer perform activities of daily living due to chronic illness, disability, or cognitive impairment. One of the critical aspects of these plans is coverage for services that assist individuals in their own homes. Home Health Care is a significant component of long-term care, encompassing a range of services that may include skilled nursing care, physical therapy, and assistance with daily activities. The inclusion of Home Health Care in Long Term Care plans addresses the growing need for care in familiar, comfortable settings, enabling individuals to maintain their independence for as long as possible. This option helps reduce the necessity for more costly and institutionalized care settings, such as nursing homes or assisted living facilities. Therefore, offering benefits for Home Health Care is aligned with the primary purpose of long-term care insurance, which is to support individuals in managing their health needs over an extended period.

6. Which Long Term Care insurance statement is true?

- A. Inflation protection is usually not offered**
- B. Benefits are usually payable for alcohol rehabilitation**
- C. Can only be offered to individuals under the age of 70**
- D. Pre-existing conditions must be covered after the coverage has been in force for 6 months**

The statement regarding pre-existing conditions is accurate because, under federal regulations and many state laws, long-term care insurance policies are required to provide coverage for pre-existing conditions after a minimum period, which is often six months. This stipulation is crucial for policyholders as it ensures that they will receive benefits for conditions that existed prior to the issuance of the insurance policy after the waiting period has elapsed. This framework offers a level of security to consumers, allowing them to plan for potential future long-term care needs without the fear of being denied coverage for previously diagnosed health issues after the waiting period. Inflation protection is generally an optional rider that many policies might offer to help policyholders keep pace with rising care costs, thus the statement about it not usually being offered is misleading. Long-term care insurance is not confined by an age cap, as policies can be issued to individuals beyond the age of 70, contradicting the idea presented. Alcohol rehabilitation, while it may be covered under some policies, is not typically a standard benefit, making the assertion about it being regularly included in benefits questionable.

7. When must insurable interest be present for a life insurance policy to be valid?

- A. When the insured dies**
- B. Within the contestability period**
- C. When the application is made**
- D. Before the insured dies**

Insurable interest must be present when the application for a life insurance policy is made for the policy to be valid. This principle is foundational to the insurance industry, as insurable interest ensures that the policyholder has a legitimate reason to insure the life of another person, typically based on a close relationship or financial dependency. Having insurable interest at the time of application prevents insurance policies from being taken out on individuals with whom the policyholder has no connection, reducing the potential for moral hazard and fraud. It establishes that the policyholder would suffer a financial loss or hardship if the insured individual were to pass away, thus legitimizing the purpose of the insurance. While insurable interest is not required at the time of the insured's death or necessarily during the contestability period, it must be present upfront, at the point of application. This means that for a life insurance contract to be enforceable, the applicant must show insurable interest initially, reinforcing the ethical and practical aspect of life insurance.

8. In Indiana, which of the following must be delivered to a policyowner upon the sale of an individual life insurance policy?

- A. Insurers AM Best rating**
- B. The written sales proposal**
- C. Policy Summary and Buyer's Guide**
- D. Buyer's Guide only**

When selling an individual life insurance policy in Indiana, the law requires certain documents to be delivered to the policyowner to ensure transparency and informed decision-making. The correct choice indicates that both a Policy Summary and a Buyer's Guide must be provided. The Policy Summary outlines the key features of the policy, including coverage amounts, benefits, premiums, and other essential details, allowing the policyowner to understand what they are purchasing. The Buyer's Guide is designed to inform consumers about the general practices of life insurance, giving them crucial information about their options, types of policies, and questions to consider before making a purchase. Delivering these documents serves to protect consumers by ensuring they have access to all the necessary information to make informed choices about their life insurance needs. This aligns with state regulations aimed at promoting consumer education and transparency in the insurance industry. In contrast, while the other options may provide useful information, they do not fulfill the legal requirement mandated for the sale of an individual life insurance policy. For example, an insurer's AM Best rating pertains to the company's financial strength and stability, which is informative but not required upon the sale of the policy. Similarly, while a written sales proposal offers insights into the policy's terms as highlighted by the agent, it does not

9. In Indiana, which of the following is considered an Unfair Competition Practice?

- A. Replacement**
- B. Coercion**
- C. Aleatory**
- D. Subrogation**

Coercion is deemed an unfair competition practice because it involves forcing or intimidating individuals or entities into making decisions regarding their insurance policies that they may not otherwise choose. This practice undermines the principles of fair competition and ethical conduct in the insurance market, as it takes away the free will of the insured and can lead to deceptive practices. In the context of the insurance industry, coercion may manifest in various forms, such as pressuring a customer to purchase a policy under threat of losing coverage or being subjected to undue influence that affects their decision-making. This not only affects the integrity of the market but also puts consumers at risk, as they may end up with policies that do not suit their needs. Other options in the question, while related to insurance, do not inherently pertain to unfair competition practices in the same manner as coercion does. Replacement refers to the process of replacing one insurance policy with another, which is not classified as unfair competition unless done deceitfully. Aleatory agreements are those where the outcomes are dependent on chance, and subrogation is a legal right that allows insurers to pursue recovery from third parties after paying a claim, which is a standard practice in the industry. Understanding the impulse to consider coercion as unethical highlights the importance of

10. What is the purpose of non-occupational disability coverage?

- A. 24 hour protection**
- B. Those who are exempt from Workers' Compensation coverage**
- C. Sole proprietors and self-employed individuals**
- D. Employees who suffer non-work related disabilities**

The primary purpose of non-occupational disability coverage is to provide financial protection for individuals who become disabled due to injuries or illnesses that are not related to their work environment. This type of coverage ensures that employees can receive benefits during periods of disability that arise from personal health issues or accidents occurring outside of their job responsibilities, meaning they will still have some income support when faced with non-work-related disabilities. While there are various forms of disability insurance, non-occupational coverage specifically targets situations where the cause of the disability does not fall under the protections of Workers' Compensation. This makes it particularly valuable for maintaining financial stability during times when an individual is unable to work due to reasons that are unrelated to their job. In contrast, other options do not accurately reflect the specific intent of non-occupational disability coverage. For example, 24-hour protection generally refers to comprehensive coverage that spans all hours of the day regardless of the cause of the injury, while options related to exempt individuals or particular types of employment may focus more on broader disability provisions rather than specifically non-occupational contexts.

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:

<https://indianastatelifeandhealthinsurance.examzify.com>

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

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