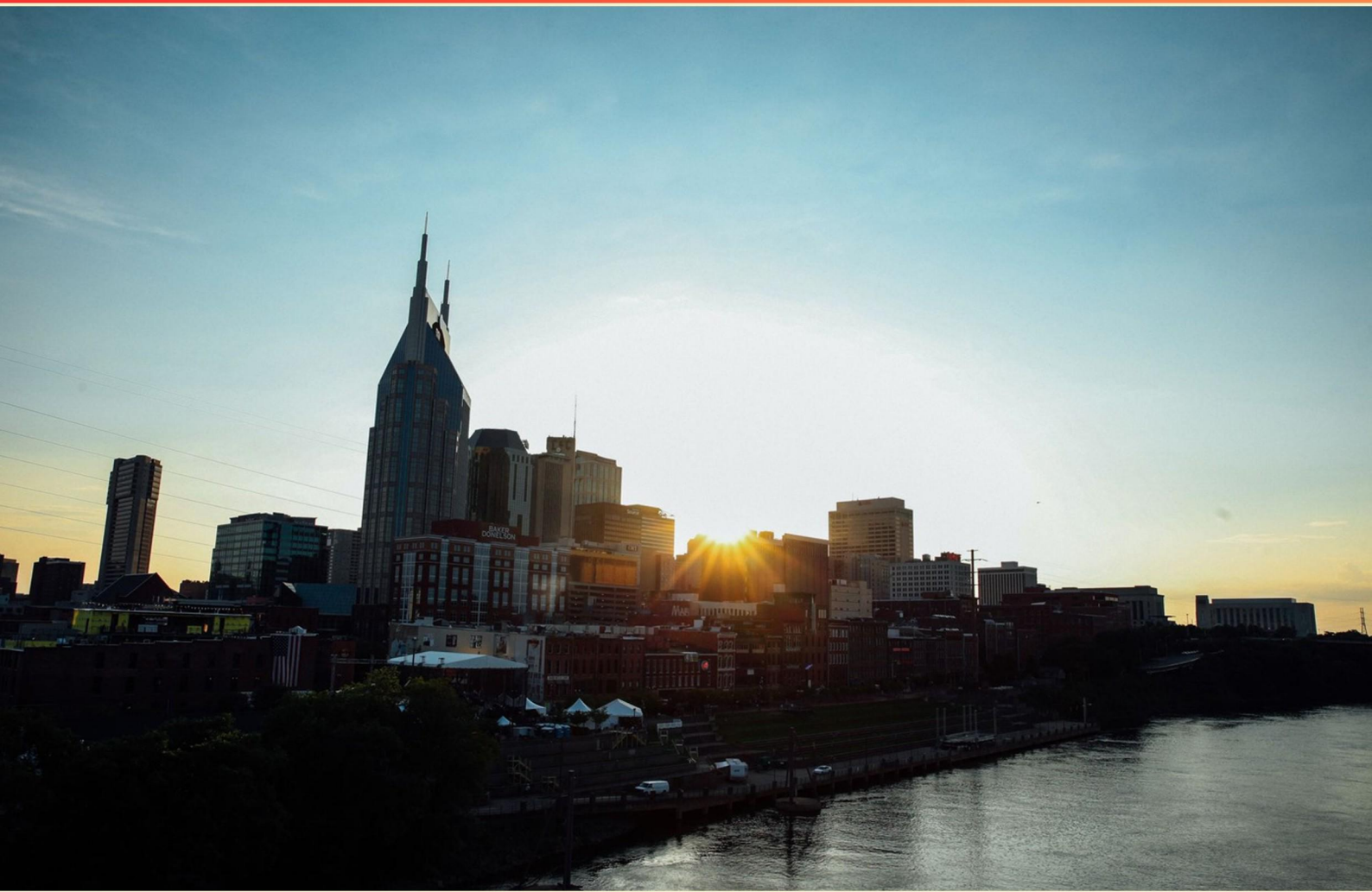


TENNESSEE LIFE AND HEALTH INSURANCE PRACTICE EXAM (SAMPLE)

