STATE OF OREGON

DIVISION OF FINANCIAL REGULATION

CANDIDATE INFORMATION BULLETIN

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Please refer to our website to check for the most updated information at www.psiexams.com

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Revised 1/2/2019
EXAMINATIONS BY PSI

This Candidate Information Bulletin provides you with information about the examination and application process for insurance licensing in the State of Oregon.

The Division of Financial Regulation has contracted with PSI to conduct the examination program. PSI provides examinations through a network of computer examination centers in Oregon. PSI works closely with the State to be certain that examinations meet local as well as national requirements in basic principles and examination development standards.

The Division of Financial Regulation will begin using State Based Systems (SBS) effective May 7, 2012. With the SBS implementation we will take the opportunity to implement several NAIC uniformity initiatives as well as the opportunity to streamline many of our processes. SBS also provides a wide array of online tools that allow you to submit, view and print license information on a 24/7 basis. For more information on changes affecting individual and business entity licensing, see http://www.statebasedsystems.com/ORAnnouncement.pdf.

EXAMINATION AND LICENSURE REQUIREMENTS

All candidates must complete the required hours of prelicensure education. You are required to have, in your possession, a valid school Certificate of Completion before contacting PSI to register and schedule for an examination. This certificate must have a valid school code. THIS CERTIFICATE EXPIRES ONE YEAR TO THE DAY FROM THE DATE IT IS ISSUED. CANDIDATES MUST PASS THE EXAMINATION AND APPLY FOR LICENSURE BEFORE THAT EXPIRATION DATE.

General Lines Insurance Adjuster, Health Insurance, Adjuster, and Surplus Lines Insurance Producer are the ONLY examinations that does not require verification.

Upon passing the examination, the candidate must complete electronic fingerprints, and submit a completed license application to the Division of Financial Regulation.

Division of Financial Regulation
Phone: 503.947.7981
Fax: 503.378.4351
Email: dcbs.istsmail@oregon.gov
Web site: www.dfr.oregon.gov

Upon approval of licensure, your status will be posted on the division’s website.

Fingerprinting Note: All applicants must provide a set of fingerprints to the Division of Financial Regulation for the purpose of conducting a state and national fingerprint-based criminal history record.

You must be electronically fingerprinted at one of PSI Oregon sites, during regular testing hours, on the day of your examination. The prints will be forwarded electronically to the appropriate review agencies. You will pay the fingerprinting fee at the test site on the day of testing.

The $56.25 fee, is payable by money order, cashier’s check, company check, VISA or MasterCard. This payment includes the State processing fee of $41.25, and the PSI processing fee of $15.00. Please note: this process may take up to 4 weeks. Ink cards will not be accepted by the Division.

If you have an existing, valid Oregon Insurance License and are testing for another Class of Insurance, you do NOT need to be fingerprinted. Prints expire six months from the date you are printed.

Candidates do not need to be fingerprinted:
- If you have an existing, valid Oregon Insurance License and are testing for another Class of Insurance.

PRELICENSING EDUCATION REQUIREMENTS

Prelicensing education training must be completed before taking the required examination. Resident producer license candidates must obtain training specific to the class for which they wish to be licensed (see chart below).

<table>
<thead>
<tr>
<th>License Type</th>
<th>Minimum Hours Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life</td>
<td>20 hours</td>
</tr>
<tr>
<td>Property</td>
<td>20 hours</td>
</tr>
<tr>
<td>Casualty</td>
<td>20 hours</td>
</tr>
<tr>
<td>Personal Lines</td>
<td>20 hours</td>
</tr>
<tr>
<td>Health</td>
<td>20 hours</td>
</tr>
</tbody>
</table>

Prelicensing education providers. A list of approved prelicensing training schools is available on the Division’s Web site at www.dfr.oregon.gov.

Certificate of Completion. Once you complete a prelicensing course, the course provider will issue you a Certificate of Completion. The certificate is valid for one year. You must bring the certificate with you to the test center on the day of the examination.

Waivers and exemptions. Pre-licensure education is not required for:
- Adjusters and consultants.
- Surplus Lines examination.
- Life, Health, or Life and Health Producer license applicants holding the Chartered Life Underwriter (CLU) designation. Verification of designation must be submitted to the Division with your license application.
- Property and Casualty Producer license applicants holding the Chartered Property Casualty Underwriter (CPCU) designation. Verification of designation must be submitted to the Division with your license application.

You may contact the Division with questions about waivers. If a waiver is issued, you must bring the original waiver letter with you to the test center on the day of the examination.

Relocating to Oregon. If you were previously licensed in another state, you need not complete any education or examination requirements if you are applying for the same lines authority and your application is received no more than 90 days after the cancellation of your license in the other state and the establishment of your Oregon residency.

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**PRODUCER LICENSE**

Generally, to qualify to receive an Oregon resident producer license, you must:

- Be at least 18 years old.
- Be a resident of, or maintain a place of business in, Oregon.
- Complete any necessary prelicensing education requirements.
- Pass the appropriate license exam(s), if required.

All applicants for an initial resident license will need to submit the “Criminal Records Request” form, the Individual Insurance License application form, electronic fingerprints, and the correct fee to cover license, application, and background check fees.

Surplus lines producers must also be licensed for property and casualty and take a surplus lines exam. The following table shows the producer license classes in Oregon and the series number of the required exam.

<table>
<thead>
<tr>
<th>Class of Insurance</th>
<th>Exam Series</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life</td>
<td>12-01</td>
</tr>
<tr>
<td>Health</td>
<td>12-02</td>
</tr>
<tr>
<td>Life and Health</td>
<td>12-03</td>
</tr>
<tr>
<td>Property and Casualty</td>
<td>12-04</td>
</tr>
<tr>
<td>Property</td>
<td>12-12</td>
</tr>
<tr>
<td>Casualty</td>
<td>12-13</td>
</tr>
<tr>
<td>Personal Lines</td>
<td>12-14</td>
</tr>
<tr>
<td>Surplus Lines</td>
<td>12-05</td>
</tr>
<tr>
<td>Credit</td>
<td>None</td>
</tr>
<tr>
<td>Credit Life</td>
<td>None</td>
</tr>
<tr>
<td>Surety</td>
<td>None</td>
</tr>
<tr>
<td>Title</td>
<td>None</td>
</tr>
<tr>
<td>Trip Travel</td>
<td>None</td>
</tr>
</tbody>
</table>

*Those wishing to apply for both Life and Health licenses at the same time may wish to take this combined exam.

**ADJUSTER LICENSE**

Adjuster license applicants must:

- Be a resident of, or maintain a place of business in, Oregon.
- Pass the appropriate license exam as required by statute.

<table>
<thead>
<tr>
<th>Class of Insurance</th>
<th>Exam Series</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health</td>
<td>12-06</td>
</tr>
<tr>
<td>General Lines</td>
<td>12-07</td>
</tr>
<tr>
<td>Crop</td>
<td>12-15</td>
</tr>
</tbody>
</table>

After you receive your license, you may begin to adjust insurance claims. If you are employed by or contracted with a licensed adjusting firm or corporation, a Notice of Affiliation (Form 440-2139) must be filed with the Division within 30 days.

**CONSULTANT LICENSE**

Generally, to qualify for an Oregon resident consultant license, you must:

- Be a resident of, or maintain a place of business in, Oregon.
- Pass the consultant’s examination required for the particular class of insurance. The examination is waived for Oregon Resident Agents in that class of insurance.
- Have five years of experience in the insurance business or equivalent educational qualifications.
- Submit a current certification of errors and omissions coverage with limits of at least $500,000.

The following table shows the consultant license classes in Oregon and the series number of the required examination.

<table>
<thead>
<tr>
<th>Class of Insurance</th>
<th>Exam Series</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life</td>
<td>12-08</td>
</tr>
<tr>
<td>Health</td>
<td>12-09</td>
</tr>
<tr>
<td>Life and Health</td>
<td>12-10</td>
</tr>
<tr>
<td>General Lines</td>
<td>12-11</td>
</tr>
</tbody>
</table>

After you receive your license, you may begin working as a consultant. If you are employed by or contracted with any licensed consulting firm or corporation that employs that firm, a Notice of Affiliation (Form 440-2139) must be filed with the Division within 30 days.

**BUSINESS ENTITY LICENSE**

A Business Entity License is required of any firm or corporation transacting insurance through an office in Oregon. The business must be properly filed with the Secretary of State’s Corporation Division before applying for the insurance license. Resident firms and corporations should obtain the license for their principal Oregon location and provide the Division with the address and location of each branch office.

Business entities must submit either the NAIC Business Entity Application or the Oregon Business Entity Application (Form 440-3001).

After issuance of the license, a firm or corporation can transact insurance upon the date of contract with an authorized insurer, and only through an affiliated individual.

The business entity must file a Notice of Affiliation (Form 440-2139) with the Division within 30 days.

**VARIABLE LIFE INSURANCE LICENSE**

A Variable Life Insurance license is required before an agent may sell, solicit or negotiate a variable contract. To earn this license, you must pass either exam Series 6 or 7 given by the National Association of Securities Dealers (NASD). In addition, you must be registered with an Oregon securities dealer.

To obtain the Variable Life Insurance license, check the appropriate box on your application form. You must include proof of passing one of the above NASD exams with your application and proof of registration to an Oregon securities dealer.
NONRESIDENT LICENSE REQUIREMENTS

Nonresidents can be licensed to transact insurance in Oregon as producers, adjusters and consultants. Licenses are issued to individuals, firms or corporations. If you are already a licensed agent or broker in your home state, you are exempt from the prelicensing education and examination requirements. You may only conduct your insurance business as an appointed representative of an insurer in Oregon even though licensed as a broker in your home state. Brokering is not permitted in Oregon.

Producers should submit either the NAIC Business Entity Application or the Oregon Individual Insurance License Application (Form 440-3000).

Business entities must obtain a nonresident business entity license before they may transact insurance in any manner in Oregon. They should obtain the license for their principal location in their home state and provide the Division with the address of each branch office in the home state that will do business in Oregon. If the business has offices in other states that will transact insurance in Oregon, those offices must apply for separate licenses. Producer business entities may submit either the NAIC Business Entity Application or the Oregon Business Entity Application (Form 440-3001). Adjuster and consultant business entities may submit the Oregon Business Entity Application (Form 440-3001).

EXAMINATION REGISTRATION AND SCHEDULING PROCEDURES

All questions and requests for information should be directed to PSI.

