NEW YORK LIFE, ACCIDENT, AND HEALTH PRACTICE TEST (SAMPLE)

STUDY GUIDE

SAMPLE STUDY GUIDE WITH LIMITED 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. 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

1. What is a licensed life insurance producer in New York authorized to do?

A. Underwrite policies

B. Solicit, receive and forward applications to the insurer

C. Set insurance premiums

D. Pay claims

2. Who is typically responsible for making purchase payments in an individual annuity?

A. The insurance company

B. The annuitant's family

C. The owner

D. The policy beneficiary

3. Which of the following is an example of an unfair claims settlement practice?

A. Offering settlements that are less than the fair value to offset insurer expenses

B. Denying claims on the basis of specific policy provisions

C. Including an arbitration provision in the insurer's policies

D. Negotiating the payment of claims where coverage or liability is in question

4. What is the main characteristic of the presumptive disability provision?

A. Waives the typical total disability requirements

B. Requires ongoing proof of disability

C. Limits coverage to short-term disabilities

D. Only applies to specific occupations

5. Which of the following is a type of life insurance?

A. Workers' compensation insurance

B. Homeowners insurance

C. Universal life insurance

D. Automobile insurance

6. What is one primary purpose of the underwriting process in health insurance?

A. To determine the level of risk associated with an individual

B. To provide immediate care to patients

C. To organize claims payments

D. To promote wellness programs

7. What is the primary purpose of risk retention groups?

A. To provide health insurance

B. To pool liability risks

C. To distribute wealth among members

D. To offer term life insurance policies

8. Which type of designation allows a policyowner to change the beneficiary?

A. Irrevocable designation

B. Revocable designation

C. Fixed designation

D. Temporary designation

9. What does a "paid-up" status in insurance imply?

A. No further premiums are owed

B. The policy has ended

C. The policyholder has opted out

D. The coverage is limited to specific events

10. In New York, what is the stance on reducing benefits for a newborn child under an accident and health plan?

A. Allowed with a special rider

B. Prohibited in any form

C. Allowed only after 30 days

D. Subject to the insurer's discretion

Answers

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

Explanations

1. What is a licensed life insurance producer in New York authorized to do?

A. Underwrite policies

B. Solicit, receive and forward applications to the insurer

C. Set insurance premiums

D. Pay claims

A licensed life insurance producer in New York is authorized to solicit, receive, and forward applications to the insurer. This role involves acting as an intermediary between potential policyholders and insurance companies, helping individuals understand their insurance options and guiding them through the application process. The producer ensures that all necessary documentation is completed and submitted to the insurer for processing. While underwriters evaluate and determine the risk associated with insurance applications and set insurance premiums, these functions are typically outside the purview of a licensed producer. Similarly, paying claims is a responsibility of the insurance company, not the individual producer. In essence, the producer's primary functions revolve around facilitating the sale of insurance products rather than making critical financial decisions or processing claims.

2. Who is typically responsible for making purchase payments in an individual annuity?

A. The insurance company

B. The annuitant's family

C. The owner

D. The policy beneficiary

In an individual annuity, the owner is responsible for making purchase payments. The owner is the person who holds the contract and has the right to control the annuity, which includes making decisions about contributions or payments into the annuity. This role is distinct from that of the annuitant, who is the person whose life the annuity is based on and who will eventually receive the income payments. The insurance company does not make purchase payments; rather, it is the entity that offers and manages the annuity contract. The annuitant's family would not typically be involved in making payments unless they have been designated as the owner or involved in a similar capacity. Lastly, the policy beneficiary is the individual designated to receive benefits upon the death of the annuitant or owner but does not play a role in financing the annuity during the owner's lifetime. Thus, the responsibility of making purchase payments clearly lies with the owner of the annuity.

3. Which of the following is an example of an unfair claims settlement practice?

A. Offering settlements that are less than the fair value to offset insurer expenses

B. Denying claims on the basis of specific policy provisions

C. Including an arbitration provision in the insurer's policies

D. Negotiating the payment of claims where coverage or liability is in question

Offering settlements that are less than the fair value to offset insurer expenses is an example of an unfair claims settlement practice because it demonstrates a lack of good faith in the insurer's obligation to its policyholders. Insurers are required to act in alignment with the reasonable expectations of policyholders and to settle claims fairly and promptly. When an insurer deliberately offers a settlement that undervalues a claim to preserve its own financial interests, it undermines trust and violates ethical standards governing insurance practices. This behavior can lead to a perception that the insurer is prioritizing profit over the fair treatment of claimants, which is contrary to the principles of fairness and justice that are foundational in the insurance industry. Claims settlement practices should ensure that policyholders receive compensation that accurately reflects their losses, and failing to do so places the insurer's reputation and integrity in jeopardy. The other options do not inherently represent unfair claims practices; they involve legitimate actions that can be part of standard claims handling procedures. Denying claims based on specific policy provisions is part of adhering to the terms of the policy; including arbitration in policies is a common practice to resolve disputes; and negotiating on claims with questionable coverage falls within normal claims adjustment practices.

4. What is the main characteristic of the presumptive disability provision?

A. Waives the typical total disability requirements

B. Requires ongoing proof of disability

C. Limits coverage to short-term disabilities

D. Only applies to specific occupations

The main characteristic of the presumptive disability provision is that it waives the typical total disability requirements. This provision is designed to provide immediate benefits to individuals who have suffered certain severe conditions or disabilities, such as the loss of sight, loss of hearing, loss of a limb, or other similar impairments. Under this provision, the insured is not required to demonstrate they are unable to perform any occupation; instead, the mere occurrence of these specified disabilities is considered sufficient for the benefit payout. This is crucial because it streamlines access to benefits, allowing individuals with these serious conditions to receive support without going through the usual extensive proof of disability that other, less severe cases might require. In contrast, the other options do not fully encompass the essence of presumptive disability. Ongoing proof of disability is typically required in standard disability policies, which is not the case with this provision. Coverage is not limited to short-term disabilities; instead, it relates to specific severe permanent conditions. Lastly, the provision is not restricted to particular occupations but applies generally to qualifying impairments regardless of the insured's job.

