

REQUEST FOR PROPOSAL (RFP) MILESTONE 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

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- 1. What is the funding mechanism for a level-funded plan?**
 - A. Fixed monthly costs including a fixed premium and claims cost plus margin
 - B. Pay-as-you-go with claims billed monthly
 - C. Annual lump-sum payment plus unknown adjustments
 - D. Variable costs based on utilization only
- 2. Before quoting for union employees, which document must be collected and reviewed?**
 - A. NDA
 - B. CBA
 - C. MSA
 - D. LOA
- 3. What is the funding mechanism for a self-funded plan?**
 - A. Employer is responsible for funding a bank account for all claims processed each month.
 - B. The carrier funds claims based on estimated risk.
 - C. Claims are paid from a government fund.
 - D. The plan uses a fixed premium to the carrier.
- 4. What PEOs do not take on the Cobra exposure/coverage for termed employees?**
 - A. ADPTS and CoAdvantage
 - B. ADP TotalSource
 - C. Insperity
 - D. TriNet
- 5. Which data threshold triggers the requirement to submit claims data with the renewal?**
 - A. Having 50 WSEs
 - B. Having 100+ WSEs
 - C. Having 200+ WSEs
 - D. Having 150+ WSEs

- 6. If a prospect has EEs in one of the WC monopolistic states, what must they provide in TPP?**
- A. A document or screenshot from the state WC portal showing WC classification codes and rates
 - B. A payroll ledger for last year
 - C. A certificate of insurance
 - D. A consumer credit report
- 7. Which statement best describes the TPP's nature?**
- A. True
 - B. False
 - C. Not sure
 - D. Sometimes
- 8. For returning TriNet clients, what must be checked before quoting?**
- A. Language preference
 - B. Market segment
 - C. Duplicate accounts in Salesforce
 - D. Client's payment history
- 9. Which field indicates whether an employee is eligible for benefits?**
- A. Home Zip Code
 - B. Date of Birth
 - C. Gender
 - D. Employment Type
- 10. Which must-have item ensures correct employee billing?**
- A. Coverage level
 - B. Legal entity name matches
 - C. Individual employee names
 - D. Invoice date

Answers

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

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Explanations

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1. What is the funding mechanism for a level-funded plan?

- A. Fixed monthly costs including a fixed premium and claims cost plus margin
- B. Pay-as-you-go with claims billed monthly
- C. Annual lump-sum payment plus unknown adjustments
- D. Variable costs based on utilization only

At the heart is a fixed monthly payment structure. In a level-funded plan, the employer pays the same amount every month, and that payment is set to cover an estimated level of claims plus administrative costs and a margin for the insurer. This creates predictability in budgeting because the cost isn't jumping month to month with actual claims. At the end of the plan year, actual claims are tallied and reconciled against what was paid. If claims were lower than expected, some funds may be refunded or applied to the next year; if higher, the difference is handled in the renewal, possibly with adjustments to the next year's fixed cost. This approach contrasts with pay-as-you-go funding, which fluctuates with utilization; with an annual lump-sum payment, there isn't a regular fixed monthly contribution; and with purely utilization-based costs, there's no steady monthly premium.

2. Before quoting for union employees, which document must be collected and reviewed?

- A. NDA
- B. CBA
- C. MSA
- D. LOA

The essential document is the collective bargaining agreement. This binding contract between the employer and the union sets the terms that directly impact pricing and execution for unionized work: wage scales and overtime, benefits, job classifications, shift rules, seniority, work practices, and any hiring or subcontracting requirements tied to the union. By collecting and reviewing the CBA before quoting, you ensure your labor costs are accurate, the scope of work aligns with what the union allows, and you stay compliant with the negotiated rules. Skipping this review can lead to mispriced bids, misclassified labor, or contractual issues once the project begins. Other documents have different roles: a nondisclosure agreement protects confidential information, a master service agreement covers general terms for ongoing work, and a letter of authorization simply designates someone to act on behalf of another party; none of these govern the specific terms for union labor like a CBA does.

3. What is the funding mechanism for a self-funded plan?

- A. Employer is responsible for funding a bank account for all claims processed each month.
- B. The carrier funds claims based on estimated risk.
- C. Claims are paid from a government fund.
- D. The plan uses a fixed premium to the carrier.

Self-funded plans place the responsibility for paying claims directly with the employer. Instead of sending premiums to an insurer, the employer funds actual claim costs from a dedicated account (often managed with a third-party administrator to process claims) and may add stop loss coverage to cap large losses. This arrangement is why funding a bank account to cover claims as they're processed is the best description of the funding mechanism. The other descriptions describe insured models or government-funded schemes, where the insurer or the government bears the claim cost or a fixed premium is paid, which does not apply to self-funding.