PSI licensure:certification
3210 E Tropicana
Las Vegas, NV 89121
(800) 733-9267 • Fax (702) 932-2666
www.psiexams.com

Examination fees may be found on the registration form found at the end of this Candidate Information Bulletin. REGISTRATION FEES ARE NOT REFUNDABLE OR TRANSFERABLE. REGISTRATION FEES EXPIRE AFTER ONE YEAR OF REGISTERING.

All eligibilities are valid for 1 year from the date on the Certificate of Completion. If you do not pass the examination(s) within the 1 year period, you must retake the Prelicensing Education Courses.

You may take examinations on an unlimited basis during the 1 year period.

English as a Second Language (ESL) candidates must call PSI at (800) 733-9267 to schedule for their examination, if they wish to receive additional time. Please do not schedule online, as you will not receive the additional time.

INTERNET SCHEDULING

For the fastest and most convenient examination scheduling process, PSI recommends that you register for your examinations using the Internet. You register online by accessing PSI’s registration website at www.psiexams.com. Internet registration is available 24 hours a day.

• Log onto PSI’s website and create an account. You will be asked to put in your email address and the spelling of your name exactly as it is shown on your identification that will be presented at the examination site.
• You will be asked to select the examination. You will then enter your personal and contact information. You will then be ready to pay and schedule for the examination. Enter your zip code and a list of the examination sites closest to you will appear. If you prefer to test at a location outside the state of Oregon, a drop down menu allows you to select a different state. Once you select the desired examination site, available dates will appear.

TELEPHONE SCHEDULING

Call (800) 733-9267, PSI registrars are available to receive payment and to schedule your appointment for the examination. Please call Monday through Friday between 4:30 am and 7:00 pm, and Saturday-Sunday between 8:00 am and 2:30 pm, Pacific Time.

RESCHEDULING/CANCELING AN EXAMINATION APPOINTMENT

You may cancel and reschedule an examination appointment without forfeiting your fee if your cancellation notice is received 2 days before the scheduled examination date. For example, for a Monday appointment, the cancellation notice would need to be received on the previous Saturday. You may reschedule online at www.psiexams.com or call PSI at (800) 733-9267.

Note: A voice mail message is not an acceptable form of cancellation. Please use the PSI Website or call PSI and speak directly to a Customer Service Representative.

RETTAKING A FAILED EXAMINATION

It is not possible to make a new examination appointment on the same day you have taken an examination; this is due to processing and reporting scores. A candidate who tests unsuccessfully on a Wednesday can call the next day, Thursday, and retest as soon as Friday, depending upon space availability. You may schedule online at www.psiexams.com or call PSI at (800) 733-9267.

MISSED APPOINTMENT OR LATE CANCELLATION

Your registration will be invalid, you will not be able to take the examination as scheduled, and you will forfeit your examination fee, if you:

• Do not cancel your appointment 2 days before the schedule examination date;
• Do not appear for your examination appointment;
• Arrive after examination start time;
• Do not present proper identification when you arrive for the examination.
EXAM ACCOMMODATIONS

All examination centers are equipped to provide access in accordance with the Americans with Disabilities Act (ADA) of 1990, and exam accommodations will be made in meeting a candidate’s needs. Applicants with disabilities or those who would otherwise have difficulty taking the examination must fill out the form at the end of this Candidate Information Bulletin and fax to PSI (702) 932-2666. This form also includes out-of-state testing requests.

EXAMINATION SITE CLOSING FOR AN EMERGENCY

In the event that severe weather or another emergency forces the closure of an examination site on a scheduled examination date, your examination will be rescheduled. PSI personnel will attempt to contact you in this situation. However, you may check the status of your examination schedule by calling (800) 733-9267. Every effort will be made to reschedule your examination at a convenient time as soon as possible. You may also check our website at www.psiexams.com.

SOCIAL SECURITY NUMBER CONFIDENTIALITY

PSI will use your social security number only as an identification number in maintaining your records and reporting your examination scores to the state. A Federal law requires state agencies to collect and record the social security numbers of all licensees of the professions licensed by the state.

EXAMINATION SITE LOCATIONS

The following are the examination centers where you may take the Oregon Insurance Licensing Examination(s).

Baker City
2101 Main Street, #203
Baker City, OR 97814
From I-84 take Exit 304 onto Campbell Street. On Campbell Street go 1 mile to Main Street, turn left. Test site is a 1/4 of a mile on the right side, in a brick building before Broadway in the Basch Sage Mini Mall. Enter from Broadway, go upstairs take a left to the end of hall to Room 203. Parking available between Broadway and Church Street, behind the ‘Basche Sage’ testing center building

Bend
325 NW Vermont Pl, #106
Bend, OR 97701
From US-97 going North, take the Revere Ave exit and take a left at the traffic signal. Go one block West to Wall Street and turn left at the traffic light. Continue South on Wall Street for approximately 1/2 mile and turn right onto NW Vermont Pl. The PSI Test Center is the first building on the left.

From US-97 going South, take the Revere Ave exit and go straight at the traffic light. Continue heading South on Wall Street for approximately 1/2 mile and turn right onto NW Vermont Pl. The PSI Test Center is the first building on the left.

Eugene
1955 Empire Park Drive, Suite A
Eugene, OR 97402
From I-5 take Beltline Hwy West to exit #5 Barger Drive. Turn Left at the end of exit ramp. Go .7 miles and turn right onto Empire Park Drive. (JUST before Hwy 99). The first building on the corner is Subway. Second building is PSI exams Suite A. Edward Jones Investments is the other tenant of the building in Suite B.

From Hwy 126 which is also West 11th take Beltline Hwy to exit #5 Barger Drive. Turn right at the end of exit ramp. Go .7 miles and turn right onto Empire Park Drive. (JUST before HWY 99) The first building on the corner is Subway. Second building is PSI exams Suite A. Edward Jones Investments is the other tenant of the building in Suite B.

Please do not park at or near Subway, but instead park on the left hand side of the building.

Independence
4901 Airport Rd
Independence State Airport
Independence, OR 97351
Take I-5 to exit 260A for OR 99E BUS S/Salem Expwy and follow, then taking a slight left onto Commercial St NE. Turn right on Marion St NE continuing onto OR-22W/Marion St Bridge. Follow OR-22W for 5 miles, then turn left onto OR-515/Independence Hwy. Turn right onto Polk St and continue onto Hoffman Rd. Turn right onto Airport Rd.

Medford
1236 A North Riverside Ave
Medford, OR 97501
From I-5 going North, take the Barnett Street off ramp and turn left. Turn right on Riverside Ave, and go approximately 3 miles. The site will be on the right-hand side.

From I-5 going South, take the North exit (#30) and turn right and follow signs to “City Center”. Pass McAndrews, and turn left on Manzinita. This deadends at Riverside. Turn left on Riverside, go one block and site will be on the right-hand side.

Portland
205 Business Center, Suite 258
8383 NE Sandy Blvd
Portland, OR 97220
Coming North on I-205: Take the Killingsworth exit. Stay to the left and travel through the first light. PSI is on the right-hand side in the business building across from the Grotto. If you get to NE 82nd Ave., you have gone too far. We are on the 2nd floor which seems to be the 1st floor when entering the building from Sandy Blvd and are the first door on the right. There is signage on the door to our office.

Coming South on I-205: Take the Sandy Blvd exit. Stay in the right-hand lane and turn right at signal. Come up to the next signal (Sandy Blvd) and turn right again. PSI is on the right-hand side in the business building across from the Grotto. If you get to NE 82nd Ave., you have gone too far. We are on the 2nd floor which seems to be the 1st floor when entering the building from Sandy Blvd and are the first door on the right. There is signage on the door to our office.

Coming East on Sandy Blvd: Just past NE 82nd Ave. across from the Grotto is the business building that PSI is in. We are on the 2nd floor which seems to be the 1st floor when entering the building from Sandy Blvd and are the first door on the right. There is signage on the door to our office.

Coming West on Sandy Blvd: Just pass Prescott St. and across from the Grotto is the business building that PSI is in. We are on the 2nd floor which seems to be the 1st floor when entering the building from Sandy Blvd and are the first door on the right. There is signage on the door to our office.

Coming South on 82nd Ave: Turn right on Sandy Blvd. PSI is in the business building across from the Grotto. We are on the 2nd floor which seems to be the 1st floor when entering the building from Sandy Blvd and are the first door on the right. There is signage on the door to our office.

Social Security Number Confidentiality

PSI will use your social security number only as an identification number in maintaining your records and reporting your examination scores to the state. A Federal law requires state agencies to collect and record the social security numbers of all licensees of the professions licensed by the state.
Coming North on 82nd Ave: Turn left on Sandy Blvd. PSI is in the business building across from the Grotto. We are on the 2nd floor which seems to be the 1st floor when entering the building from Sandy Blvd and are the first door on the right. There is signage on the door to our office.

Wilsonville
25195 SW Parkway Avenue
Suite 105
Wilsonville, OR 97070

Going South: Off I-5, take exit 286 (Ellingens/Boones Ferry Rd). Turn left and cross back over the freeway. Turn left at 2nd signal light (Parkway Ave.) Turn into Parkway Plaza parking lot (across the street from Shriner's). We are located in the Main Entrance first door on the right

Going North: Off I-5, take exit 286 (Ellingens/Boones Ferry Rd). Turn Right. Turn Left at next signal light (Parkway Ave.) Turn into Parkway Plaza parking lot (across the street from Shriner's). We are located in the Main Entrance first door on the right

Additionally, PSI has examination centers in many other regions across the United States. You may take this examination at any of these locations by calling (800) 733-9267. You will need to speak with a Customer Service Rep to schedule outside of Oregon.

REPORTING TO THE EXAMINATION SITE

On the day of the examination, you should arrive 30 minutes before your appointment. This extra time is for sign-in, identification, and familiarizing you with the examination process. If you arrive late, you may not be admitted to the examination site and you will forfeit your examination registration fee.

REQUIRED IDENTIFICATION AT EXAMINATION SITE

You must provide 2 forms of identification. One must be a VALID form of government-issued identification (driver’s license, state ID, passport, military ID) which bears your signature and has your photograph. Also acceptable is an interim state driver’s license card or an interim state ID card. The second ID must have your signature and preprinted legal name. All identification provided must match the name on the registration form.