STUDY GUIDE



**SAMPLE STUDY GUIDE
WITH LIMITED QUESTIONS**

**VISIT US ONLINE FOR
THE FULL VERSION STUDY GUIDE**

<https://tennesseelifeandhealthinsurance.examzify.com>



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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 type of coverage is typically provided under a family maintenance policy?**
 - A. Whole life for the breadwinner
 - B. Term coverage for all family members
 - C. Permanent coverage for children until age 18
 - D. All of the above
- 2. What type of coverage is provided for injuries that happen while off duty?**
 - A. Workers compensation
 - B. Nonoccupational coverage
 - C. Occupational coverage
 - D. Life income
- 3. What type of life insurance is taken out to buy out a deceased partner's spouse or family?**
 - A. Whole Life Insurance
 - B. Term Life Insurance
 - C. Buy-Sell Life Insurance
 - D. Universal Life Insurance
- 4. How much insurance coverage does a substandard risk have if they pay the same premium as a normal risk with a \$20,000 coverage?**
 - A. \$15,000
 - B. \$20,000
 - C. \$25,000
 - D. \$30,000
- 5. Under which condition can an insurer cancel an optionally renewable policy?**
 - A. At any time
 - B. Upon policy renewal date
 - C. At any premium due date or anniversary date
 - D. After one year of the contract

- 6. What is typically a requirement for a valid insurance policy?**
- A. It must be unconditional
 - B. It must promote mutual interests
 - C. It must have legal capacity from both parties
 - D. It must provide a face value
- 7. What document provides a summary of the benefits and exclusions of your policy?**
- A. Policy summary
 - B. Coverage outline
 - C. Exclusion document
 - D. Benefits analysis
- 8. What type of benefit does a premium payment in term life insurance primarily provide?**
- A. Investment growth
 - B. Protection for a specified term
 - C. Lifetime coverage
 - D. Tax-free legacy
- 9. What type of Medicare plan includes both Part A and Part B?**
- A. Medicare Part A
 - B. Medicare Part B
 - C. Medicare Advantage
 - D. Medicare Part D
- 10. What principle states that if it is unclear whether the insured or primary beneficiary died first, the insured is considered to have survived?**
- A. Simultaneous death act
 - B. Grace period
 - C. Reinstatement
 - D. Automatic premium loan

Answers

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

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Explanations

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1. What type of coverage is typically provided under a family maintenance policy?

- A. Whole life for the breadwinner
- B. Term coverage for all family members
- C. Permanent coverage for children until age 18

D. All of the above

A family maintenance policy is designed to provide both term life insurance coverage and permanent life insurance coverage, which can serve the diverse needs of a family. This type of policy typically includes a combination of different insurance components that can benefit various family members. The policy usually features whole life insurance for the primary breadwinner, ensuring lifelong coverage and a cash value buildup that can be accessed or borrowed against in the future. Additionally, it provides term life coverage for all family members, which typically lasts for a specified period during which financial obligations, such as a mortgage or the cost of raising children, are heightened. Furthermore, children are often covered with permanent insurance until a specific age, commonly 18 or 21, depending on the policy terms. Thus, a family maintenance policy uniquely addresses the financial protection needs of the whole family by integrating these different aspects of coverage into a cohesive plan.

2. What type of coverage is provided for injuries that happen while off duty?

- A. Workers compensation
- B. Nonoccupational coverage**
- C. Occupational coverage
- D. Life income

Nonoccupational coverage is designed to provide benefits for injuries and illnesses that occur outside of an individual's job or work-related activities. This type of coverage is essential for instances such as accidents during recreational activities, injuries at home, or health issues arising from non-work-related events. It is often included in health insurance plans to ensure that individuals are protected regardless of their employment status or work environment. In contrast, workers' compensation specifically addresses injuries that occur as a direct result of job-related duties, meaning it would not apply to injuries happening during leisure time or non-work activities. Occupational coverage pertains to protection offered for work-related illnesses and injuries, thus further differentiating it from nonoccupational concerns. Life income, on the other hand, relates to a benefit payment structure that guarantees income for the lifetime of the insured but does not pertain to injury coverage. Therefore, nonoccupational coverage is the correct type of insurance for injuries occurring while off duty.

