

NORTH DAKOTA HEALTH INSURANCE PRACTICE TEST (SAMPLE)

STUDY GUIDE



SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

VISIT US ONLINE FOR
THE FULL VERSION STUDY GUIDE

<https://ndhealthinsurance.examzify.com>



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. Which tier provides the highest coverage in the health insurance marketplace?**
 - A. Bronze
 - B. Silver
 - C. Gold
 - D. Platinum
- 2. Which benefit is typically included in a comprehensive health insurance policy that may not be found in limited policies?**
 - A. Accident-only coverage
 - B. Long-term care coverage
 - C. Coverage for specific diseases
 - D. Credit disability insurance
- 3. What is a Health Savings Account (HSA)?**
 - A. A mandatory insurance plan provided by employers
 - B. A tax-advantaged savings account for medical expenses
 - C. An insurance plan that pays for preventative services only
 - D. A fund controlled by insurance companies for premium payments
- 4. How does the Residual Disability Benefit differ from Partial Disability Benefit?**
 - A. It offers fixed payments regardless of work status
 - B. It is based on income reduction regardless of hours worked
 - C. It only applies to full-time employees
 - D. It requires total disablement for qualification
- 5. Which of the following descriptions fits a High Deductible Health Plan (HDHP)?**
 - A. A plan that allows for low deductibles and high premiums
 - B. A plan that requires high out-of-pocket costs before coverage
 - C. A plan that covers every medical expense without limits
 - D. A plan that offers comprehensive coverage for dependents

- 6. What does utilization management focus on in healthcare?**
- A. Increasing the number of treatments
 - B. Ensuring treatments are appropriate and effective
 - C. Reducing overall healthcare costs
 - D. Promoting preventive care only
- 7. What does UCR stand for in health insurance terms?**
- A. Usual, Customary, and Reasonable
 - B. Universal Coverage Requirement
 - C. Utilization Control Review
 - D. Under Cost Recovery
- 8. Which of the following is a common exclusion in insurance policies?**
- A. Accidental injury at home
 - B. Living overseas
 - C. Routine check-ups
 - D. Non-emergency medical procedures
- 9. When was the North Dakota Life and Health Insurance Guaranty Association created?**
- A. 1980
 - B. 1983
 - C. 1985
 - D. 1990
- 10. What is an example of a situation where urgent care might be utilized?**
- A. A routine check-up appointment
 - B. Minor injuries like sprains or cuts
 - C. Serious medical emergencies requiring immediate surgery
 - D. Follow-up visits for chronic conditions

Answers

SAMPLE

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

SAMPLE

Explanations

SAMPLE

1. Which tier provides the highest coverage in the health insurance marketplace?

- A. Bronze
- B. Silver
- C. Gold
- D. Platinum**

The tier that provides the highest coverage in the health insurance marketplace is the Platinum tier. This tier is designed to offer a higher percentage of coverage for healthcare costs, typically around 90%. This means that for covered medical services, the insurance plan pays 90% of the costs, and the insured individual is responsible for the remaining 10%. Platinum plans typically come with higher monthly premiums, but the trade-off is lower out-of-pocket costs when accessing healthcare. This makes them an attractive option for individuals who anticipate frequent medical care or have significant healthcare needs. In contrast, the other tiers, such as Bronze, Silver, and Gold, offer varying levels of coverage and cost-sharing, with Bronze covering about 60%, Silver around 70%, and Gold approximately 80% of costs. Thus, they require individuals to pay a higher percentage of their healthcare costs compared to Platinum plans, making Platinum the best choice for those seeking the maximum coverage available in the marketplace.

2. Which benefit is typically included in a comprehensive health insurance policy that may not be found in limited policies?

- A. Accident-only coverage
- B. Long-term care coverage**
- C. Coverage for specific diseases
- D. Credit disability insurance

A comprehensive health insurance policy typically includes a wide range of benefits designed to cover various medical expenses and health-related costs, catering to the overall healthcare needs of the insured. One such benefit is long-term care coverage, which is essential for individuals who may require extended assistance due to chronic illnesses, disabilities, or aging-related conditions. This type of coverage goes beyond basic health insurance and addresses the cost of care services that are not usually covered by standard health policies, including in-home care, nursing home facilities, and assisted living services. Comprehensive policies are designed to provide broad protection, including less common services like long-term care, which limited policies often exclude. Limited policies typically focus on specific types of insurance, such as accident-only coverage or coverage for specific diseases, which do not extend to the more comprehensive needs addressed by long-term care coverage. This makes long-term care a critical component of a comprehensive plan, as it acknowledges the potential for extended healthcare needs that many individuals face.