PRIMARY IDENTIFICATION (with photo) - Choose One
- State issued driver’s license
- State issued identification card
- US Government Issued Passport
- US Government Issued Military Identification Card
- US Government Issued Alien Registration Card
- Canadian Government Issued ID

NOTE: ID must contain candidate’s photo, be valid and unexpired.

SECONDARY IDENTIFICATION - Choose One
- Credit Card (must be signed)
- Social Security Card
- US issued Birth Certificate with Raised Seal

*NOTE: Student ID and employment ID are NOT acceptable forms of identification.

You must provide your valid school Certificate of Completion. This certificate must display a valid school code.

(If you have a waiver from the state, please provide the original waiver letter at the test center on the day of testing.) THE CERTIFICATE OF COMPLETION EXPIRES ONE YEAR TO THE DAY FROM THE DATE IT IS ISSUED. AN ELECTRONIC VERSION OR HARD COPY WILL BE ACCEPTED.

Crop Insurance Adjuster, General Lines Insurance Adjuster, Health Insurance Adjuster, and Surplus Lines Insurance Producer are the ONLY examinations that do not require verification.

This Certificate of Completion must also be presented for a retake examination.

If you cannot provide the required identification, you must call (800) 733-9267 at least 3 weeks prior to your scheduled appointment to arrange a way to meet this security requirement.

SECURITY PROCEDURES

The following security procedures will apply during the examination:

- Only non-programmable calculators that are silent, battery-operated, do not have paper tape printing capabilities, and do not have a keyboard containing the alphabet will be allowed in the examination site.
- All personal belongings of candidates, with the exception of close-fitting jackets or sweatshirts, should be placed in the secure storage provided at each site prior to entering the examination room. Personal belongings include, but are not limited to, the following items:
  - Electronic devices of any type, including cellular / mobile phones, recording devices, electronic watches, cameras, pagers, laptop computers, tablet computers (e.g., iPads), music players (e.g., iPods), smart watches, radios, or electronic games.
  - Bulky or loose clothing or coats that could be used to conceal recording devices or notes, including coats, shawls, hooded clothing, heavy jackets, or overcoats.
  - Hats or headgear not worn for religious reasons or as religious apparel, including hats, baseball caps, or visors.
  - Other personal items, including purses, notebooks, reference or reading material, briefcases, backpacks, wallets, pens, pencils, other writing devices, food, drinks, and good luck items.
- Person(s) accompanying an examination candidate may not wait in the examination center, inside the building or on the building’s property. This applies to guests of any nature, including drivers, children, friends, family, colleagues or instructors.
- No smoking, eating, or drinking is allowed in the examination center.
- During the check in process, all candidates will be asked if they possess any prohibited items. Candidates may also be asked to empty their pockets and turn them out for the proctor to ensure they are empty. The proctor may also ask candidates to lift up the ends of their sleeves and the bottoms of their pant legs to ensure that notes or recording devices are not being hidden there.
- Proctors will also carefully inspect eyeglass frames, tie tacks, or any other apparel that could be used to harbor a recording device. Proctors will ask to inspect any such items in candidates’ pockets.

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If prohibited items are found during check-in, candidates shall put them in the provided secure storage or return these items to their vehicle. PSI will not be responsible for the security of any personal belongings or prohibited items.

Any candidate possessing prohibited items in the examination room shall immediately have his or her test results invalidated, and PSI shall notify the examination sponsor of the occurrence.

Any candidate seen giving or receiving assistance on an examination, found with unauthorized materials, or who violates any security regulations will be asked to surrender all examination materials and to leave the examination center. All such instances will be reported to the examination sponsor.

Copying or communicating examination content is violation of a candidate’s contract with PSI, and federal and state law. Either may result in the disqualification of examination results and may lead to legal action.

Once candidates have been seated and the examination begins, they may leave the examination room only to use the restroom, and only after obtaining permission from the proctor. Candidate will not receive extra time to complete the examination.

One question appears on the screen at a time. During the examination, minutes remaining will be displayed at the top of the screen and updated as you record your answers.

**EXPERIMENTAL ITEMS**

In addition to the number of questions per examination, a small number of five to ten “experimental” questions may be administered to candidates during the examinations. These questions will not be scored and the time taken to answer them will not count against examination time. The administration of such non-scored experimental questions is an essential step in developing future licensing examinations.

**EXAMINATION REVIEW**

PSI, in cooperation with the Division of Financial Regulation, will be consistently evaluating the examinations being administered to ensure that the examinations accurately measure competency in the required knowledge areas. Comments may be entered by clicking the Comments link on the function bar of the test question screen.

These comments will be analyzed by PSI examination development staff. PSI does not respond to individuals regarding these comments, all substantive comments are reviewed. This is the only review of examination materials available to candidates.

**SCORE REPORTING**

In order to receive a passing score on each examination, you must correctly answer 70% of the questions available. Your score will be given to you immediately following completion of the examination. The following summary describes the score reporting process:

- **On paper** - an official score report will be printed at the examination site.
  - If you **pass**, you will immediately receive a passing score report.
  - If you **do not pass**, you will receive a failing score report with a diagnostic report indicating your strengths and weaknesses by examination type.
DUPLICATE SCORE REPORTS
You may request a duplicate score report after your examination by emailing scorereport@psionline.com or by calling 800-733-9267.

Now you can take the practice exam online at www.psiexams.com to prepare for your Oregon Insurance Examination

Please note that practice exams are intended only to help testing candidates become familiar with the general types of questions that will appear on a licensing examination. They ARE NOT a substitute for proper education and study. Furthermore, scoring well on the practice exam does not guarantee a positive outcome on an actual licensing examination.

Note: You may take the practice exams an unlimited number of times; you will need to pay each time.

EXAMINATION CONTENT OUTLINES
The following outlines describe the content of each of the Oregon Insurance Examinations. These outlines are the basis of the examination. Each examination will contain questions about the subjects in its outline.

The percentages indicate the relative weight assigned to each part of the examination. For example, if a section has 10 percent assigned, 6 questions will be drawn from it on a 60-question examination, 10 on a 100-question examination, and 15 on a 150-question examination.

Sections 1.0 and 2.0 (Insurance Regulation and General Insurance) are common to many of the examinations. Details of these sections appear only once, immediately below.

Note, however, that the section weights differ by examination. Similarly, combination examinations contain all of the content of the single-line examinations they combine and you are referred to the single-line outlines for details. Refer to the outline of the examination you plan to take for the individual section weights.

TIPS FOR PREPARING FOR YOUR EXAM
The following suggestions will help you prepare for your examination.

▪ Planned preparation increases your likelihood of passing.
▪ Start with a current copy of this Candidate Information Bulletin and use the examination content outline as the basis of your study.
▪ Read study materials that cover all the topics in the content outline.
▪ Take notes on what you study. Putting information in writing helps you commit it to memory and it is also an excellent business practice. Underline or highlight key ideas that will help with a later review.
▪ Discuss new terms or concepts as frequently as you can with colleagues. This will test your understanding and reinforce ideas.
▪ Your studies will be most effective if you study frequently, for periods of about 55 to 60 minutes. Concentration tends to wander when you study for longer periods of time.
Insurance Regulation 60%

**Licensing**

- **Purpose**
- **Process** (ORS 744.058, .059, .062)
- **Types of licensees**
  - Producers (ORS 744.052, .053, 731.104)
  - Consultants (ORS 744.605, .609, .626; OAR 836-071-0150)
  - Adjusters (ORS 744.531)
  - Nonresidents (ORS 744.063)
  - Temporary (ORS 744.073)
- **Maintenance and duration**
  - Renewal and nonrenewal (ORS 744.072, .074; OAR 836-071-0146)
  - Continuing education requirements (ORS 744.072(4); OAR 836-071-0215 to 0250)
  - Reinstatement (ORS 744.018, .072(6))
- **Assumed business name** (ORS 744.028(2), .068)
- **Change of address or telephone number** (ORS 744.028(1), .068)
- **Reporting of actions** (ORS 744.089)
- **Disciplinary actions**
  - Cease and desist orders (ORS 731.252)
  - License probation, suspension, revocation or refusal to issue or renew (ORS 744.074)
  - Civil penalty (ORS 731.988)
  - Criminal penalty (ORS 731.992)

**State regulation**

- **Director's enforcement authority** (ORS 731.256)
  - Director's inquiries (ORS 731.296)
- **Company regulation**
  - Producer appointment (ORS 744.078)
  - Director's inquiries (ORS 731.296)
- **Insurers**
  - Types of insurers
    - Stock companies
    - Mutual companies
    - Fraternal benefit societies
    - Reciprocals
    - Lloyd's associations
  - **Risk management key terms**
    - Risk
    - Exposure
    - Hazard
    - Peril
  - **Methods of handling risk**
    - Avoidance
    - Retention
    - Sharing
    - Reduction
    - Transfer
  - **Elements of insurable risks**
  - **Adverse selection**
  - **Law of large numbers**
  - **Reinsurance**
- **Producers and general rules of agency**
  - **Insurer as principal**
  - **Producer/insurer relationship**
  - **Authority and powers of producer**
    - Express
    - Implied
    - Apparent
  - **Responsibilities to the applicant/insured**
- **Contracts**
  - **Elements of a legal contract**
  - **Offer and acceptance**
  - **Consideration**
  - **Competent parties**
  - **Legal purpose**
  - **Distinct characteristics of an insurance contract**
    - **Contract of adhesion**

**General Insurance 40%**

- **Illegal inducement** (ORS 746.035)
- **Examination of records** (ORS 744.068(2, 3))
- **Privacy of Consumer Information** (ORS 46.600, .620, .630, .665; OAR 836-080-0501 to 836-080-0551)

**Federal regulation**

- **Fair Credit Reporting Act** (15 USC 1681 to 1681d)
- **Fraud and false statements including 1033 waiver** (18 USC 1033, 1034)

**Legal interpretations affecting contracts**

- **Ambiguities in a contract of adhesion**
- **Reasonable expectations**
- **Indemnity**
- **Utmost good faith**
- **Representations/misrepresentations**
- **Warranties**
- **Concealment**
- **Fraud**
- **Waiver and estoppel**

