

KANSAS CROP INSURANCE PRACTICE TEST (SAMPLE)

STUDY GUIDE



Prepare with structure. Pass with confidence



Copyright © 2026 by Examzify - A Kaluba Technologies Inc. product.

ALL RIGHTS RESERVED.

No part of this book may be reproduced or transferred in any form or by any means, graphic, electronic, or mechanical, including photocopying, recording, web distribution, taping, or by any information storage retrieval system, without the written permission of the author.

Notice: Examzify makes every reasonable effort to obtain accurate, complete, and timely information about this product from reliable sources.

SAMPLE

Table of Contents

Copyright	1
Table of Contents	2
Introduction	3
How to Use This Guide	4
Questions	5
Answers	8
Explanations	10
Next Steps	16

SAMPLE

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

SAMPLE

- 1. What does cancellation of a policy mean?**
 - A. Ending a policy before the established term by either party
 - B. Automatically renewing a policy for an additional term
 - C. Increasing the coverage limits on a policy
 - D. Transferring the policy to another insured party
- 2. What does the area revenue protection (ARP) guarantee depend on?**
 - A. The average of the last five years of prices
 - B. The lower of the projected price or harvest price
 - C. The greater of the projected price or harvest price
 - D. The historical average yield
- 3. What is the practice when a company attempts to settle a claim based on information altered without the insured's consent?**
 - A. Fraudulent settlement
 - B. Unfair claim settlement
 - C. Efficient claim processing
 - D. Standard claims negotiation
- 4. What crop insurance plan provides coverage based on individual yield?**
 - A. Revenue Protection
 - B. Yield Protection
 - C. Area Risk Protection
 - D. Catastrophic Coverage
- 5. A continuing education course designed for license renewal can be classified under which category?**
 - A. Advanced training course
 - B. General education course
 - C. Certified workshop
 - D. Specialized industry training

- 6. Which plan is NOT included in the Common Crop Insurance Policy?**
- A. Yield protection
 - B. Area risk protection insurance plan
 - C. Revenue protection
 - D. Crop hail insurance
- 7. What is a key factor for an insured to receive indemnity payments under crop insurance?**
- A. Filing claims in person
 - B. Providing accurate historical yield data
 - C. Submitting a claim only during harvest
 - D. Considering only local market conditions
- 8. Which of the following is NOT considered an unfair claims settlement practice?**
- A. Delaying claim coverage affirmation
 - B. Affirming or denying coverage of claims within a reasonable time
 - C. Changing policy terms without notifying the insured
 - D. Refusing to pay a legitimate claim
- 9. In regard to losses due to hail, which statement is true?**
- A. The insurer must initiate contact for claims
 - B. Only the insured can provide verified loss information
 - C. Claims must be reported on non-business days
 - D. Claims must be reported promptly within the specified timeframe
- 10. How is the projected price determined under the yield protection plan?**
- A. By the local market price
 - B. In accordance with the CEPP
 - C. Based on historical prices
 - D. From grower surveys and estimates

Answers

SAMPLE

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

SAMPLE

Explanations

SAMPLE

1. What does cancellation of a policy mean?

- A. Ending a policy before the established term by either party
- B. Automatically renewing a policy for an additional term
- C. Increasing the coverage limits on a policy
- D. Transferring the policy to another insured party

Cancellation of a policy refers to the situation where either the insurer or the insured terminates the insurance coverage before the end of the policy's effective term. This termination can occur for various reasons, such as non-payment of premiums, changes in risk, or mutual agreement. By allowing for cancellation, the policy provides flexibility to both parties; for instance, an insured party may decide to switch to a different insurer or simply no longer need the insurance. In contrast, automatically renewing a policy denotes a situation where coverage continues without interruption beyond the initial term, which is not a cancellation. Increasing coverage limits pertains to enhancing the existing policy's benefits rather than terminating it. Transferring the policy to another insured party involves changing ownership of the policy, which is a different concept than cancellation. Understanding the nuances of these terms helps clarify the rights and responsibilities of both the insurer and the insured in the context of agricultural and crop insurance.