3. What type of life insurance is taken out to buy out a deceased partner's spouse or family?

- A. Whole Life Insurance
- B. Term Life Insurance
- C. Buy-Sell Life Insurance**
- D. Universal Life Insurance

Buy-sell life insurance is specifically designed to address the financial needs that arise when a business partner passes away. This type of insurance provides the necessary funds for the surviving partners to buy out the deceased partner's interest in the business from their estate or family. In essence, it ensures that the deceased partner's family is compensated fairly, while allowing the business to continue operating without disruption. The key function of this type of policy is to establish a prearranged agreement between business partners, which outlines how the death benefit will be utilized to facilitate the buyout. It effectively protects the business from potential conflicts regarding ownership and provides financial security for the deceased partner's beneficiaries. Whole life insurance, term life insurance, and universal life insurance, while valuable in their own right, do not specifically cater to the needs associated with funding a buy-sell agreement. Whole life offers lifelong coverage with a cash value component, term life provides only temporary coverage for a specified period, and universal life includes flexible premiums and death benefits. However, none of these directly relate to the structured buyout of a partner's stake in a business.

4. How much insurance coverage does a substandard risk have if they pay the same premium as a normal risk with a \$20,000 coverage?

- A. \$15,000**
- B. \$20,000
- C. \$25,000
- D. \$30,000

In the context of insurance underwriting, a substandard risk is classified as an individual whose health or lifestyle presents a greater risk for the insurer than that of a standard risk. When a substandard risk pays the same premium as a standard risk for coverage, they typically receive a reduced coverage amount due to the higher risk associated with their health status. In this scenario, if a substandard risk pays the same premium as a normal risk that is typically linked to \$20,000 of coverage, it's understood that the insurer adjusts the total coverage downward to mitigate potential losses from the higher risk. Hence, a coverage amount of \$15,000 is a logical figure, reflecting a standard reduction for someone categorized as a substandard risk while still maintaining the same premium level. This interpretation aligns with common practices in underwriting, where insurers often issue lower coverage amounts to substandard risks as a compensatory measure against the increased likelihood of claims. The critical point is that the premium does not dictate the coverage level for a substandard risk, which inherently adjusts to account for the perceived risk.

5. Under which condition can an insurer cancel an optionally renewable policy?

- A. At any time
- B. Upon policy renewal date
- C. At any premium due date or anniversary date**
- D. After one year of the contract

An optionally renewable policy allows the insurer to decide whether to continue coverage at specified intervals, typically at each premium due date or policy anniversary date. This means that the insurer has the right to cancel the policy but must do so in conjunction with these specific times, rather than arbitrarily or at any moment. The key aspect of optionally renewable policies is the predetermined structure that governs when decisions must be made about renewal or cancellation. This structure is essential because it provides some stability for the policyholder, who can expect the insurer to make renewal decisions based on these laid-out timelines. Other options reference broader or less defined conditions for cancellation, which do not align with the specific regulations surrounding optionally renewable policies. This distinction highlights the importance of understanding the nature of different policy types and the implications these characteristics have for both insurers and policyholders.

6. What is typically a requirement for a valid insurance policy?

- A. It must be unconditional
- B. It must promote mutual interests
- C. It must have legal capacity from both parties**
- D. It must provide a face value

A valid insurance policy typically requires legal capacity from both parties involved, which means that both the insurer and the insured must have the legal ability to enter into a contract. This entails that both parties must be of legal age (usually 18 years or older), of sound mind, and not under duress or undue influence at the time of signing the agreement. This requirement ensures that the policy is enforceable and that both parties understand their rights and obligations under the terms of the contract. Legal capacity protects the integrity of the agreement and ensures that it stands up to scrutiny in a court of law if necessary. While having conditions and mutual interests can play significant roles in policy design and relationships between parties, they are not fundamental legal requirements for the validity of the contract itself. Elements like face value may be important for the terms of the policy, but without the legal capacity to enter an agreement, the policy itself cannot be considered valid, as the contract would be void from the outset.