**PRODUCERS EXAMINATION FOR LIFE INSURANCE SERIES 12-01**

- **100 questions - 2 hour time limit**

**Insurance Regulation 8%**

**Licensing**

- **Purpose**
- **Process** (ORS 744.058, .059, .062)
- **Types of licensees**
  - Producers (ORS 744.052, .053, 731.104)
  - Consultants (ORS 744.605, .609, .626; OAR 836-071-0150)
  - Adjusters (ORS 744.531)
  - Nonresidents (ORS 744.063)
  - Temporary (ORS 744.073)
- **Maintenance and duration**
  - Renewal and nonrenewal (ORS 744.072, .074; OAR 836-071-0146)
  - Continuing education requirements (ORS 744.072(4); OAR 836-071-0215 to 0250)
  - Reinstatement (ORS 744.018, .072(6))
- **Assumed business name** (ORS 744.028(2), .068)
- **Change of address or telephone number** (ORS 744.028(1), .068)
- **Reporting of actions** (ORS 744.089)
- **Disciplinary actions**
  - Cease and desist orders (ORS 731.252)
  - License probation, suspension, revocation or refusal to issue or renew (ORS 744.074)
  - Civil penalty (ORS 731.988)
  - Criminal penalty (ORS 731.992)

**State regulation**

- **Director's enforcement authority** (ORS 731.256)
  - Director's inquiries (ORS 731.296)
- **Company regulation**
  - Producer appointment (ORS 744.078)
  - Director's inquiries (ORS 731.296)
- **Producers and general rules of agency**
  - **Insurer as principal**
  - **Producer/insurer relationship**
  - **Authority and powers of producer**
    - Express
    - Implied
    - Apparent
  - **Responsibilities to the applicant/insured**
- **Contracts**
  - **Elements of a legal contract**
  - **Offer and acceptance**
  - **Consideration**
  - **Competent parties**
  - **Legal purpose**
  - **Distinct characteristics of an insurance contract**
    - **Contract of adhesion**

**Aleatory contract**
P货 contract
Unilateral contract
Conditional contract
Legal interpretations affecting contracts
Ambiguities in a contract of adhesion
Reasonable expectations
Indemnity
Utmost good faith
Representations/misrepresentations
Warranties
Concealment
Fraud
Waiver and estoppel
Termination of appointment (ORS 744.079, .081)
Unfair claim settlement practices (ORS 746.230; OAR 836-080-0205 to 0250)

Producer regulation
Fiduciary and trust account responsibilities (ORS 744.083; OAR 836-074-0020 to 0050)
Place of business/records maintenance (ORS 744.068)
Controlled business (ORS 746.065, .160)
Commissions (ORS 744.076, .077; OAR 836-071-0269 to 0277)
Fees (ORS 744.076, .077; OAR 836-071-0260 to 0277)

Unfair trade practices
Misrepresentation (ORS 746.075, .100)
False advertising (ORS 746.110; OAR 836-080-0155)
Rebating (ORS 746.045)
Unfair discrimination (ORS 746.015; OAR 836-081-0005, 0010, 0020, 0030)
Illegal inducement (ORS 746.035)
Examination of records (ORS 744.068(2, 3))
Privacy of Consumer Information (ORS 746.600, .620, .630, .665; OAR 836-080-0501 to 0551)

Federal regulation
Fair Credit Reporting Act (15 USC 1681 to 1681d)
Fraud and false statements including 1033 waiver (18 USC 1033, 1034)

General Insurance 7%

Concepts
Risk management key terms
Risk
Exposure
Hazard
Peril
Loss

Methods of handling risk
Avoidance
Retention
Sharing
Reduction
Transfer

Elements of insurable risks
Adverse selection
Law of large numbers
Reinsurance

Insurers
Types of insurers
Stock companies
Mutual companies
Fraternal benefit societies
Reciprocals
Lloyd’s associations
Risk retention groups

Private versus government insurers
Admitted versus nonadmitted insurers

Domestic, foreign and alien insurers
Financial status (independent rating services)
Marketing (distribution) systems

Producers and general rules of agency
Insurer as principal
Producer/insurer relationship
Authority and powers of producer
Express
Implied
Apparent

Responsibilities to the applicant/insured

Contracts
Elements of a legal contract
Offer and acceptance
Consideration
Competent parties
Legal purpose
Distinct characteristics of an insurance contract
Contract of adhesion
Aleatory contract
Personal contract
Unilateral contract
Conditional contract

Legal interpretations affecting contracts
Ambiguities in a contract of adhesion
Reasonable expectations
Indemnity
Utmost good faith
Representations/misrepresentations
Warranties
Concealment
Fraud
Waiver and estoppel

Life Insurance Basics 20%

Insurable interest (ORS 743.024, .027, .030)

Personal uses of life insurance
Survivor protection
Estate creation
Cash accumulation
Liquidity
Estate conservation

Life settlements (ORS 744.318, .321, .323, .326, .328; OAR 836-014-0200-0330)

Determining amount of personal life insurance
Human life value approach
Needs approach
Types of information gathered
Determining lump-sum needs
Planning for income needs

Business uses of life insurance
Buy-sell funding
Key person (ORS 743.228)
Executive bonuses
Deferred compensation funding

Types of life insurance policies (ORS 731.102, .170)

Group and individual (ORS 731.150, 743.303)

Term life insurance
Level term
Annual renewable term
Level premium term
Decreasing term

Whole life insurance
Continuous premium (straight life)
Limited payment
Single premium

Flexible premium policies
Adjustable life
Universal life

Specialized policies
Joint juvenile life survivorship life

Group life insurance
- Characteristics of group plans
- Group underwriting requirements
- Conversion to individual policy (ORS 743.333 .339)
- Incontestability (ORS 743.315)
- Evidence of Insurability (ORS 743.321)
- Misstatement of Age (ORS 743.324)
- Payments under the policy (ORS 743.327)
- Termination of individual coverage (ORS 743.333)
- Continuing coverage (ORS 743.356)
- Prohibited sales practices (ORS 743.348)
- Policies issued to trustees of certain funds (ORS 743.354)

Credit life insurance (individual versus group)

Life Insurance Policy Provisions, Options and Riders 12%

Standard provisions
- Ownership
- Assignment (ORS 743.043)
- Entire contract (ORS 743.174)
- Modifications
- Right to examine (free look)
- Payment of premiums (ORS 743.162)
- Grace period (ORS 743.165)
- Reinstatement (ORS 743.171)
- Incontestability (ORS 743.168, .315)
- Misstatement of age and gender (ORS 743.180)
- Exclusions
- Suicide exclusion
- Medical examination; autopsy
- Prohibited provisions including backdating (ORS 743.225)

Beneficiaries
- Designation options
- Individuals
- Classes
- Estates
- Minors

Trusts
- Succession
- Revocable versus irrevocable
- Common disaster clause
- Spendthrift clause

Settlement options
- Cash payment
- Interest only
- Fixed-period installments
- Fixed-amount installments
- Life income
  - Single life
  - Joint and survivor
- Nonforfeiture options (ORS 743.204 to .210)
  - Cash surrender value

Extended term
- Reduced paid-up insurance

Policy loan and withdrawal options
- Cash loans
- Automatic premium loans
- Withdrawals or partial surrenders
- Uses of dividends (ORS 743.183)
- Interest rate (ORS 743.187)

Dividend options
- Cash payment
- Reduction of premium payments
- Accumulation at interest
- One-year term option
- Paid-up additions

Disability riders
- Waiver of premium
- Waiver of cost of insurance
- Disability income benefit
- Payor benefit life/disability (juvenile insurance)

Accelerated (living) benefit provision/ rider (ORS 743.154; OAR 836-051-0300-0380, 836-052-0646)
- Qualifying events
- Disclosure
- Effect of benefit payment

Riders covering additional insureds
- Spouse/other-insured term rider
- Children’s term rider
- Family term rider

Riders affecting the death benefit amount
- Accidental death
- Guaranteed insurability
- Cost of living
- Return of premium

Annuities 20%

Annuity principles and concepts
- Accumulation period versus annuity period
- Owner, annuitant and beneficiary
- Insurance aspects of annuities
- Suitability in the sale of annuities (OAR 836-080-0090)

Immediate versus deferred annuities
- Single premium immediate annuities (SPIAs)
- Deferred annuities
  - Premium payment options
  - Nonforfeiture
  - Surrender charges
  - Death benefits

Annuity (benefit) payment options
- Life contingency options
  - Pure life versus life with guaranteed minimum
  - Single life versus multiple life
  - Annuities certain (types)

Annuity products
- Fixed annuities
- General account assets

Interest rate guarantees (minimum versus current)
- Level benefit payment amount
- Equity indexed annuities
- Market value adjusted annuities

Uses of annuities
- Lump-sum settlements
- Qualified retirement plans including group versus individual annuities
- Personal uses
  - Individual retirement annuities (IRAs)
  - Tax-deferred growth
  - Retirement income
  - Education funds
  - Living benefit riders

Federal Tax Considerations for Life Insurance and Annuities 9%

Taxation of personal life insurance
- Amounts available to policyowner
  - Cash value increases
  - Dividends
  - Policy loans
  - Surrenders
  - Amounts received by beneficiary
  - General rule and exceptions
  - Settlement options
  - Values included in insured’s estate

Modified endowment contracts (MECs)
- Modified endowment versus life insurance
  - Seven-pay test
  - Distributions

Taxation of non-qualified annuities
- Individually-owned
  - Accumulation phase (tax issues related to withdrawals)
  - Annuity phase and the exclusion ratio
  - Distributions at death
- Corporate-owned

Taxation of individual retirement annuities (IRAs)
- Traditional IRAs
  - Contributions and deductible amounts
  - Premature distributions (including taxation issues)
  - Annuity phase benefit payments
  - Amounts received by beneficiary
- Roth IRAs
  - Contributions and limits
  - Distributions

Rollovers and transfers (IRAs and qualified plans) and suitability
- Section 1035 exchanges and suitability

Qualified Plans 7%

General requirements

Federal tax considerations
- Tax advantages for employers and employees
- Taxation of distributions (age-related)

Plan types, characteristics and purchasers
- Simplified employee pensions (SEPs)
- Self-employed plans (HR 10 or Keogh)
Insurance Regulation 10%

Licensing
Purpose
Process (ORS 744.058, .059, .062)
Types of licensees
Producers (ORS 744.052, .053, 731.104)
Consultants (ORS 744.605, .609, .626; OAR 836-071-0150)
Adjusters (ORS 744.531)
Nonresidents (ORS 744.063)
Temporary (ORS 744.073)
Maintenance and duration
Renewal and nonrenewal (ORS 744.072, .074) OAR 836-071-0146
Continuing education requirements (ORS 744.072(4); OAR 836-071-0215 to 0250)
Reinstatement (ORS 744.018, .072(6))
Assumed business name (ORS 744.028(2), .068)
Change of address or telephone number (ORS 744.028(1), .068)
Reporting of actions (ORS 744.089)
Suitability (OAR 836-080-0090; OAR 836-080-0170 to 0190)
Replacement (OAR 836-080-0001 to 0043)
Disciplinary actions
Cease and desist orders (ORS 731.252)
License probation, suspension, revocation or refusal to issue or renew (ORS 744.074)
Civil penalty (ORS 731.988)
Criminal penalty (ORS 731.992)