2. What does the area revenue protection (ARP) guarantee depend on?

- A. The average of the last five years of prices
- B. The lower of the projected price or harvest price
- C. The greater of the projected price or harvest price
- D. The historical average yield

The area revenue protection (ARP) guarantee is designed to provide coverage for losses in revenue due to variations in both yield and price. It guarantees revenue based on the greater of the projected price or the harvest price. The projected price is determined at the beginning of the insurance period and is used to calculate the expected revenue. When the harvest price is determined at the end of the production season, if it is greater than the projected price, it will increase the guarantee, thus benefiting the insured. Choosing the greater of these two prices helps ensure that producers are protected against drops in commodity prices while also benefitting from any increases in prices at harvest time. This feature allows for a form of flexibility and protection that accounts for market fluctuations, which can significantly impact overall revenue. The other options focus on different methods of price calculation or rely solely on historical yield data, which do not capture the comprehensive nature of the ARP guarantee's intention to provide maximum protection for farmers based on current market conditions.

3. What is the practice when a company attempts to settle a claim based on information altered without the insured's consent?

- A. Fraudulent settlement
- B. Unfair claim settlement**
- C. Efficient claim processing
- D. Standard claims negotiation

The practice of settling a claim based on information that has been altered without the insured's consent is best described as unfair claim settlement. This reflects a breach of ethical standards and legal obligations that insurers are expected to uphold when processing claims. Insurers are required to act fairly and transparently, ensuring that all information used in evaluating claims is accurate and not manipulated. Failing to obtain the insured's consent before altering information undermines the trust inherent in the insurance contract and violates the principles of fair dealing. In contrast, the other options do not appropriately capture the ethical breach associated with altering information. Fraudulent settlement would imply a deliberate attempt to deceive the insured or evade responsibility, which is broader and more overt than the specific act of altering information. Efficient claim processing refers to the timely management of claims without any ethical breaches, and standard claims negotiation involves discussions around claims that are done transparently and in good faith, rather than through manipulation of information.

4. What crop insurance plan provides coverage based on individual yield?

- A. Revenue Protection
- B. Yield Protection**
- C. Area Risk Protection
- D. Catastrophic Coverage

Yield Protection is the correct answer because it specifically offers coverage that is directly based on the individual producer's yields. This plan protects against loss in production due to various perils, such as adverse weather conditions, disease, and pest infestations. Under Yield Protection, the insurance payment is calculated based on the difference between the actual yield of the crop and the established yield guarantee, which is typically determined by the historical yield data for the specific farm or area. This plan is designed particularly for farmers who want to safeguard their income against low yields, allowing them to receive compensation proportional to their losses rather than a general area-based estimate. This makes Yield Protection a tailored option that reflects the farmer's individual circumstances, ensuring more personalized risk management. In contrast, other options like Revenue Protection combine yield and price risks, Area Risk Protection focuses on losses at a broader area level rather than individual yields, and Catastrophic Coverage offers minimal coverage primarily for catastrophic losses, which may not provide adequate protection against variability in individual crop yields.

5. A continuing education course designed for license renewal can be classified under which category?

- A. Advanced training course
- B. General education course**
- C. Certified workshop
- D. Specialized industry training

The classification of a continuing education course designed for license renewal as a general education course is appropriate because these types of courses typically cover a wide range of topics relevant to the ongoing education and skill development required to maintain a professional license. General education courses often include content that enhances the individual's understanding of the industry as a whole without focusing on highly specific skills or advanced technical knowledge. Continuing education requirements necessitate that professionals stay current with industry practices, regulations, and trends, which aligns well with the attributes of general education courses. These courses are structured to not only fulfill licensing requirements but also to provide a broader educational foundation that supports the practitioner's competency in their field. In contrast, the other classifications represent more specialized or advanced training that may not encompass the broader learning goals associated with renewing a license. Advanced training courses tend to delve deeper into specific advanced topics, while certified workshops are usually more hands-on or specialized in nature, and specialized industry training is focused on niche areas within the field. Thus, the classification as a general education course highlights its role in supporting overall professional development beyond the specificities of any one aspect of the industry.

6. Which plan is NOT included in the Common Crop Insurance Policy?

- A. Yield protection
- B. Area risk protection insurance plan**
- C. Revenue protection
- D. Crop hail insurance

The Area Risk Protection Insurance Plan is indeed not included in the Common Crop Insurance Policy. The Common Crop Insurance Policy typically encompasses yield protection and revenue protection plans, which are designed to safeguard against losses in yield and revenue based on market prices, respectively. These are foundational elements of the federal crop insurance program, aimed at supporting farmers by providing a safety net against various risks. On the other hand, crop hail insurance is a separate form of coverage that specifically addresses losses due to hail damage rather than the broader risks covered by the Common Crop Insurance Policy. The distinct nature of area risk protection insurance, which focuses on insuring against widespread losses affecting a region rather than individual farms, further solidifies its exclusion from the Common Crop Insurance Policy framework. This is essential for understanding the various types of crop insurance available and their specific functions in assisting farmers in managing risk.