3. What is a Health Savings Account (HSA)?

- A. A mandatory insurance plan provided by employers
- B. A tax-advantaged savings account for medical expenses**
- C. An insurance plan that pays for preventative services only
- D. A fund controlled by insurance companies for premium payments

A Health Savings Account (HSA) is specifically designed as a tax-advantaged savings account intended for individuals to save money for qualified medical expenses. Contributions made to an HSA are often tax-deductible, and the funds can grow tax-free. Additionally, withdrawals for qualified medical expenses are also tax-free, making HSAs an effective way for individuals to manage their healthcare costs while enjoying tax benefits. This account can be utilized alongside high-deductible health plans, enabling individuals to cover out-of-pocket medical costs before reaching their deductible. The flexibility of an HSA allows the account holder to decide how and when to use the funds, and unlike some other savings accounts, the money in an HSA rolls over from year to year if not used. In contrast, the other options describe different concepts that do not align with the purpose or structure of an HSA. For instance, a mandatory insurance plan provided by employers refers to employer-sponsored health insurance but does not embody the savings aspect of HSAs. Similarly, an insurance plan that focuses solely on preventative services does not reflect the comprehensive nature of spending that an HSA provides. Lastly, a fund controlled by insurance companies for premium payments speaks to a completely different financial arrangement that lacks the personal investment

4. How does the Residual Disability Benefit differ from Partial Disability Benefit?

- A. It offers fixed payments regardless of work status
- B. It is based on income reduction regardless of hours worked**
- C. It only applies to full-time employees
- D. It requires total disablement for qualification

The Residual Disability Benefit is designed to provide financial support based on the reduction in income that a policyholder experiences due to their disability, rather than simply the hours they are able to work. This aspect is crucial because it recognizes that an individual may be able to work part-time or at a reduced capacity but still face significant financial challenges because their income does not match what they were able to earn before the onset of the disability. This benefit calculates the amount of payment based on the actual income loss resulting from the disability, providing a more accurate form of support tailored to the individual's experience. In contrast, a Partial Disability Benefit may not account for income fluctuations and could be more rigid in how it defines and pays out benefits. Thus, this distinction highlights why the income-driven nature of the Residual Disability Benefit effectively serves the needs of those who have experienced a decline in earnings due to disability, even if they continue to work in some capacity.

5. Which of the following descriptions fits a High Deductible Health Plan (HDHP)?

- A. A plan that allows for low deductibles and high premiums
- B. A plan that requires high out-of-pocket costs before coverage**
- C. A plan that covers every medical expense without limits
- D. A plan that offers comprehensive coverage for dependents

A High Deductible Health Plan (HDHP) is characterized primarily by its higher out-of-pocket costs that must be paid by the insured before the insurance company starts to pay for covered health care expenses. This means that individuals with an HDHP are responsible for covering a substantial amount of their initial medical costs, which can incentivize them to manage their health care expenditures more judiciously. HDHPs typically come with lower premiums compared to plans with lower deductibles. This structure is intended to help consumers save money on monthly premiums while still giving them a health coverage option. However, the trade-off is that individuals need to be prepared to pay a higher deductible before their insurance takes over. In contrast, plans with low deductibles and high premiums are not classified as HDHPs (reflected in one of the other choices). Additionally, HDHPs do not cover every medical expense without limits or solely offer comprehensive coverage for dependents. These inaccuracies indicate that they do not align with the characteristics associated with High Deductible Health Plans.