State regulation
Director's enforcement authority (ORS 731.256)
Director's inquiries (ORS 731.296)
Company regulation
Producer appointment (ORS 744.078)
Termination of appointment (ORS 744.079, .081)
Unfair claim settlement practices (ORS 746.230; OAR 836-080-0205 to 0250)
Producer regulation
Fiduciary and trust account responsibilities (ORS 744.083; OAR 836-074-0020 to 0050)
Place of business/records maintenance (ORS 744.068)
Controlled business (ORS 746.065, .160)

Commission (ORS 744.076, .077; OAR 836-071-0269 to 0277)
Fees (ORS 744.076, .077; OAR 836-071-0260 to 0277)
Unfair trade practices
Misrepresentation (ORS 746.075, .100)
False advertising (ORS 746.110; OAR 836-080-0155)
Rebating (ORS 746.045)
Unfair discrimination (ORS 746.015; OAR 836-081-0005, 0010, 0020, 0030)
Illegal inducement (ORS 746.035)
Examination of records (ORS 744.068(2, 3))
Privacy of Consumer Information (ORS 746.600, .620, .630, .665; OAR 836-080-0501 to 086-080-0551)

Federal regulation
Fair Credit Reporting Act (15 USC 1681 to 1681d)
Fraud and false statements including 1033 waiver (18 USC 1033, 1034)

General Insurance 10%
Concepts
Risk management key terms
Risk
Exposure
Hazard
Peril
Loss
Methods of handling risk
Avoidance
Retention
Sharing
Reduction
Transfer
Elements of insurable risks
Adverse selection
Law of large numbers
Reinsurance

Insurers
Types of insurers
Stock companies
Mutual companies
Fraternal benefit societies
Reciprocals
Lloyd's associations
Risk retention groups
Private versus government insurers
Admitted versus nonadmitted insurers
Domestic, foreign and alien insurers
Financial status (independent rating services)

Marketing (distribution) systems
Producers and general rules of agency
Responsibilities to the applicant/insured

Contracts
Elements of a legal contract
Offer and acceptance
Consideration
Competent parties
Legal purpose

Distinct characteristics of an insurance contract
Contract of adhesion
Aleatory contract
Personal contract
Unilateral contract
Conditional contract
Legal interpretations affecting contracts
Ambiguities in a contract of adhesion
Reasonable expectations
Indemnity
Utmost good faith

Representations/misrepresentations
Warranties
Concealment
Fraud
Waiver and estoppel

Health Insurance 6%

Types of products and benefits
Medical and surgical (ORS 743.730(18), (23))
Dental (ORS 743.730(18)(a))
Long-term care (ORS 743.730(18)(a)(F), 743.650(4), (5)) OAR 836-052-0516
Short-term care (ORS 743.652(5))
Medicare supplements (ORS 743.680, OAR 836-052-0103)
Accident (ORS 743.730(b)(A))
Disability
Student health (ORS 743.550)
Blanket (ORS 743.534)
Vision

Types of health insurance policies
Individual versus group
Private versus government
TRICARE (ORS 743.730(b)(A)(E))
Limited versus comprehensive
Self insured versus fully insured
On exchange/off exchange
Small group and large group
Primary or supplemental

Policy exclusion provisions
Producer responsibilities

Marketing requirements
Advertising (OAR 836-020-0200-0305)
Oregon Life and Health Insurance Guaranty Association (ORS 734.750-.890)
Sales presentations
Outline of coverage (OAR 836-020-0305)
Summary benefits and coverage
Field underwriting
Nature and purpose
Disclosure of information about
Individuals

Application procedures
Requirements at delivery of policy
Common situations for errors/omissions

Individual underwriting on grandfathered plans
Pre-existing conditions
Creditable coverage
Benefits, limitations and exclusions
Producer liability for errors and omissions

Individual Health Insurance Policy General Provisions 7%

Uniform required provisions
Incontestability (ORS 743.414, .472)
Grace period (ORS 743.417)
Reinstatement (ORS 743.420)

Uniform optional provisions
Change of occupation (ORS 743.450)
Misstatement of age (ORS 743.453, .489)

Other general provisions
Right to examine (free look) (ORS 743.492)
Consideration clause
Renewability clause (ORS 743.495, .498, .766(5))
Noncancelable
Guaranteed renewable
Conditionally renewable
Renewable at option of insurer
Nonrenewable (cancelable, term)
Cancellation (ORS 743.472, .766(6))

Disability Income and Related Insurance 6%

Qualifying for disability benefits
Inability to perform duties
Own occupation
Any occupation
Loss of income (income replacement contracts)
Presumptive disability
Requirement to be under physician care

Individual disability income insurance

Unique aspects of individual disability underwriting
Occupational considerations
Benefit limits
Policy issuance alternatives and medical underwriting
Basic total disability plan
Income benefits (monthly indemnity)
Elimination and benefit periods
Waiver of premium feature
Coordination with social insurance, workers compensation benefits and at-work benefits
Additional monthly benefit (AMB)
Social insurance supplement (SIS)
Occupational versus nonoccupational coverage
Partial disability benefit
Residual disability benefit
Sick leave

Vacation leave
Other provisions affecting income benefits
Cost of living adjustment (COLA) rider
Future increase option (FIO) rider
Relation of earnings to insurance (ORS 743.465)
Other cash benefits
Accidental death and dismemberment
Rehabilitation benefit
Medical reimbursement benefit (nondisabling injury)
Exclusions as the policy lists

Group disability income insurance

Types of disability term
Short-term disability (STD)
Long-term disability (LTD)

Unique aspects of group disability underwriting
Pre-existing conditions
Waiting period
Group total disability benefit
Income benefits (monthly indemnity)
Elimination and benefit periods
Waiver of premium feature
Coordination with social insurance, workers compensation benefits and at-work benefits
Additional monthly benefit (AMB)
Social insurance supplement (SIS)
Occupational versus nonoccupational coverage
Sick leave
Vacation leave

Business disability insurance
Key employee (partner) disability income
Disability buy-sell policy

Social Security disability
Qualification for disability benefits
Definition of disability
Waiting period
Disability income benefits
Workers compensation

Eligibility

Medical Plans 17%

Medical plan concepts
Fee-for-service basis versus prepaid basis
Benefit schedule versus usual/reasonable/customary charges
Any provider versus limited choice of providers
Insureds versus subscribers/participants
Deductibles and cost sharing

Types of providers and plans
Major medical insurance (indemnity plans)
Characteristics and plan provisions
Managed Care
Preferred provider organizations (PPOs)
General characteristics and plan provisions
Open panel or closed panel
Point-of-service (POS)

Out-of-network provider access
Primary Care Physician (PPO)

Oregon requirements (individual and group)
Eligibility requirements
Newborn child coverage (ORS 743A.090)
Dependent child age limit (ORS 743.420)
Coverage for adopted children (ORS 743A.090)

Health Care Reform (Affordable Care Act)

Essential Health Benefits
Levels of Coverage
Payment and Billing
Internal Appeal and External Review
Penalties and Fines
Oregon’s Health Insurance Exchange/Marketplace

Definition
Medicaid
Eligibility
Benefits
Subsidies/Tax Credits

HIPAA (Health Insurance Portability and Accountability Act) requirements
Eligibility
Guaranteed issue
Renewability

Group Health Insurance 20%

Purpose of group insurance (ORS 743.731(1)-(8))
Issuance of group contract (ORS 743.733)
Provisions of coverage (ORS 743.734)
Experience rating versus community rating

Types of eligible groups
Employment-related groups (ORS 743.733)
Multiple-Employer Trusts (METs) or Welfare Arrangements (MEWAs) (ORS 750.301)
Self-Funded groups
Associations (alumni, professional, other)

Marketing considerations
Advertising
Regulatory jurisdiction/place of delivery

Employer group health insurance

Insurer underwriting criteria
Characteristics of group
Plan design factors
Persistency factors
Administrative capability
Eligibility for insurance (ORS 743.754(4),(5))
Employee eligibility
Dependent eligibility
Coordination of benefits provision (OAR 836-020-0770-0806)
Change of insurance companies or loss of coverage
No-loss no-gain
Events that terminate coverage
Extension of benefits
Continuation of coverage under COBRA
Medicare supplements

Small employer medical plans

Definition of small employer (ORS 743.730)
Requirements of small employer (ORS 743.737)
Basic coverage (ORS 743.730(4), .736)
Availability of coverage (ORS 743.752)
Renewability of coverage (ORS 743.737(5))
Participation requirements (ORS 743.737(7))
Open enrollment
Purchase policy through
exchange/marketplace (ORS 743.733(b))
Small group tax credits

Dental Insurance 3%

Pediatric Care (Affordable Care Act)

- Family care
- Adult care

Categories of dental treatment

- Diagnostic and preventive
- Restorative
- Oral surgery
- Endodontics
- Periodontics
- Prosthodontics
- Orthodontics

Access to Dental Coverage

- Choice of providers
- Scheduled versus nonscheduled plans

Employer group dental expense

- Integrated deductibles versus stand-alone plans
- Minimizing adverse selection

Insurance for Senior Citizens and Special Needs Individuals 14%

Medicare

- Nature, financing and administration
- Part A — Hospital Insurance
  - Individual eligibility requirements
  - Enrollment
  - Coverages and cost-sharing amounts
- Part B — Medical Insurance
  - Individual eligibility requirements
  - Enrollment
  - Coverages and cost-sharing amounts
  - Exclusions
  - Claims terminology and other key terms
- Part C — Medicare Advantage
- Part D — Prescription Drug Insurance

