

# Virginia Life and Health Practice Exam (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

- 1. What is the purpose of a summary of benefits and coverage (SBC)?**
  - A. To outline the claims process for insurance**
  - B. To provide consumers with standardized information about a health plan's coverage and costs**
  - C. To list all available healthcare providers in the plan**
  - D. To detail pricing for individual medical services**
- 2. What is the function of a "waiver of premium" rider?**
  - A. Allows the policyholder to transfer the policy**
  - B. Allows the policyholder to skip premium payments if disabled**
  - C. Provides additional death benefits**
  - D. Increases the cash value of the policy**
- 3. If an insured becomes quadriplegic, how will their premiums be affected with a Waiver of Premium rider?**
  - A. The insured pays premiums as usual**
  - B. The rates will be reduced significantly**
  - C. The insured pays for one year then the rate changes**
  - D. The insured pays premiums for six months, then they are waived**
- 4. What is considered a benefit of having health insurance?**
  - A. Guaranteed immediate coverage for all services**
  - B. Financial protection against unexpected medical expenses**
  - C. Unlimited access to any type of healthcare facility without restrictions**
  - D. Reduced tax liabilities for all medical expenses**
- 5. What distinguishes "universal life insurance" from other life insurance types?**
  - A. It provides a fixed death benefit only**
  - B. It combines life coverage with a cash value investment component**
  - C. It requires no premium payments**
  - D. It is designed solely for investment purposes**

- 6. What is the role of a claims adjuster?**
- A. To promote insurance policies to clients**
  - B. To investigate and determine the amount to pay for claims**
  - C. To handle marketing strategies for the insurance company**
  - D. To approve new insurance agents**
- 7. In the event of accidental death, for which of the following losses would an insured typically receive the principal amount of the policy?**
- A. Loss of the primary hand of the insured**
  - B. Loss of use of the primary hand of the insured**
  - C. Loss of vision in 1 eye**
  - D. Loss of vision in both eyes**
- 8. What is "loss ratio" in insurance?**
- A. The ratio of claims paid to total insurance premiums collected**
  - B. A percentage of policies that result in claims**
  - C. The amount of profit made from insurance premiums**
  - D. The cost of managing insurance claims**
- 9. What is the primary purpose of a suicide provision in a life insurance policy?**
- A. To deter policyowners from committing suicide**
  - B. To protect the policyowner**
  - C. To safeguard the insurer from intentional suicides**
  - D. To allow for a claim after a waiting period**
- 10. What does the "coinsurance" clause in health policies require?**
- A. The insured to pay a flat fee for every service**
  - B. The insured to pay a certain percentage of costs after deductible**
  - C. The insurer to cover all costs of treatment**
  - D. The insured to pay for preventive care only**



## **Answers**

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

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## **Explanations**

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**1. What is the purpose of a summary of benefits and coverage (SBC)?**

- A. To outline the claims process for insurance**
- B. To provide consumers with standardized information about a health plan's coverage and costs**
- C. To list all available healthcare providers in the plan**
- D. To detail pricing for individual medical services**

The purpose of a summary of benefits and coverage (SBC) is to provide consumers with standardized information about a health plan's coverage and costs. This document is designed to help individuals easily compare different health insurance options so they can make informed decisions about their healthcare. The SBC includes crucial details such as what services are covered, the limitations and exceptions to those services, the cost-sharing aspects (like deductibles and copayments), the total out-of-pocket maximum, and any other essential features of the health plan. This standardization ensures that consumers receive the same type of information regardless of the insurer, making it easier to understand the features and benefits of different health plans. While the claims process, listings of providers, and pricing for individual medical services are important aspects of health insurance, they are not the primary purpose of the SBC. The SBC focuses specifically on providing a clear and concise overview of coverage and costs, making it a critical tool for consumers navigating their health insurance options.

**2. What is the function of a "waiver of premium" rider?**

- A. Allows the policyholder to transfer the policy**
- B. Allows the policyholder to skip premium payments if disabled**
- C. Provides additional death benefits**
- D. Increases the cash value of the policy**

The function of a "waiver of premium" rider is to allow the policyholder to skip premium payments if they become disabled. This rider ensures that if the insured is unable to earn an income due to a disability, the life insurance policy remains in force without the need for premium payments during the period of disability. This is particularly beneficial as it prevents the risk of losing coverage at a time when the insured's financial situation may be compromised due to their inability to work. The other options do not align with the function of the waiver of premium rider. Transferring the policy, providing additional death benefits, or increasing the cash value are separate features that relate to different aspects of life insurance policies, but they do not pertain to the specific mechanism of allowing premium payments to be waived due to disability.