6. What does utilization management focus on in healthcare?

- A. Increasing the number of treatments
- B. Ensuring treatments are appropriate and effective**
- C. Reducing overall healthcare costs
- D. Promoting preventive care only

Utilization management in healthcare is essential for ensuring that treatments provided to patients are appropriate and effective. This process involves evaluating the necessity, appropriateness, and efficiency of the healthcare services that patients receive. By scrutinizing treatment plans and determining whether certain procedures or services are justified based on clinical guidelines, healthcare providers aim to optimize patient outcomes while also aligning care with best practices. This focus not only helps ensure that patients receive the right care at the right time but also supports informed decision-making based on evidence. It contributes to patient safety by minimizing the risk of over-treatment, unnecessary procedures, or potential complications from inappropriate care. Thus, the emphasis is primarily on the quality of care rather than simply increasing the volume of services provided. In contrast, while reducing overall healthcare costs, promoting preventive care, or increasing the number of treatments can relate to healthcare management, these aspects are not the primary focus of utilization management. Instead, the goal is to balance care adequacy and effectiveness with resource utilization, making appropriate care paramount.

7. What does UCR stand for in health insurance terms?

- A. Usual, Customary, and Reasonable**
- B. Universal Coverage Requirement
- C. Utilization Control Review
- D. Under Cost Recovery

The term UCR stands for "Usual, Customary, and Reasonable," which is a key concept in health insurance. UCR rates are used to determine how much an insurance company will reimburse a provider for a specific procedure or service. The "usual" rate reflects what providers typically charge for the same service within a given geographic area, the "customary" rate indicates what other providers in the area charge for similar services, and the "reasonable" rate factors in additional considerations to ensure that the fees are justifiable. This approach allows insurers to manage costs while ensuring that healthcare providers receive payment in line with the market rates. This is critical in maintaining balance between providing adequate coverage for patients and controlling insurance premiums. The other options provided do not accurately represent the concept behind UCR in healthcare, as they refer to different processes or policies unrelated to pricing and reimbursement practices.

8. Which of the following is a common exclusion in insurance policies?

- A. Accidental injury at home
- B. Living overseas**
- C. Routine check-ups
- D. Non-emergency medical procedures

Living overseas is a common exclusion in many health insurance policies, particularly for plans that are designed to provide coverage within a specific geographic area, such as a country or region. Health insurance companies often limit coverage for individuals who are residing outside of their main service area because they may be unable to provide adequate access to healthcare services or may not have contracted providers in the area where the insured is living. This exclusion is significant because it can leave policyholders without financial protection in the event of health issues while they are abroad, thus underscoring the importance of understanding the limitations of one's health insurance policy when considering living or traveling overseas. In contrast, accidental injuries at home, routine check-ups, and non-emergency medical procedures typically fall within the scope of coverage, depending on the specific terms of the policy. These elements are generally viewed as standard medical incidents or services that health insurance is designed to cover. As such, they usually do not reflect standard exclusions like living overseas does.

9. When was the North Dakota Life and Health Insurance Guaranty Association created?

- A. 1980
- B. 1983**
- C. 1985
- D. 1990

The North Dakota Life and Health Insurance Guaranty Association was created in 1983 to provide a safety net for policyholders in the event that their insurance company becomes insolvent. This association is designed to protect consumers by ensuring that they will receive their benefits, up to certain limits, if their insurance company is unable to meet its financial obligations. The establishment of this association reflects a proactive approach by the state to foster consumer confidence in the insurance market by providing an added layer of protection for life and health insurance policyholders.

10. What is an example of a situation where urgent care might be utilized?

- A. A routine check-up appointment
- B. Minor injuries like sprains or cuts**
- C. Serious medical emergencies requiring immediate surgery
- D. Follow-up visits for chronic conditions

Urgent care is specifically designed to address non-life-threatening medical issues that require prompt attention, usually in situations that cannot wait for a regular physician's appointment. Minor injuries like sprains or cuts are classic examples where urgent care is appropriate, as they typically require immediate assessment and treatment but are not severe enough to warrant a visit to an emergency room. Routine check-ups and follow-up visits for chronic conditions are generally scheduled with a primary care physician and are not classified as urgent. Likewise, serious medical emergencies requiring immediate surgery fall outside the scope of urgent care; these situations need specialized care found in emergency departments. Therefore, utilizing urgent care for minor injuries allows patients to receive timely attention while also keeping emergency resources available for more critical needs.

SAMPLE

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://ndhealthinsurance.examzify.com>

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

SAMPLE