Medicare supplements

- Purpose (ORS 836-052-0103)
- Open enrollment (ORS 836-052-0138)
- Standardized Medicare supplement plans
  - Core benefits (ORS 836-052-0133)
  - Additional benefits
  - Oregon regulations and required provisions
- Standards for marketing (ORS 836-052-0175)
- Advertising (ORS 743.687; OAR 836-052-0170)
- Appropriateness of recommended purchase and excessive insurance (OAR 836-052-0180)
- Right to return (free look) (ORS 743.686)
- Replacement (ORS 743.013; OAR 836-052-0165, 0190)
- Pre-existing conditions (OAR 836-052-0190)
- Required disclosure provisions (ORS 743.685; OAR 836-052-0160)
- Outline of coverage (ORS 743.685(2); OAR 836-052-0160, 0190)
- Buyer's guide (ORS 743.685(6))
- Permitted compensation (OAR 836-052-0156)
- Medicare SELECT (OAR 836-052-0139)

Other options for individuals with Medicare

- Employer group health plans
- Disabled employees
- Employees with kidney failure
- Individuals age 65 and older
- Medicaid
- Eligibility
- Benefits

Long-Term Care (LTC) policies

- Definitions (ORS 743.650 to .665)
- Eligibility for benefits
- Benefit triggers (ORS 743.651(2))
- Activities of daily living requirements (OAR 836-052-0161)
- Covered services (OAR 836-052-0596)
- Benefit periods (ORS 743.665(5))
- Benefit amounts (OAR 836-052-0586)
- Optional benefits
  - Guarantee of insurability
  - Return of premium (ORS 743.665(E))
  - Qualified LTC plans (OAR 836-052-0531)
  - Exclusions
  - Oregon regulations and required provisions
  - Training for insurance producers (OAR 836-052-0639)
  - Standards for marketing (OAR 836-052-0706)
  - Advertising (ORS 836-052-0696)
  - Shopper's guide (ORS 836-052-0786)
  - Outline of coverage (ORS 743.655(7); OAR 836-052-0776)
  - Appropriateness of recommended purchase
  - Right to return (free look) (ORS 743.655(6))
  - Replacement (OAR 836-052-0626, 0736)
  - Renewal provisions
  - Continuation or conversion
  - Required disclosure provisions (OAR 836-052-0716)
  - Inflation protection (OAR 836-052-0616)
  - Pre-existing conditions (ORS 743.655(3))

Protection against unintentional lapse (OAR 836-052-0536)
Partnership provisions (OAR 836-052-0531)
Prohibited provisions

Federal Tax Considerations for Health Insurance 7%

Personally-owned health insurance
- Disability income insurance
- Medical expense insurance
- Long-term care insurance

Employer group health insurance
- Disability income (STD, LTD)
- Benefits subject to FICA
- Medical and dental expense
- Long-term care insurance
- Accidental death and dismemberment

Medical expense coverage for sole proprietors and partners

Business disability insurance
- Key person disability income
- Buy-sell policy

Health Savings Accounts (HSAs) and Health Reimbursement Accounts (HRAs)
- Definition
- Eligibility
- Contribution limits
- Portability

PRODUCERS EXAMINATION FOR LIFE AND HEALTH INSURANCE SERIES 12-03

150 questions - 2 hours and 40 minute time limit

Insurance Regulation 5%

Licensing
- Process (ORS 744.058, .059, .062)
- Types of licensees
  - Producers (ORS 744.052, .053, 731.104)
  - Consultants (ORS 744.605, .609, .626; OAR 836-071-0150)
  - Adjusters (ORS 744.531)
  - Nonresidents (ORS 744.063)
  - Temporary (ORS 744.073)

Maintenance and duration
- Renewal and nonrenewal (ORS 744.072, .074) OAR 836-071-0146
- Continuing education requirements (ORS 744.072(4); OAR 836-071-0215 to 0250)
- Reinstatement (ORS 744.018, .072(6))
- Assumed business name (ORS 744.028(2), .068)
- Change of address or telephone number (ORS 744.028(1), .068)
- Reporting of actions (ORS 744.089)
- Suitability (OAR 836-080-0090; OAR 836-080-0170 to 0190)
- Replacement (OAR 836-080-0001 to 0043)
Disciplinary actions
Cease and desist orders (ORS 731.252)
License probation, suspension, revocation or refusal to issue or renew (ORS 744.074)
Civil penalty (ORS 731.988)
Criminal penalty (ORS 731.992)

State regulation
Director’s enforcement authority (ORS 731.256)
Director’s inquiries (ORS 731.296)
Company regulation
Producer appointment (ORS 744.078)
Termination of appointment (ORS 744.079, .081)
Unfair claim settlement practices (ORS 746.230; OAR 836-080-0205 to 0250)
Producer regulation
Fiduciary and trust account responsibilities (ORS 744.083; OAR 836-074-0020 to 0050)
Place of business/records maintenance (ORS 744.068)
Controlled business (ORS 746.065, .160)
Commissions (ORS 744.076, .077; OAR 836-071-0269-0277)
Fees (ORS 744.076, .077; OAR 836-071-0260 to 0277)
Unfair trade practices
Misrepresentation (ORS 746.075, .100)
False advertising (ORS 746.110; OAR 836-080-0155)
Rebating (ORS 746.045)
Unfair discrimination (ORS 746.015; OAR 836-081-0005, 0010, 0020, 0030)
Illegal inducement (ORS 746.035)
Examination of records (ORS 744.068(2,3))
Privacy of Consumer Information (ORS 746.600, .620, .630, .665; OAR 836-080-0501 to 836-080-0551)

Federal regulation
Fair Credit Reporting Act (15 USC 1681 to 1681d)
Fraud and false statements including 1033 waiver (18 USC 1033, 1034)

General Insurance 5%

Concepts
Risk management key terms
Risk
Exposure
Hazard
Peril
Loss
Methods of handling risk
Avoidance
Retention
Sharing
Reduction
Transfer
Elements of insurable risks
Adverse selection

Law of large numbers
Reinsurance

Insurers
Types of insurers
Stock companies
Mutual companies
Fraternal benefit societies
Reciprocals
Lloyd's associations
Risk retention groups
Private versus government insurers
Admitted versus nonadmitted insurers
Domestic, foreign and alien insurers
Financial status (independent rating services)
Marketing (distribution) systems

Producers and general rules of agency
Insurer as principal
Producer/insurer relationship
Authority and powers of producer
Express
Implied
Apparent
Responsibilities to the applicant/insured

Contracts
Elements of a legal contract
Offer and acceptance
Consideration
Competent parties
Legal purpose
Distinct characteristics of an insurance contract
Contract of adhesion
Aleatory contract
Personal contract
Unilateral contract
Conditional contract
Legal interpretations affecting contracts
Ambiguities in a contract of adhesion
Reasonable expectations
Indemnity
Utmost good faith
Representations/misrepresentations
Warranties
Concealment
Fraud
Waiver and estoppel

Life Insurance Basics 10%

Insurable interest (ORS 743.024, .027, .030)

Personal uses of life insurance
Survivor protection
Estate creation
Cash accumulation
Liquidity
Estate conservation

Life settlements (ORS 744.318, .321, .323, .326, .328; OAR 836-014-0200-0330)
Determining amount of personal life insurance

Human life value approach
Needs approach
Types of information gathered
Determining lump-sum needs
Planning for income needs

Business uses of life insurance
Buy-sell funding
Key person (ORS 743.228)
Executive bonuses
Deferred compensation funding

Types of life insurance policies (ORS 731.102, .170)
Group and individual (ORS 731.150, 743.303, .)
Permanent, term, variable and annuities (ORS 731.156, 743.245)
Fixed versus variable life insurance and annuities including regulation of variable products (SEC, FINRA, and Oregon) (ORS 733.220)

Licensee responsibilities
Solicitation and sales presentations (OAR 836-051-0005-0020)
Advertising (ORS 746.075, .110, .115)
Oregon Life and Health Insurance Guaranty Association (ORS 734.750-.990)
Illustrations (OAR 836-051-0500-0600)
Policy summary
Buyer’s guide
Life insurance policy cost comparison methods
Replacement (ORS 746.085; OAR 836-080-0001-0043)
Use and disclosure of insurance information (ORS 746.600 to .605, .610, .615 to .630, .635 to .660; OAR 836-080-0430)

Field underwriting
Notice of information practices
Application procedures
Delivery
Policy review
Effective date of coverage
Premium collection
Statement of good health

Individual underwriting by the insurer
Information sources and regulation
Application (ORS 743.039, .318)
Medical examinations and lab tests (including HIV consent) (OAR 836-050-0250)
Selection criteria and unfair discrimination (OAR 836-081-0005, 0010)
Sexual orientation prohibited (OAR 836-050-0240)
Medical and lifestyle questions (OAR 836-050-0245)
Prohibited discrimination (ORS 746.015)
Evidence of insurability (ORS 734.321)
Incontestability (ORS 743.315)
Suitability in the sale of life insurance (OAR 836-080-0090)

Life Insurance Policies 10%

Term life insurance
Level term
Annual renewable term
Level premium term
Decreasing term

Whole life insurance
- Continuous premium (straight life)
- Limited payment
- Single premium

Flexible premium policies
- Adjustable life
- Universal life

Specialized policies
- Joint life (first-to-die)
- Juvenile life
- Survivorship Life

Group life insurance
- Characteristics of group plans
- Group underwriting requirements
- Conversion to individual policy (ORS 743.333 .339)
- Incontestability (ORS 743.315)
- Evidence of Insurability (ORS 743.321)
- Mistatement of Age (ORS 743.324)
- Payments under the policy (ORS 743.327)
- Termination of individual coverage (ORS 743.333)
- Continuing coverage (ORS 743.356)
- Prohibited sales practices (ORS 743.348)
- Policies issued to trustees of certain funds (ORS 743.354)

Credit life insurance (individual versus group)

5.0 Life Insurance Policy Provisions, Options and Riders 7%

Standard provisions
- Ownership
- Assignment (ORS 743.043)
- Entire contract (ORS 743.174)
- Modifications
- Right to examine (free look)
- Payment of premiums (ORS 743.162)
- Grace period (ORS 743.165)
- Reinstatement (ORS 743.171)
- Incontestability (ORS 743.168)
- Misstatement of age and gender (ORS 743.180)
- Exclusions
- Suicide exclusion
- Medical examination; autopsy
- Prohibited provisions including backdating (ORS 743.225)

Beneficiaries
- Designation options
  - Individuals
  - Classes
  - Estates
  - Minors