4. What PEOs do not take on the Cobra exposure/coverage for termed employees?

A. ADPTS and CoAdvantage

B. ADP TotalSource

C. Insperity

D. TriNet

Cobra exposure is about who handles the administration of COBRA continuation coverage after a termination. Some PEOs include COBRA administration as part of their services, taking on the responsibility for notices, elections, and premium handling. Others do not assume that exposure and instead leave COBRA duties to the client or to a separate administrator. The pair that does not take on COBRA exposure for termed employees is ADP TotalSource and CoAdvantage. That's why this option is correct: it identifies the two PEOs that typically don't handle COBRA administration for terminations, while the other listed PEOs generally include COBRA administration as part of their offerings.

5. Which data threshold triggers the requirement to submit claims data with the renewal?

A. Having 50 WSEs

B. Having 100+ WSEs

C. Having 200+ WSEs

D. Having 150+ WSEs

This item tests how data-submission obligations are tied to the size of the client, using WSEs to measure that size. WSEs give a consistent way to count a group's scale, so procurement rules can decide when more detailed information is needed. When a renewal applies to a mid-sized group, the buyer usually requires claims data to be submitted so they can accurately assess risk, validate pricing, and ensure the renewal reflects actual claims experience. That mid-sized threshold is the point at which the additional data becomes necessary, whereas the smallest groups typically aren't required to provide claims data and the largest groups may face even broader data-sharing expectations. So, the option describing claims data submission at the mid-sized threshold best fits this rule.

6. If a prospect has EEs in one of the WC monopolistic states, what must they provide in TPP?

A. A document or screenshot from the state WC portal showing WC classification codes and rates

B. A payroll ledger for last year

C. A certificate of insurance

D. A consumer credit report

In workers' compensation monopolistic states, proof of coverage is handled through the state fund and verified via the state's WC portal. When a prospect has employees in such a state, the required submission is a document or screenshot from that portal that shows the WC classification codes assigned to their employees and the rates that apply. This is the authoritative evidence that coverage exists and is correctly categorized for premium calculation. A payroll ledger doesn't prove coverage or show the specific classification codes and rates. A certificate of insurance is typically used for private WC policies, which don't apply in monopolistic states. A consumer credit report has no relevance to workers' compensation verification.

7. Which statement best describes the TPP's nature?

- A. True
- B. False
- C. Not sure
- D. Sometimes

This item tests understanding that the TPP is a defined, formal element within the RFP milestone process. The statement is true because the TPP is described as a planning and governance framework that is structured, documented, and consistently applied to map milestones, deliverables, and acceptance criteria. Since the TPP's role is to provide a repeatable method for evaluating progress against predefined requirements, the truth of that description makes it the best answer. The other options imply uncertainty or variability that doesn't align with how the TPP is presented in this context.

8. For returning TriNet clients, what must be checked before quoting?

- A. Language preference
- B. Market segment
- C. Duplicate accounts in Salesforce
- D. Client's payment history

Reviewing the client's payment history is essential because it directly informs the level of financial risk and the appropriate quote terms. By looking at past payments, you can gauge reliability, identify any outstanding balances or late payments, and decide whether standard terms are appropriate or if discounts, deposits, or stricter credit terms are necessary. This ensures the quote reflects real risk and helps prevent committing to terms that the client may not be able to honor. Language preference and market segment can influence how a service is delivered or how the quote is framed, but they don't reveal financial risk and aren't the critical factors needed to determine quote terms. Keeping data clean, like avoiding duplicate accounts in Salesforce, is important for record accuracy, but it doesn't impact the immediate decision about pricing or terms."

9. Which field indicates whether an employee is eligible for benefits?

- A. Home Zip Code
- B. Date of Birth
- C. Gender
- D. Employment Type

Eligibility for benefits is determined by the nature of an employee's relationship to the company, which is captured by the employment type field. This field distinguishes full-time, part-time, contract, or temporary roles, and benefits are typically offered based on that relationship—full-time employees are usually eligible, while others may not be, depending on policy. The other fields don't indicate eligibility in the same way. Home Zip Code relates to location, Date of Birth is used for age-related checks or verification, and Gender is not used to determine benefits eligibility in standard HR practices.

10. Which must-have item ensures correct employee billing?

- A. Coverage level
- B. Legal entity name matches
- C. Individual employee names**
- D. Invoice date

Having individual employee names on the invoice creates a direct, auditable link between each charge and the person who performed the work. This allows timesheets, task codes, and rate structures to be cross-checked, ensuring charges go to the right person and are easy to verify or dispute if needed. In contrast, a coverage level describes scope at a high level, a legal entity name affects company-wide billing, and the invoice date governs timing rather than who is billed. So listing each employee name is the clearest way to ensure accurate, traceable employee billing.

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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://rfpmilestone.examzify.com>

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

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