

# New York Independent Adjuster, Motor Vehicle No-Fault and Workers' Compensation Health Services Adjuster (Series 17-72) 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. Under the Federal Insurance Fraud and False Statements Act, what is the maximum imprisonment time for willfully embezzling or misappropriating insurer property?**
  - A. 5 years**
  - B. 7 years**
  - C. 10 years**
  - D. 15 years**
  
- 2. The Terrorism Risk Insurance Program Reauthorization Act of 2015 excludes all of the following, EXCEPT:**
  - A. Government property**
  - B. Residential property**
  - C. Commercial property**
  - D. Luxury items**
  
- 3. The premium charged for a standard Workers Compensation policy is based primarily on a company's:**
  - A. Net profit**
  - B. Payroll**
  - C. Total assets**
  - D. Employee count**
  
- 4. What type of accident does collision coverage typically not cover?**
  - A. Accident caused by another vehicle**
  - B. Accident while parking**
  - C. Accident involving hitting a stationary object**
  - D. Accidents due to weather conditions**
  
- 5. What is a key component of the backup documentation in a Workers' Compensation claim?**
  - A. Medical reports**
  - B. Payment statements**
  - C. Inspection reports**
  - D. Professional references**

- 6. An insurance professional accused of dishonesty involving interstate commerce will be prosecuted by whom?**
- A. The FBI.**
  - B. The U.S. Attorney general.**
  - C. The state attorney general.**
  - D. The local law enforcement agency.**
- 7. What triggers coverage under commercial auto physical damage insurance?**
- A. Accidents**
  - B. Symbols**
  - C. Vehicles over a certain age**
  - D. Type of use**
- 8. What does noise-induced hearing loss result from?**
- A. Exposure to loud sounds over time**
  - B. Specific traumatic incidents**
  - C. General aging**
  - D. Ear infections**
- 9. Which of the following is not a duty of an insurer in case of a loss?**
- A. Separate the damaged property from the undamaged property and protect from further loss**
  - B. Notify the insured of claim approval or denial**
  - C. Conduct a comprehensive investigation promptly**
  - D. Pay for all repairs without consultation**
- 10. Which type of insurance companies are required to participate in a state's automobile assigned risk plan?**
- A. All licensed insurance companies that sell auto insurance in the state**
  - B. Only companies that sell more than 1,000 auto policies per year in the state**
  - C. Only the ten largest auto insurance companies in the state**
  - D. Only excess lines insurance companies that sell auto insurance in the state**

## Answers

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

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## **Explanations**

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**1. Under the Federal Insurance Fraud and False Statements Act, what is the maximum imprisonment time for willfully embezzling or misappropriating insurer property?**

- A. 5 years
- B. 7 years
- C. 10 years**
- D. 15 years

The correct answer highlights that under the Federal Insurance Fraud and False Statements Act, the maximum imprisonment time for willfully embezzling or misappropriating insurer property is ten years. This law is designed to combat fraudulent activities within the insurance industry, imposing severe penalties to deter such actions. The provision aims to protect the financial integrity of insurers and promote public trust in the insurance system. Understanding this penalty is crucial for adjusters and others in the insurance field, as awareness of legal consequences reinforces adherence to ethical practices and compliance with federal laws. This context emphasizes the importance of maintaining transparency and integrity in all dealings involving insurer property. The other options do not align with the law as outlined, as they suggest lesser maximum terms, which do not accurately reflect the federal mandate for this specific crime.

**2. The Terrorism Risk Insurance Program Reauthorization Act of 2015 excludes all of the following, EXCEPT:**

- A. Government property
- B. Residential property
- C. Commercial property**
- D. Luxury items

The Terrorism Risk Insurance Program Reauthorization Act of 2015 provides a federal backstop for insurance claims related to acts of terrorism. Under this law, certain types of properties and items are excluded from coverage. Commercial property falls within the scope of potential coverage provided by the Act, as it is generally included in the definitions of eligible risks that can be covered by terrorism insurance. This means that if a terrorist attack were to cause damage to commercial property, those losses could be covered under the federal program, assuming the policy in place includes terrorism risk. In contrast, government property, residential property, and luxury items are specifically excluded from this program. This means that any losses resulting from acts of terrorism affecting these types of properties or items would not be eligible for federal assistance or coverage under this particular law. Therefore, commercial property is the correct answer, as it remains included in the coverage provisions of the Terrorism Risk Insurance Program, whereas the other options are not eligible for benefits under this Act.