Trusts
- Succession
- Revocable versus irrevocable
- Common disaster clause

Spendthrift clause
Settlement options
- Cash payment
- Interest only
- Fixed-period installments
- Fixed-amortment installments
- Life income
  - Single life
  - Joint and survivor
Nonforfeiture options (ORS 743.204 to .210)
- Cash surrender value
- Extended term
- Reduced paid-up insurance
Policy loan and withdrawal options
- Cash loans
- Automatic premium loans
- Withdrawals or partial surrenders
- Uses of dividends (ORS 743.183)
- Interest rate (ORS 743.187)
Dividend options
- Cash payment
- Reduction of premium payments
- Accumulation at interest
- One-year term option
- Paid-up additions
Disability riders
- Waiver of premium
- Waiver of cost of insurance
- Disability income benefit
- Payor benefit life/disability (juvenile insurance)
Accelerated (living) benefit provision/rider (ORS 743.154; OAR 836-051-0300-0380, 836-052-0646)
  - Qualifying events
  - Disclosure
  - Effect of benefit payment
Riders covering additional insureds
- Spouse/other-insured term rider
- Children's term rider
- Family term rider
Riders affecting the death benefit amount
- Accidental death
- Guaranteed insurability
- Cost of living
- Return of premium

Annuities 11%
Annuity principles and concepts
- Accumulation period versus annuity period
- Owner, annuitant and beneficiary
- Insurance aspects of annuities
- Suitability in the sale of annuities (OAR 836-080-0090)
Immediate versus deferred annuities
- Single premium immediate annuities (SPIAs)
- Deferred annuities
  - Premium payment options
  - Nonforfeiture
  - Surrender charges
  - Death benefits
Annuity (benefit) payment options
- Life contingency options
- Pure life versus life with guaranteed minimum
- Single life versus multiple life
- Annuities certain (types)
Annuity products
- Fixed annuities
  - General account assets
  - Interest rate guarantees (minimum versus current)
  - Level benefit payment amount
- Equity indexed annuities
  - Market value adjusted annuities
Uses of annuities
- Lump-sum settlements
- Qualified retirement plans including group versus individual annuities
- Personal uses
  - Individual retirement annuities (IRAs)
  - Tax-deferred growth
  - Retirement income
  - Education funds
  - Living benefit riders

Federal Tax Considerations for Life Insurance and Annuities 5%
Taxation of personal life insurance
- Amounts available to policyowner
  - Cash value increases
  - Dividends
  - Policy loans
  - Surrenders
- Amounts received by beneficiary
  - General rule and exceptions
  - Settlement options
- Values included in insured's estate
Modified endowment contracts (MECs)
- Modified endowment versus life insurance
- Seven-pay test
- Distributions
Taxation of non-qualified annuities
- Individually-owned
  - Accumulation phase (tax issues related to withdrawals)
  - Annuity phase and the exclusion ratio
  - Distributions at death
- Corporate-owned
Taxation of individual retirement annuities (IRAs)
- Traditional IRAs
  - Contributions and deductible amounts
  - Premature distributions (including taxation issues)
  - Annuity phase benefit payments
  - Amounts received by beneficiary
- Roth IRAs
  - Contributions and limits
Distributions
Rollovers and transfers (IRAs and qualified plans) and suitability
Section 1035 exchanges and suitability

Qualified Plans 3%

General requirements
Federal tax considerations
Tax advantages for employers and employees
Taxation of distributions (age-related)

Plan types, characteristics and purchasers
Simplified employee pensions (SEPs)
Self-employed plans (HR 10 or Keogh plans)
Profit-sharing and 401(k) plans
SIMPLE plans
403(b) tax-sheltered annuities (TSAs)

Health Insurance 3%

Types of products and benefits
Medical and surgical (ORS 743.730(18),(23))
Dental (ORS 743.730(18)(a))
Long-term care (ORS 743.730(18)(a)(F), 743.650(4), (5)) OAR 836-052-0516
Short-term care (ORS 743.652(5))
Medicare supplements (ORS 743.680, OAR 836-052-0103)
Accident (ORS 743.730(b)(A))
Disability
Student health (ORS 743.550)
Blanket (ORS 743.534)
Vision

Types of health insurance policies
Individual versus group
Private versus government
TRICARE (ORS 743.730(b)(A)(E))
Limited versus comprehensive
Self insured versus fully insured
On exchange/off exchange
Small group and large group
Primary or supplemental

Policy exclusion provisions
Producer responsibilities
Marketing requirements
Advertising (OAR 836-020-0200-0305)
Oregon Life and Health Insurance
Guaranty Association (ORS 734.750 .890)
Sales presentations
Outline of coverage (OAR 836-020-0305)
Summary benefits and coverage

Field underwriting
Nature and purpose
Disclosure of information about individuals
Application procedures
Requirements at delivery of policy
Common situations for errors/omissions

Individual underwriting on grandfathered plans
Pre-existing conditions
Creditable coverage

Benefits, limitations and exclusions
Producer liability for errors and omissions

Individual Health Insurance Policy General Provisions 4%

Uniform required provisions
Incontestability (ORS 743.414, .472)
Grace period (ORS 743.417)
Reinstatement (ORS 743.420)

Uniform optional provisions
Change of occupation (ORS 743.450)
Misstatement of age (ORS 743.453, .489)

Other general provisions
Right to examine (free look) (ORS 743.492)
Consideration clause
Legal actions (ORS 743.441)
Renewability clause (ORS 743.495, .498, .766(4))
Noncancelable
Guaranteed renewable
Conditionally renewable
Renewable at option of insurer
Nonrenewable (cancelable, term)
Cancellation (ORS 743.472, .766(6))

Disability Income and Related Insurance 2%

Qualifying for disability benefits
Inability to perform duties
Own occupation
Any occupation
Loss of income (income replacement contracts)
Presumptive disability
Requirement to be under physician care

Individual disability income insurance
Unique aspects of individual disability underwriting
Occupational considerations
Benefit limits
Policy issuance alternatives and medical underwriting
Basic total disability plan
Income benefits (monthly indemnity)
Elimination and benefit periods
Waiver of premium feature
Coordination with social insurance, workers compensation benefits and at-work benefits
Additional monthly benefit (AMB)
Social insurance supplement (SIS)
Occupational versus nonoccupational coverage
Sick leave
Vacation leave

Business disability insurance
Key employee (partner) disability income
Disability buy-sell policy

Social Security disability
Qualification for disability benefits
Definition of disability
Waiting period
Disability income benefits

Workers compensation
Eligibility

Medical Plans 9%

Medical plan concepts
Fee-for-service basis versus prepaid basis
Benefit schedule versus usual/reasonable/customary charges
Any provider versus limited choice of providers
Insureds versus subscribers/participants
Deductibles and cost sharing

Types of providers and plans
Major medical insurance (indemnity plans)
Characteristics and plan provisions
Managed Care
Preferred provider organizations (PPOs)
General characteristics and plan provisions
Open panel or closed panel
Point-of-service (POS)
Out-of-network provider access
Primary Care Physician (PPO)

Oregon requirements (individual and group)
Eligibility requirements
Newborn child coverage (ORS 743A.090)
Dependent child age limit (ORS 743A.090)
Coverage for adopted children (ORS 743A.090)

Health Care Reform (Affordable Care Act)

Essential Health Benefits
Levels of Coverage
Payment and Billing
Internal Appeal and External Review
Penalties and Fines
Oregon’s Health Insurance Exchange/Marketplace

Employer group health insurance

Marketing considerations

Types of eligible groups
Employment-related groups (ORS 743.733)
Multiple-Employer Trusts (METs) or Welfare Arrangements (MEWAs) (ORS 750.301)
Self-Funded groups
Associations (alumni, professional, other)

Employer group health insurance

Insurer underwriting criteria
Characteristics of group
Plan design factors
Persistence factors
Administrative capability

Eligibility for insurance (ORS 743.754(4),(5))
Employee eligibility
Dependent eligibility
Coordination of benefits provision (OAR 836-020-0770 to 0806)
Change of insurance companies or loss of coverage
No-loss no-gain
Events that terminate coverage
Extension of benefits
Continuation of coverage under COBRA and Oregon rules (ORS 743.610; OAR 836-052-0860)
Conversion rights (ORS 743.600 .602)

Small employer medical plans
Definition of small employer (ORS 743.730)
Requirements of small employer (ORS 743.737)

Basic coverage (ORS 743.730(4), .736)
Availability of coverage (ORS 743.752)
Renewability of coverage (ORS 743.737(5))
Participation requirements (ORS 743.737(7))
Open enrollment
Purchase policy through exchange/marketplace (ORS 743.733(b))
Small group tax credits

Dental insurance 2%

Pediatric Care (Affordable Care Act)
Family care
Adult care

Categories of dental treatment
Diagnostic and preventive
Restorative
Oral surgery
Endodontics
Periodontics
Prosthodontics
Orthodontics

Access to dental coverage
Choice of providers
Scheduled versus nonscheduled plans

Employer group dental expense
Integrated deductibles versus stand-alone plans
Minimizing adverse selection

Insurance for senior citizens and special needs individuals 9%

Medicare
Nature, financing and administration
Part A — Hospital Insurance
Individual eligibility requirements
Enrollment
Coversages and cost-sharing amounts
Part B — Medical Insurance
Individual eligibility requirements
Enrollment
Coversages and cost-sharing amounts
Exclusions
Claims terminology and other key terms
Part C — Medicare Advantage
Part D — Prescription Drug Insurance

Medicare supplements
Purpose (OAR 836-052-0103)
Open enrollment (OAR 836-052-0138)
Standardized Medicare supplement plans
Core benefits (OAR 836-052-0133)
Additional benefits
Oregon regulations and required provisions
Standards for marketing (OAR 836-052-0175)
Advertising (ORS 743.687; OAR 836-052-0170)
Appropriateness of recommended purchase and excessive insurance (OAR 836-052-0180)
Right to return (free look) (ORS 743.686)

Replacement (ORS 743.013; OAR 836-052-0165, 0190)
Pre-existing conditions
Required disclosure provisions (ORS 743.685; OAR 836-052-0160)
Outline of coverage (ORS 743.685(2); OAR 836-052-0160, 0190)
Buyer’s guide (ORS 743.685(6))
Permitted compensation (OAR 836-052-0156)

Medicare SELECT (OAR 836-052-0139)

Other options for individuals with Medicare
Employer group health plans
Disabled employees
Employees with kidney failure
Individuals age 65 and older
Medicaid
Eligibility
Benefits