3. If an insured becomes quadriplegic, how will their premiums be affected with a Waiver of Premium rider?
- A. The insured pays premiums as usual
  - B. The rates will be reduced significantly
  - C. The insured pays for one year then the rate changes
  - D. The insured pays premiums for six months, then they are waived**

When an insured becomes quadriplegic and has a Waiver of Premium rider attached to their policy, this rider is specifically designed to protect them from the burden of paying premiums during a time when they may face significant financial challenges due to their disability. The Waiver of Premium rider typically states that if the insured becomes totally disabled, the insurance company waives the premium payments for a defined period or for the remainder of the policy, depending on the terms. In many cases, there is usually a waiting period after the onset of the disability before the waiver takes effect. The chosen answer indicates that the insured must pay premiums for a set duration, in this scenario, six months, after which their premiums will be waived. This aligns with standard practices for Waiver of Premium riders, as they often involve a grace period to ensure that the claim is validated before waiving future premium obligations. Thus, understanding the function of a Waiver of Premium rider is crucial, as it provides financial relief by removing the responsibility for premium payments when the insured is unable to earn income due to their condition, while also often incorporating an initial waiting period before the waiver is activated.

4. What is considered a benefit of having health insurance?
- A. Guaranteed immediate coverage for all services
  - B. Financial protection against unexpected medical expenses**
  - C. Unlimited access to any type of healthcare facility without restrictions
  - D. Reduced tax liabilities for all medical expenses

Having health insurance primarily serves as a safety net for individuals and families against unforeseen medical costs. This financial protection means that when a person incurs unexpected medical expenses, such as surgeries, hospital stays, or emergency services, they are not entirely responsible for covering those costs out of pocket. Instead, health insurance helps to significantly reduce the financial burden by covering a portion or all of the expenses, depending on the specific plan and type of care received. This ensures that individuals can seek necessary healthcare without the fear of crippling financial consequences. The other options do not accurately reflect the benefits provided by health insurance. For instance, guaranteed immediate coverage for all services is not a standard feature of most insurance policies, as many plans have waiting periods, exclusions, or pre-existing condition clauses. The idea of unlimited access to any healthcare facility is also misleading, as health insurance often includes network restrictions, requiring members to use specific providers or facilities to maximize their benefits. Lastly, while health insurance can offer some tax benefits, it does not universally reduce tax liabilities for all medical expenses; specific conditions and regulations apply. Thus, the benefit of financial protection stands out as the most significant and accurate statement regarding health insurance.

**5. What distinguishes "universal life insurance" from other life insurance types?**

- A. It provides a fixed death benefit only**
- B. It combines life coverage with a cash value investment component**
- C. It requires no premium payments**
- D. It is designed solely for investment purposes**

Universal life insurance is distinguished from other types of life insurance primarily because it combines life coverage with a cash value investment component. This means that policyholders not only have the death benefit protection typical of life insurance, but they also have the flexibility to accumulate cash value over time. The cash value can grow based on interest rates declared by the insurer, and policyholders have the ability to withdraw or borrow against this accumulation, giving them greater financial versatility than with many traditional life insurance policies. In contrast, other types of life insurance, such as term life, typically only provide a death benefit and do not accumulate cash value. Whole life insurance does have a cash value but usually offers less flexibility in terms of premium payments and death benefits as compared to universal life. The nature of universal life allows policyholders the ability to adjust their premium payments and even the death benefit amount, making it a more adaptable financial instrument in comparison to fixed-benefit products. The other options highlight features that either do not align with the characteristics of universal life insurance or misrepresent its fundamental purpose. For instance, universal life does not only provide a fixed death benefit; it allows for adjustment based on policyholder decisions. Additionally, premium payments are very much a part of the policy structure, offering

**6. What is the role of a claims adjuster?**

- A. To promote insurance policies to clients**
- B. To investigate and determine the amount to pay for claims**
- C. To handle marketing strategies for the insurance company**
- D. To approve new insurance agents**

The role of a claims adjuster is primarily to investigate and assess claims made by policyholders to determine the validity of the claim and the appropriate amount for the insurance payout. This process involves reviewing the details of the claim, which can include speaking with the claimant, examining evidence, and assessing any damage or loss. By carefully analyzing the information provided, the claims adjuster ensures that the insurance company fulfills its obligation to pay valid claims while also protecting the company's financial interests. This position is crucial because it helps maintain the balance between fair compensation for the insured and the management of the insurer's resources. By relying on factual data and evidence, claims adjusters play a vital role in the integrity of the claims process within the insurance industry.