**3. The premium charged for a standard Workers Compensation policy is based primarily on a company's:**

- A. Net profit
- B. Payroll**
- C. Total assets
- D. Employee count

The premium charged for a standard Workers' Compensation policy is primarily based on a company's payroll because payroll provides a direct measure of the risk exposure associated with employees' work. Insurance companies consider payroll when calculating premiums because it reflects the total amount that the company pays its employees, which correlates to the overall risk of workplace injuries. Higher payroll amounts typically indicate more employees or higher wages, both of which increase the potential for workplace accidents and, consequently, the potential costs incurred by the insurer. Underwriters evaluate the industry classification, claim history, and the company's payroll to determine the appropriate premium rate, as different industries present differing levels of risk. While factors such as net profit, total assets, and employee count may appear relevant, they do not directly reflect the operational risk associated with employee injuries in the same way that payroll does. Thus, payroll serves as the foundational basis for determining the Workers' Compensation premium.

**4. What type of accident does collision coverage typically not cover?**

- A. Accident caused by another vehicle
- B. Accident while parking
- C. Accident involving hitting a stationary object
- D. Accidents due to weather conditions**

Collision coverage is designed to protect against damage to your vehicle resulting from a collision, regardless of who is at fault. This means it covers accidents involving other vehicles, accidents that happen while parking, or situations where you hit a stationary object. However, collision coverage typically does not cover accidents caused by weather conditions. These types of accidents fall under comprehensive coverage, which is meant to protect against damages not resulting from a collision, such as theft, vandalism, or natural events like hail or flooding. Weather-related incidents are usually beyond the scope of collision coverage because they do not involve a direct impact with another vehicle or object, but rather the result of an external environmental factor affecting driving conditions.

**5. What is a key component of the backup documentation in a Workers' Compensation claim?**

- A. Medical reports**
- B. Payment statements**
- C. Inspection reports**
- D. Professional references**

A key component of the backup documentation in a Workers' Compensation claim is medical reports. These reports provide essential details about the employee's injury, treatment history, and prognosis, which are crucial in establishing the legitimacy of the claim and determining the appropriate benefits. Medical reports often include findings from examinations, details of medical procedures performed, and the healthcare provider's assessments regarding the employee's ability to return to work. This documentation supports the claim by illustrating the extent of the injury and its impact on the worker's capacity to perform their job, thereby allowing for accurate decision-making regarding compensation. Other options, while potentially relevant in different contexts, do not serve the same foundational role in validating the medical necessity of the care required or the extent of the injury within a Workers' Compensation framework.

**6. An insurance professional accused of dishonesty involving interstate commerce will be prosecuted by whom?**

- A. The FBI.**
- B. The U.S. Attorney general.**
- C. The state attorney general.**
- D. The local law enforcement agency.**

In cases involving dishonesty that intersects with interstate commerce, the prosecution is conducted by the U.S. Attorney General. This is due to the jurisdictional authority that federal law encompasses when it comes to crimes that cross state lines or involve federal regulations. The U.S. Attorney General leads the Department of Justice and is responsible for enforcing federal laws, which include various forms of financial crime and fraud that may affect interstate commerce. The involvement of federal officials, including the U.S. Attorney General, signifies the seriousness of the charges, considering that such offenses can have broader implications beyond the state level, impacting multiple states or even national interests. This distinguishes it from cases that would typically be managed solely by state authorities or local law enforcement, which would handle crimes confined to their geographical jurisdiction. Consequently, while other entities like the FBI, state attorney generals, or local agencies may be involved in different capacities or levels of a case, the ultimate prosecution, in this context, falls under the authority of the U.S. Attorney General, particularly when addressing violations that specifically pertain to federal law regarding interstate commerce.