7. What document provides a summary of the benefits and exclusions of your policy?

A. Policy summary

B. Coverage outline

C. Exclusion document

D. Benefits analysis

The document that provides a summary of the benefits and exclusions of a policy is known as the policy summary. This summary is designed to give policyholders a concise overview of the key features of their insurance coverage, allowing them to understand the benefits they will receive as well as any limitations or exclusions that may apply. The policy summary typically includes important details such as coverage amounts, premium costs, and specific exclusions that are critical for the insured to be aware of. This makes it a vital resource for understanding the specifics of one's insurance coverage, ensuring informed decision-making regarding their policy. Other types of documents, like a coverage outline or a benefits analysis, may provide some information surrounding the policy, but they typically do not encompass the comprehensive overview that the policy summary includes. For instance, a coverage outline might detail the overall structure of the policy without specifically enumerating exclusions or offering a comprehensive summary.

8. What type of benefit does a premium payment in term life insurance primarily provide?

A. Investment growth

B. Protection for a specified term

C. Lifetime coverage

D. Tax-free legacy

In term life insurance, the primary benefit provided by premium payments is protection for a specified term. This means that the policyholder pays premiums for a predetermined period—such as 10, 20, or 30 years—during which the insurance company guarantees a death benefit to the beneficiaries if the insured dies within that time frame. The essential purpose of term life insurance is to offer financial security and peace of mind by ensuring that loved ones will receive a specified amount of money if the insured passes away while the policy is active. Unlike whole life or universal life insurance, term life does not build cash value or investment growth. It is a pure insurance product designed to provide coverage for a specific duration, rather than a lifetime. Therefore, the concept of lifetime coverage—or the policy's ability to accrue cash value to be drawn against later—is not applicable in the context of term life insurance. Additionally, while term life insurance can offer a tax-free death benefit—a scenario encapsulated in the concept of a tax-free legacy—this aspect is not a direct result of the premium payments. Instead, it pertains to the general tax treatment of life insurance proceeds, rather than the primary benefit package associated with term insurance specifically.

9. What type of Medicare plan includes both Part A and Part B?

- A. Medicare Part A
- B. Medicare Part B
- C. Medicare Advantage**
- D. Medicare Part D

The correct answer is Medicare Advantage, also known as Medicare Part C. This type of plan is significant because it combines the benefits of both Medicare Part A (hospital insurance) and Medicare Part B (medical insurance) into a single plan. By enrolling in a Medicare Advantage plan, beneficiaries receive coverage for hospital stays, doctor visits, outpatient care, preventive services, and often additional benefits that are not included in Original Medicare, such as vision, dental, and wellness programs. Medicare Advantage plans are offered by private insurance companies that are approved by Medicare, and these plans must provide at least the same level of coverage as Original Medicare, even though they may have different rules, costs, and coverage limitations. In contrast, Medicare Part A only covers hospital services, while Medicare Part B covers outpatient medical services. Medicare Part D specifically focuses on prescription drug coverage, making Medicare Advantage the only option that encompasses both hospital and medical coverage in one plan. This integration can provide a more cohesive and managed care approach for beneficiaries.

10. What principle states that if it is unclear whether the insured or primary beneficiary died first, the insured is considered to have survived?

- A. Simultaneous death act**
- B. Grace period
- C. Reinstatement
- D. Automatic premium loan

The principle that states if there is ambiguity regarding whether the insured or the primary beneficiary died first, the insured is deemed to have survived is known as the Simultaneous Death Act. This legal concept is significant in the context of life insurance because it helps in resolving disputes regarding the distribution of benefits in situations where both parties may have died under circumstances that make it impossible to determine the order of death. This principle is particularly important in ensuring that the life insurance proceeds are directed to the rightful beneficiaries. By presuming that the insured survived the beneficiary, the benefits are then paid to the contingent beneficiaries or the insured's estate rather than being lost or delayed due to uncertainty about the order of deaths. The other concepts mentioned do not address the issue of simultaneous deaths. For instance, a grace period refers to the time allowed for premium payments after the due date without penalty, while reinstatement pertains to the process of reactivating a lapsed policy by meeting certain conditions. An automatic premium loan is a provision that allows an insurer to deduct premium payments from the policy's cash value if premiums are overdue. Each of these terms serves a different function in the context of insurance policies and does not relate to the clarification of beneficiary entitlement in cases of simultaneous death.

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://tennesseelifeandhealthinsurance.examzify.com>

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

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