**7. In the event of accidental death, for which of the following losses would an insured typically receive the principal amount of the policy?**

- A. Loss of the primary hand of the insured**
- B. Loss of use of the primary hand of the insured**
- C. Loss of vision in 1 eye**
- D. Loss of vision in both eyes**

An insured would typically receive the principal amount of the policy for the loss of vision in both eyes because this type of loss is often classified as a total loss, which is usually covered under accidental death and dismemberment (AD&D) policies. In the context of these policies, a total loss of sight in both eyes is considered a significant and irrevocable impairment, warranting full payment of the principal sum. In contrast, the other scenarios involve partial or less severe losses that may not qualify for the same level of benefit. The loss of a limb or the loss of use of a limb generally results in a benefit that is a fraction of the total policy amount, not the full principal sum, due to the nature of the impairment being less severe than complete vision loss. Similarly, losing vision in just one eye typically results in a lesser benefit compared to the complete loss of vision in both eyes, which recognizes the magnitude and the impact of the impairment on the insured's life.

**8. What is "loss ratio" in insurance?**

- A. The ratio of claims paid to total insurance premiums collected**
- B. A percentage of policies that result in claims**
- C. The amount of profit made from insurance premiums**
- D. The cost of managing insurance claims**

The concept of "loss ratio" in insurance refers to the ratio of claims paid to total insurance premiums collected. This measurement is crucial for insurers as it indicates the financial health of an insurance company. A higher loss ratio suggests that a larger proportion of premiums is being used to pay claims, which could signal potential issues such as underpricing of policies or an increase in claims frequency. Conversely, a lower loss ratio may indicate that the insurer is effectively managing risks and claims, leading to better profitability. This metric is particularly useful for insurance companies to assess performance over time and make decisions about price adjustments, underwriting practices, and reserve management. It reflects a balance between the amount of premium income received and the claims being paid out, essentially measuring the effectiveness of an insurer's risk assessment and pricing strategies. Other options do not accurately define loss ratio. Although some may relate to aspects of insurance operations, they do not encapsulate the fundamental definition of loss ratio itself. Understanding this key term is vital for anyone studying insurance practices, as it directly impacts financial outcomes for insurers and their ability to remain solvent while providing coverage to policyholders.

**9. What is the primary purpose of a suicide provision in a life insurance policy?**

- A. To deter policyowners from committing suicide**
- B. To protect the policyowner**
- C. To safeguard the insurer from intentional suicides**
- D. To allow for a claim after a waiting period**

The primary purpose of a suicide provision in a life insurance policy is to safeguard the insurer from intentional suicides. This provision typically specifies a period during which the death benefit will not be paid if the insured dies by suicide. The rationale behind this is to prevent individuals from taking out life insurance policies with the intent to commit suicide shortly thereafter, thereby protecting the insurer from financial losses resulting from such actions. These provisions serve to maintain the integrity of the insurance system and discourage fraudulent claims. By implementing a waiting period, insurers can reduce the risk that the policy was purchased purely for the financial benefit of the beneficiaries in the event of the insured's suicide. This exists not only to protect the company's interests but also to encourage the provision of coverage with the assumption that the insured intends to live a long life.

**10. What does the "coinsurance" clause in health policies require?**

- A. The insured to pay a flat fee for every service**
- B. The insured to pay a certain percentage of costs after deductible**
- C. The insurer to cover all costs of treatment**
- D. The insured to pay for preventive care only**

The coinsurance clause in health policies specifically requires the insured to pay a certain percentage of expenses after meeting their deductible. This means that once the insured has paid their deductible amount—a predetermined out-of-pocket cost—the insurer and insured will share subsequent costs, with the insured responsible for a specified percentage of those costs. For example, in an 80/20 coinsurance arrangement, the insurer covers 80% of the costs, while the insured pays the remaining 20%. This arrangement encourages shared financial responsibility and helps to reduce overutilization of medical services, as insured individuals are more likely to consider the costs associated with their care. The other choices do not accurately reflect the purpose or implementation of coinsurance, as they either relate to flat fees, total coverage by the insurer, or focus solely on preventive care.



## 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://valifeandhealth.examzify.com>**

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