7. What is a key factor for an insured to receive indemnity payments under crop insurance?

- A. Filing claims in person
- B. Providing accurate historical yield data**
- C. Submitting a claim only during harvest
- D. Considering only local market conditions

To receive indemnity payments under crop insurance, providing accurate historical yield data is crucial. This data is essential for insurers to assess the expected yield of the crop and to determine the level of loss or damage. Accurate historical yield information helps the insurer predict the potential yield in light of the crop's past performance, allowing them to calculate the indemnity amount based on the insured's actual production history and coverage level. Furthermore, this information supports the determination of the loss amount, as it provides a baseline against which current crop conditions can be compared. Statistically analyzing historical data also aids in verifying the severity of the loss and ensures that claims are processed fairly and efficiently. While other options involve actions related to the claims process, they do not specifically address the critical requirement of yielding accurate historical data, which forms the foundation for calculating indemnity under crop insurance policies.

8. Which of the following is NOT considered an unfair claims settlement practice?

- A. Delaying claim coverage affirmation
- B. Affirming or denying coverage of claims within a reasonable time**
- C. Changing policy terms without notifying the insured
- D. Refusing to pay a legitimate claim

The correct response is affirming or denying coverage of claims within a reasonable time because this practice aligns with the ethical and legal obligations insurance companies have toward their policyholders. Timely communication regarding the status of a claim is essential in the claims process. When insurers affirm or deny coverage promptly, they demonstrate transparency and respect for the policyholder's situation, leading to a more efficient claims process. In contrast, delaying claim coverage affirmation can create uncertainty and distress for the claimant, which is why it is considered an unfair practice. Changing policy terms without notifying the insured undermines the fundamental principle of good faith in the contractual relationship; the insured needs to be aware of any changes that could affect their coverage or claims. Refusing to pay a legitimate claim is a significant breach of duty and is reflective of unfair tactics that can harm the policyholder, illustrating a lack of good faith in the settlement process. Thus, timely affirmation or denial of claims is a necessary practice that protects the interests of both insurers and insureds.

9. In regard to losses due to hail, which statement is true?

- A. The insurer must initiate contact for claims
- B. Only the insured can provide verified loss information
- C. Claims must be reported on non-business days
- D. Claims must be reported promptly within the specified timeframe**

In the case of losses due to hail, it is essential that claims are reported promptly within the specified timeframe. Timely reporting allows the insurance company to assess and investigate the claim efficiently. It ensures that insurers have the most accurate and relevant information available, which can be critical for a proper evaluation of the loss. Delaying the report may hinder the insurer's ability to process the claim effectively and may even lead to complications or potential denial of the claim if it exceeds the reporting window outlined in the policy. The other statements do not reflect the standard procedures in the insurance claims process related to hail damage. The insurer is usually proactive but does not solely initiate the claims process; any verification of loss information would typically involve both parties; and claims reporting is typically not restricted to non-business days but needs to be done as soon as possible based on the policy requirements.

10. How is the projected price determined under the yield protection plan?

- A. By the local market price
- B. In accordance with the CEPP**
- C. Based on historical prices
- D. From grower surveys and estimates

The projected price under the yield protection plan is determined in accordance with the Commodity Exchange Price Provisions (CEPP). This method establishes the projected price based on a consensus of futures prices from the relevant commodity exchanges, specifically observing the average prices during a specified timeframe prior to the planting season. The CEPP utilizes standardized methodologies to ensure consistency and reliability in price setting across differing commodities. By following this structure, the projected price reflects the market's expectations and trends, which can vary each year based on supply, demand, and other economic factors. Other methods of determining prices, such as local market prices or historical prices, may not accurately capture the broader market dynamics and fluctuations that the CEPP aims to represent. Similarly, grower surveys and estimates could introduce biases based on individual perspectives rather than providing an objective market-based price. Thus, the CEPP serves as a standardized approach that ensures projected prices are derived from market data, making it vital for informing farmers about their insurance coverage and potential yields.

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://kansascropinsurance.examzify.com>

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

SAMPLE