

Mississippi Life and Health Insurance Practice Test (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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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

- 1. What type of insurance typically covers normal dental maintenance and surgeries?**
 - A. Health insurance**
 - B. Dental insurance**
 - C. Vision insurance**
 - D. Life insurance**
- 2. Which type of health insurance policy provides "first dollar" benefits for specified healthcare?**
 - A. Comprehensive medical policy**
 - B. Basic medical expense policy**
 - C. Major medical insurance**
 - D. Supplemental health policy**
- 3. What is the term for a plan that defers an employee's compensation to a future date, often for retirement income?**
 - A. Defined benefit plan**
 - B. Deferred compensation plan**
 - C. Retirement savings plan**
 - D. Employee stock option plan**
- 4. What is increasing term insurance?**
 - A. Insurance that provides a constant death benefit**
 - B. Type of insurance with fluctuating premiums**
 - C. Term life insurance with a periodically increasing death benefit**
 - D. Insurance that guarantees a payout only upon diagnosis of a terminal illness**
- 5. What does insurability refer to?**
 - A. The coverage limits of an insurance policy**
 - B. An individual's risk profile and health conditions**
 - C. The amount of premiums paid**
 - D. The process of filing a claim**

- 6. In insurance, what is the designated term for a policy owner's family members when making a class designation?**
- A. Dependent group**
 - B. Policy class**
 - C. Beneficiary class**
 - D. Family designation**
- 7. Which term describes the laws that govern the business of insurance in a specific state?**
- A. Insurance framework**
 - B. Insurance code**
 - C. Regulatory statute**
 - D. Insurance regulations**
- 8. What type of insurance involves a policy not being in effect during the inspection period?**
- A. Temporary insurance**
 - B. Conventional insurance**
 - C. Conditional insurance**
 - D. Inspection receipt insurance**
- 9. Which benefit is not typically associated with an endowment contract?**
- A. Death benefit at the end of a specified period**
 - B. Living benefit if still alive**
 - C. Reduced premium payments**
 - D. Guaranteed return of premiums**
- 10. Which method allows policyholders to pay a level premium rather than increasing premiums over time?**
- A. Standard premium method**
 - B. Level premium funding method**
 - C. Variable premium method**
 - D. Progressive funding method**

Answers

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

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Explanations

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1. What type of insurance typically covers normal dental maintenance and surgeries?

- A. Health insurance
- B. Dental insurance**
- C. Vision insurance
- D. Life insurance

Dental insurance is specifically designed to cover expenses related to dental care, including routine maintenance such as cleanings and exams, as well as more significant procedures like fillings, crowns, and surgeries. This type of insurance typically operates under a different set of guidelines and coverage limits compared to other forms of insurance, which is why it is the best choice for covering normal dental maintenance and surgical procedures. Health insurance can sometimes provide partial coverage for dental procedures, particularly if they are related to a medical condition, but it generally does not focus on routine dental care. Vision insurance addresses costs associated with eye care and does not pertain to dental health at all. Life insurance provides financial protection for beneficiaries upon the death of the insured and is not related to dental care. Therefore, dental insurance is the most appropriate option for normal dental maintenance and surgeries.

2. Which type of health insurance policy provides "first dollar" benefits for specified healthcare?

- A. Comprehensive medical policy
- B. Basic medical expense policy**
- C. Major medical insurance
- D. Supplemental health policy

The correct answer is the basic medical expense policy, which is designed to provide "first dollar" benefits for specified healthcare services. This means that the policy covers expenses for certain medical costs without requiring the insured to meet a deductible first. Basic medical expense policies often pay for routine medical expenses such as doctor visits, hospital stays, and certain procedures, providing immediate financial assistance for healthcare needs. This type of policy is typically more limited in scope compared to comprehensive medical plans or major medical insurance, which may include higher out-of-pocket costs and coverage for a wider array of services but do not provide first dollar coverage for all services. Basic medical expense policies are useful for those seeking straightforward coverage for essential health services without the complexity of deductibles and coinsurance that might accompany other types of health insurance.