5. Which of the following is a type of life insurance?

A. Workers' compensation insurance

B. Homeowners insurance

C. Universal life insurance

D. Automobile insurance

Universal life insurance is a type of life insurance that provides not only a death benefit but also a cash value component that can grow over time. This type of insurance offers policyholders flexibility in premium payments as well as the potential for cash accumulation, which can be used during the policyholder's lifetime. The flexibility to adjust the coverage amount and premiums makes universal life insurance appealing for those who want both life insurance protection and a savings mechanism. In contrast, the other options listed are types of insurance that serve entirely different purposes. Workers' compensation insurance provides benefits to employees who suffer job-related injuries or illnesses, homeowners insurance protects against damages to a person's home, and automobile insurance covers vehicles for damages and liability in the event of an accident. Each of these insurances is designed for specific risks unrelated to life insurance, highlighting the uniqueness of universal life insurance within the given options.

6. What is one primary purpose of the underwriting process in health insurance?

A. To determine the level of risk associated with an individual

B. To provide immediate care to patients

C. To organize claims payments

D. To promote wellness programs

The primary purpose of the underwriting process in health insurance is to determine the level of risk associated with an individual. Underwriting involves evaluating applicants based on various factors, including their health history, lifestyle choices, and other relevant information. This assessment helps insurers decide whether to accept the application and, if so, to establish the premium rates that reflect the risk involved. By carefully analyzing the risk, insurers aim to maintain the balance between providing coverage and ensuring that the premiums collected are sufficient to cover potential claims, thus ensuring the sustainability of the insurance product. The other options focus on different aspects of health insurance. Providing immediate care to patients is the role of healthcare providers, not underwriters. Organizing claims payments is part of the claims administration process and not directly linked to underwriting. Promoting wellness programs relates more to preventive care and health management rather than the risk assessment involved in underwriting. Each of these functions is important in the broader health insurance framework, but they do not define the underwriting process itself.

7. What is the primary purpose of risk retention groups?

A. To provide health insurance

B. To pool liability risks

C. To distribute wealth among members

D. To offer term life insurance policies

The primary purpose of risk retention groups is to pool liability risks. These groups are formed primarily to allow members with similar risks to come together and share those risks, which can lead to lower costs and better coverage options for the participants. They are often used by businesses engaged in similar industries or activities, providing a means for them to manage their liability exposure collectively. By pooling their risks, members of a risk retention group can benefit from economies of scale, which can reduce premium costs and increase access to necessary liability coverage that might be challenging to secure individually due to the nature of their businesses. This shared responsibility among members allows them to handle larger claims and provides stability that individual policyholders might not achieve on their own.

8. Which type of designation allows a policyowner to change the beneficiary?

A. Irrevocable designation

B. Revocable designation

C. Fixed designation

D. Temporary designation

A revocable designation is the correct answer because it allows the policyowner the flexibility to change the beneficiary at any time without needing the consent of the current beneficiary. This means that the policyowner retains control over the policy and can adapt their decisions based on changing circumstances or preferences. In contrast, an irrevocable designation locks in the beneficiary and typically requires the policyowner to obtain the beneficiary's consent if they wish to make any changes. Therefore, the policyowner loses flexibility once this designation is made. Fixed and temporary designations are not standard terms typically used to categorize beneficiary designations in life insurance policies, as they do not clearly align with the established concepts of revocable and irrevocable designations. This further highlights why revocable designation is the most appropriate choice in the context of beneficiary changes.

9. What does a "paid-up" status in insurance imply?

A. No further premiums are owed

B. The policy has ended

C. The policyholder has opted out

D. The coverage is limited to specific events

A "paid-up" status in insurance means that no further premiums are owed on the policy, indicating that the policyholder has fulfilled all their payment obligations. This status typically arises when the policy has accumulated enough cash value or when a term policy has reached its end without any further premium requirements. In this case, the policy remains in force even though no additional payments are necessary, which can give the policyholder peace of mind and security, knowing that their coverage continues without the need for ongoing payments. The other options do not accurately represent what "paid-up" means. For example, the idea that the policy has ended is not true; a "paid-up" policy is still active and provides coverage. Similarly, stating that the policyholder has opted out misrepresents the concept, as opting out implies a voluntary cancellation of the policy, whereas "paid-up" indicates that the policy is still valid and the premiums have been fully paid. Finally, suggesting that coverage is limited to specific events does not align with the context of being "paid-up," as this status pertains to the payment status rather than the scope of coverage.

10. In New York, what is the stance on reducing benefits for a newborn child under an accident and health plan?

A. Allowed with a special rider

B. Prohibited in any form

C. Allowed only after 30 days

D. Subject to the insurer's discretion

In New York, it is prohibited to reduce benefits for a newborn child under an accident and health plan. This regulation ensures that all newborns have access to essential health benefits without facing any limitations or reductions based solely on their status as a newborn. Such protection is crucial, as it guarantees that newborns receive the necessary care and coverage for any health issues that may arise right after birth, reflecting the state's commitment to public health and welfare. The other options suggest various levels of permissibility in modifying benefits, which do not align with New York's consumer protection laws aimed at safeguarding the rights and healthcare needs of infants. Reducing benefits, even with stipulations, could lead to inadequate coverage for vulnerable populations like newborns, which is why New York firmly prohibits such actions.

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://newyorklifeaccidenthealth.examzify.com

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