## 7. What triggers coverage under commercial auto physical damage insurance?

A. Accidents

**B. Symbols**

C. Vehicles over a certain age

D. Type of use

Coverage under commercial auto physical damage insurance is primarily triggered by specific symbols defined in the policy. These symbols are used to classify the types of vehicles that are covered under the policy and determine the extent and nature of that coverage. For instance, certain symbols may indicate whether coverage applies to owned vehicles, hired vehicles, or non-owned vehicles. The designated symbols in an insurance policy guide the insurer and the insured in understanding which vehicles are eligible for coverage in the event of damage, regardless of how the vehicle is utilized or the age of the vehicle. By identifying these symbols, both the insurer and policyholder can clarify expectations regarding coverage, premiums, and policy limits. In contrast, triggers such as accidents relate more to specific events rather than the structured classifications laid out by symbols. While accidents lead to claims, they do not inherently determine coverage. Vehicles over a certain age may affect policy terms but do not fundamentally trigger coverage. The type of use can influence coverage implications but is also secondary to the foundational symbols that dictate eligibility. Thus, the correct understanding revolves around these symbols and their role in defining coverage parameters within commercial auto physical damage policies.

## 8. What does noise-induced hearing loss result from?

**A. Exposure to loud sounds over time**

B. Specific traumatic incidents

C. General aging

D. Ear infections

Noise-induced hearing loss is predominantly the result of prolonged exposure to loud sounds over time, which can lead to irreversible damage to the hair cells in the cochlea of the inner ear. These hair cells are responsible for converting sound vibrations into electrical signals that the brain interprets as sound. When exposed to excessive noise, these cells can become damaged or die, resulting in hearing loss. This condition is cumulative, meaning that the effects can build up progressively with repeated exposure to loud noises, even those that may not seem harmful on a short-term basis. Therefore, understanding the importance of sound levels and the need to protect hearing is crucial for preventing this type of hearing loss. The other choices, while they may lead to hearing issues, do not specifically pinpoint the chronic condition associated with noise exposure like option A does.

**9. Which of the following is not a duty of an insurer in case of a loss?**

- A. Separate the damaged property from the undamaged property and protect from further loss**
- B. Notify the insured of claim approval or denial**
- C. Conduct a comprehensive investigation promptly**
- D. Pay for all repairs without consultation**

The correct answer points to the fundamental duties of an insurer when handling a claim. One key responsibility is to notify the insured about the claim approval or denial, which ensures clear communication between the insurer and the insured regarding their coverage and the outcome of the claim process. This duty is crucial as it keeps the insured informed about the status of their claim and any next steps that may occur. The other duties mentioned reflect the insurer's obligations to actively manage the loss situation. For instance, separating damaged and undamaged property and protecting it from further loss is critical to minimizing the impact of the loss. Additionally, conducting a comprehensive investigation promptly is essential to assess the claim accurately and determine the appropriate compensation. The choice regarding paying for all repairs without consultation contradicts industry practices, as insurers typically need to review and agree on the scope of repairs before payment is made to ensure transparency and control over costs. Therefore, the choice indicating this as a duty is not aligned with standard insurance practices.

**10. Which type of insurance companies are required to participate in a state's automobile assigned risk plan?**

- A. All licensed insurance companies that sell auto insurance in the state**
- B. Only companies that sell more than 1,000 auto policies per year in the state**
- C. Only the ten largest auto insurance companies in the state**
- D. Only excess lines insurance companies that sell auto insurance in the state**

The requirement that all licensed insurance companies that sell auto insurance in the state participate in an automobile assigned risk plan is grounded in the necessity to ensure that all drivers have access to insurance, regardless of their driving history or risk profile. This participation helps to stabilize the insurance market and ensure that high-risk drivers are not left without coverage, which could lead to increased uninsured motorist rates and greater risk for public safety. By mandating that all licensed carriers contribute to the assigned risk pool, the state can efficiently spread the risk of insuring higher-risk individuals across a larger group of insurers. This helps to keep premiums more affordable for those who may be classified as higher risk due to factors such as previous accidents or traffic violations. In contrast, other options suggest limitations based on the volume of policies written, company size, or specific types of insurance companies, which would undermine the purpose of the assigned risk plan. The overarching goal is inclusivity and market stability, which can only be achieved through universal participation by all entities authorized to provide auto insurance in that state.

## 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](mailto:hello@examzify.com).**

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

**<https://nyseries1772.examzify.com>**

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

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