3. What is the term for a plan that defers an employee's compensation to a future date, often for retirement income?

- A. Defined benefit plan**
- B. Deferred compensation plan**
- C. Retirement savings plan**
- D. Employee stock option plan**

A deferred compensation plan is specifically designed to delay an employee's income until a later date, such as retirement. This type of plan provides employees with the ability to set aside a portion of their income, which can then grow tax-deferred until it is paid out. This is beneficial for employees as it can lead to tax savings and can help them secure additional income during retirement. Defined benefit plans are pension plans that provide a predetermined payout at retirement, based on factors such as salary and years of service. While these plans do provide retirement income, they do not specifically defer compensation in the way that deferred compensation plans do, as the contributions and benefits are structured differently. Retirement savings plans, such as 401(k)s or IRAs, do encourage employees to save for retirement but do not inherently refer to the deferral of compensation as explicitly as a deferred compensation plan does. Employee stock option plans grant employees the option to purchase stock in the company at a fixed price but are not focused on deferring compensation for retirement purposes. Thus, a deferred compensation plan is the correct term for a strategy specifically aimed at deferring employee income to a future date, often linked to retirement benefits.

4. What is increasing term insurance?

- A. Insurance that provides a constant death benefit**
- B. Type of insurance with fluctuating premiums**
- C. Term life insurance with a periodically increasing death benefit**
- D. Insurance that guarantees a payout only upon diagnosis of a terminal illness**

Increasing term insurance is a specific type of term life insurance characterized by a death benefit that rises at scheduled intervals throughout the policy term. This means that unlike traditional term insurance, which has a fixed death benefit throughout its duration, increasing term insurance is designed to provide a greater payout as time goes on. This feature is particularly appealing to individuals who anticipate increasing financial responsibilities or those who wish to maintain the purchasing power of the death benefit over time in the face of inflation. The main idea behind increasing term insurance is to provide a level of financial security that adapts to the policyholder's changing needs, making it an attractive choice for individuals who may require greater coverage as they age or as their family circumstances evolve. By structuring the policy this way, it ensures that beneficiaries will receive a more substantial benefit in the future, aligning with the rising costs of living or personal financial obligations.

5. What does insurability refer to?

- A. The coverage limits of an insurance policy
- B. An individual's risk profile and health conditions**
- C. The amount of premiums paid
- D. The process of filing a claim

Insurability refers to an individual's risk profile and health conditions, as it determines whether an individual is eligible for insurance coverage and at what premium rate. Underwriters evaluate insurability by examining various factors, such as medical history, current health status, lifestyle choices, and other relevant information. This assessment helps insurance companies decide the likelihood of a claim being made and the potential costs associated with providing coverage. The concept is essential because it directly impacts the pricing and availability of insurance policies. A person with a higher risk profile, due to pre-existing health conditions or risky behaviors, may face higher premiums or even denial of coverage, while those with better health may receive more favorable terms. Understanding insurability helps individuals navigate the insurance process and prepares them for how their health status may affect their options.

6. In insurance, what is the designated term for a policy owner's family members when making a class designation?

- A. Dependent group
- B. Policy class
- C. Beneficiary class**
- D. Family designation

The term "beneficiary class" is correctly associated with the designated term for a policy owner's family members when making a class designation. In insurance, particularly life insurance, the beneficiaries are the individuals or groups who are entitled to receive the benefits or proceeds from the policy upon the death of the insured. When a policyholder designates a class of beneficiaries, this typically includes family members such as spouses, children, or other relatives. This designation allows the policy owner to define a broader category of beneficiaries without naming each individual specifically, providing some flexibility in how the benefits are distributed among family members. This is essential in estate planning and ensures that the intent of the policyholder regarding their family members is clearly documented. The other options do not precisely represent the concept of class designations within the context of insurance policies. For instance, "dependent group" might refer to dependents covered under a health insurance plan but does not indicate a class designation for beneficiaries. Similarly, "policy class" and "family designation" are not standard terms used in the industry to describe the categorization of family members as beneficiaries.

7. Which term describes the laws that govern the business of insurance in a specific state?

- A. Insurance framework**
- B. Insurance code**
- C. Regulatory statute**
- D. Insurance regulations**

The term that accurately describes the laws governing the business of insurance in a specific state is the insurance code. Insurance codes comprise a set of statutes enacted by a state's legislature, specifically to regulate insurance companies and the insurance industry as a whole. They outline the requirements for obtaining and maintaining a license to operate as an insurer, specify the types of coverage that must be provided, and establish consumer protections. These codes are essential because they provide a legal framework within which insurance companies must operate, ensuring compliance with both state and federal regulations. They also serve to protect consumers by defining their rights regarding insurance policies and claims processes. While other terms like "insurance framework," "regulatory statute," and "insurance regulations" might seem relevant, they do not precisely convey the formal codification of insurance laws found in the insurance code. The insurance code specifically refers to the comprehensive set of laws that guide all aspects of the insurance business within a state, making it the most accurate choice.

8. What type of insurance involves a policy not being in effect during the inspection period?

- A. Temporary insurance**
- B. Conventional insurance**
- C. Conditional insurance**
- D. Inspection receipt insurance**

Temporary insurance is a type of insurance that provides coverage for a limited time until a specific condition is met, in this case, the completion of an inspection period. During this period, the policy is not considered to be in force, which means that the insurer is not liable for any claims that may arise. This arrangement allows the insurer to evaluate the risk presented by the applicant before officially issuing the policy. While other types of insurance may have different terms and coverage conditions, temporary insurance specifically addresses the scenario where coverage begins and ends based on criteria such as the completion of inspections or other underwriting requirements. This ensures both the insurer and the insured have a clear understanding of when coverage is actualized.

9. Which benefit is not typically associated with an endowment contract?

- A. Death benefit at the end of a specified period**
- B. Living benefit if still alive**
- C. Reduced premium payments**
- D. Guaranteed return of premiums**

An endowment contract is a life insurance policy designed to pay a specified amount either at the end of a predetermined period or upon the death of the insured, whichever comes first. The key features of an endowment contract typically include a death benefit and a living benefit, meaning that if the insured is still alive at the end of the specified term, the policy matures and pays out the face value of the policy. The benefit of reduced premium payments is not a typical characteristic of endowment contracts. Instead, they generally have higher premiums compared to traditional life insurance policies because they are designed to offer both a death benefit and a cash value component. The goal is to provide a guaranteed return of premiums through the policy's cash value, along with the death benefit. Guaranteed return of premiums is a common benefit associated with endowment contracts since they ensure that the policyholder will receive a payout at the end of the term or in the event of death. Therefore, the option relating to reduced premium payments does not align with the fundamental nature of endowment contracts.

10. Which method allows policyholders to pay a level premium rather than increasing premiums over time?

- A. Standard premium method**
- B. Level premium funding method**
- C. Variable premium method**
- D. Progressive funding method**

The level premium funding method is designed to allow policyholders to pay a consistent amount in premiums throughout the life of the policy, rather than facing escalating premiums as they age or as the cost of insurance increases. This approach spreads the cost of insurance over the entire duration of the policy, resulting in a fixed, level premium that does not change over time. This method is particularly beneficial for those who want to manage their budgeting for insurance expenses effectively, as it provides predictability in financial planning. In contrast, other funding methods might involve premiums that increase due to various factors, such as age or changes in the risk assessment, leading to potential financial strain on the policyholder as time goes on. The level premium method mitigates this concern by ensuring the premium payment remains stable, making it an attractive option for individuals seeking financial certainty in their life and health insurance coverage.

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://mslifehealthinsurance.examzify.com>

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