Long-term care (LTC) policies
Definitions (ORS 743.650 to .665)
Eligibility for benefits
Benefit triggers (ORS 743.652(2))
Activities of daily living requirements (OAR 836-052-0516(1))
Covered services (OAR 836-052-0596)
Benefit periods (ORS 743.665(5))
Benefit amounts (OAR 836-052-0586)
Optional benefits
Guarantee of insurability
Return of premium (ORS 743.665(E))
Qualified LTC plans (OAR 836-052-0531)
Exclusions
Oregon regulations and required provisions
Training for insurance producers (OAR 836-052-0639)
Standards for marketing (OAR 836-052-0706)
Advertising (OAR 836-052-0696)
Shopper’s guide (OAR 836-052-0786)
Outline of coverage (ORS 743.655(7); OAR 836-052-0776)
Appropriateness of recommended purchase
Right to return (free look) (ORS 743.655(6))
Replacement (OAR 836-052-0626, 0736)
Renewal provisions
Continuation or conversion
Required disclosure provisions (OAR 836-052-0716)
Inflation protection (OAR 836-052-0616)
Pre-existing conditions (ORS 743.655(3))
Protection against unintentional lapse (OAR 836-052-0536)
Partnership provisions (OAR 836-052-0531)
Prohibited provisions

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Medical and dental expense
Long-term care insurance
Accidental death and dismemberment
Medical expense coverage for sole proprietors and partners

Business disability insurance
Key person disability income
Buy-sell policy

Health Savings Accounts (HSAs) and Health Reimbursement Accounts (HRAs)
Definition
Eligibility
Contribution limits
Portability

Federal regulation

Insurance Regulation 11%

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Purpose
Process (ORS 744.058, .059, .062)
Types of licensees
Producers (ORS 744.052, .053, 731.104)
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Adjusters (ORS 744.531)
Nonresidents (ORS 744.063)
Temporary (ORS 744.073)

Maintenance and duration
Renewal and nonrenewal (ORS 744.072, .074 OAR 836-071-0146)
Continuing education requirements (ORS 744.072(4), OAR 836-071-0215 to 0250)
Reinstatement (ORS 744.018, .072(6))
Assumed business name (ORS 744.028(2), .068)
Change of address or telephone number (ORS 744.028(1), .068)
Reporting of actions (ORS 744.089)

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Director's enforcement authority (ORS 731.256)
Director's inquiries (ORS 731.296)
Company regulation
Producer appointment (ORS 744.078)

Termination of appointment (ORS 744.079, .081)
Unfair claim settlement practices (ORS 746.230, OAR 836-080-0205 to 0250)

Producer regulation
Fiduciary and trust account responsibilities (ORS 744.083; OAR 836-074-0020 to 0050)
Place of business/records maintenance (ORS 744.068)
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Commissions (ORS 744.076, .077; OAR 836-071-0269-0277)
Fees (ORS 744.076, .077; OAR 836-071-0260 to 0277)

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Unfair discrimination (ORS 746.015; OAR 836-081-0005, 0010, 0020, 0030)
Illegal inducement (ORS 746.035)
Examination of records (ORS 744.068(2, 3))
Privacy of Consumer Information (ORS 746.600, .620, .630, .665; OAR 836-080-0501 to 836-080-0551)

Federal regulation
Fair Credit Reporting Act (15 USC 1681 to 1681d)
Fraud and false statements including 1033 waiver (18 USC 1033, 1034)

General Insurance 10%

Concepts
Risk management key terms
Risk
Exposure
Hazard
Peril
Loss

Methods of handling risk
Avoidance
Retention
Sharing
Reduction
Transfer

Elements of insurable risks
Adverse selection
Law of large numbers
Reinsurance

Insurers
Types of insurers
Stock companies
Mutual companies
Fraternal benefit societies
Reciprocals
Lloyd's associations
Risk retention groups
Private versus government insurers
Admitted versus nonadmitted insurers
Domestic, foreign and alien insurers
Financial status (independent rating services)

Property and Casualty Insurance Basics 14%

Principles and concepts
Insurable interest
Underwriting
Function
Loss ratio
Rates
Types
Loss costs
Components
Hazards
Physical
Moral
Morale
Negligence
Elements of a negligent act
Defenses against negligence
Damages
Compensatory — economic versus noneconomic
Punitive
Absolute liability
Strict liability
Vicarious liability
Causes of loss (perils)
Named perils versus special (open) perils
Direct loss
Consequential or indirect loss
Blanket, specific insurance, and margin clause
Basic types of construction
Loss valuation
Actual cash value
Replacement cost
Functional replacement cost
Market value
Agreed value
Stated amount
Valued policy

Policy structure
Declarations
Definitions
Insuring agreement or clause
Additional/supplementary coverage
Conditions
Exclusions
Endorsements

Common policy provisions
Insureds — named, first named and additional
Policy period
Policy territory
Cancellation and nonrenewal
Deductibles
Other insurance
Concurrent
Primary and excess
Limits of liability
Per occurrence (accident)
Per person
Aggregate—general versus products—completed operations
Split
Combined single
Policy limits
Restoration/nonreduction of limits
Coincidence
Vacancy or unoccupancy
Named insured provisions
Duties after loss
Assignment
Abandonment
Insurer provisions
Liberalization
Subrogation
Salvage
Claim settlement options
Duty to defend
Third-party provisions
Standard mortgage clause
Loss payable clause
No benefit to the bailee
Oregon laws, regulations and required provisions

Oregon Insurance Guaranty Association (ORS 734.510-.710)
Cancellation and nonrenewal
Commercial liability (ORS 742.700-.710)
Property (ORS 742.224, 746.686-687)
Automobile (ORS 742.560-.572)
Binders (ORS 742.043)
Rates (ORS 727.025, .310; OAR 836-010-0011)
Policy forms (ORS 742.003, .005)
Suit against insurer (ORS 742.240)
Concealment, misrepresentation or fraud
(ORS 742.025, 702(1)(b); 746.075, .100, .110)
Unfair discrimination (ORS 746.015, .018, .240)
Federal Terrorism Insurance Program (15 USC 6701; Public Law 109-144, 110-160)

Dwelling Policy 6%
Characteristics and purpose
Coverage forms — Perils insured against
Basic — Oregon
Broad
Special

Property coverages
Coverage A — Dwelling
Coverage B — Other structures
Coverage C — Personal property
Coverage D — Fair rental value
Coverage E — Additional living expense
Other coverages

General exclusions
Conditions
Selected endorsements
Special provisions — Oregon

Homeowners Policy 8%
Coverage forms
HO-2 through HO-6
HO-8

Definitions
Section I — Property coverages
Coverage A — Dwelling
Coverage B — Other structures
Coverage C — Personal property
Coverage D — Loss of use
Additional coverages

Section II — Liability coverages
Coverage E — Personal liability
Coverage F — Medical payments to others
Additional coverages

Perils insured against
Exclusions
Conditions
Selected endorsements

Auto Insurance 11%
Laws
Oregon Motor Vehicle Financial Responsibility Law
Required motor vehicle limits of liability
(ORS 806.070, .075)
Other ways to prove responsibility
(ORS 806.011, .060, .080)
Personal injury protection (ORS 742.518-.544)
Medical
Loss of income
Funeral
Essential services
Exclusions from coverage
Arbitration
Day Care
Uninsured/underinsured motorist (ORS 742.500-.510)
Definitions
Bodily injury
Property damage
Required limits
Aftermarket Crash Parts Act (ORS 746.287, .289, .292)
Credit History (ORS 746.661)
Total Loss (ORS 742.554, 801.527, 819.014), (OAR 836.080.0240)

Personal auto policy
Definitions
Liability coverage
Bodily injury and property damage
Supplementary payments
Exclusions
Medical payments coverage
Coverage for damage to your auto
Collision
Other than collision (comprehensive)
Deductibles
Exclusions
Rental Reimbursement
Duties after an accident or loss
General provisions
Selected endorsements
Amendment of policy provisions

Oregon
Towing and labor costs
Extended non-owned coverage
vehicles furnished or available for regular use
Miscellaneous type vehicle
Commercial Package Policy (CPP) 13%

Components of a commercial policy
- Common policy declarations
- Common policy conditions
- Interline endorsements
- One or more coverage parts

Commercial general liability
- Commercial general liability coverage forms
- Bodily injury and property damage liability
- Personal and advertising injury liability
- Medical payments
- Supplementary payments
- Who is an insured
- Limits of insurance
- Conditions
- Definitions
- Exclusions
- Occurrence versus claims-made
  - Trigger
  - Retroactive date
  - Extended reporting periods — basic versus supplemental
  - Claim information

Commercial property
- Commercial property conditions form
  - Coverage forms
    - Building and personal property
    - Condominium association
    - Condominium commercial unit-owners
    - Builders risk
    - Business income
    - Legal liability
    - Extra expense
  - Causes of loss forms
    - Basic
    - Broad
    - Special
  - Selected endorsements
    - Ordinance or law
    - Spoilage
    - Peak season limit of insurance
    - Value reporting form

Commercial crime
- General definitions
  - Burglary
  - Theft
  - Robbery

Crime coverage forms
- Commercial crime coverage forms (discovery/loss sustained)
- Government crime coverage forms (discovery/loss sustained)

Coverages
- Employee theft
- Forgery or alteration
- Inside the premises — theft of money and securities
- Inside the premises — robbery or safe burglary of other property
- Outside the premises
  - Computer fraud
  - Funds transfer fraud
  - Money orders and counterfeit money
- Other crime coverages
  - Extortion — commercial entities
  - Guests’ property
  - Identify theft/data breach

Commercial inland marine
- Nationwide marine definition
- Commercial inland marine conditions form
  - Inland marine coverage forms
  - Accounts receivable
  - Bailee’s customer
  - Commercial articles
  - Contractors equipment floater
  - Electronic data processing
  - Installation floater
  - Signs
  - Valuable papers and records
  - Transportation coverages
    - Motor truck cargo forms
    - Transit coverage forms

Equipment breakdown
- Equipment breakdown protection coverage form
- Selected endorsement
- Actual cash value

Farm coverage
- Farm property coverage form
  - Coverage A — Dwellings
  - Coverage B — Other private structures
  - Coverage C — Household personal property
  - Coverage D — Loss of use
  - Coverage E — Scheduled personal property
  - Coverage F — Unscheduled farm personal property
  - Coverage G — Other farm structures

Farm liability coverage form
- Coverage H — Bodily injury and property damage liability
- Coverage I — Personal and advertising injury liability
- Coverage J — Medical payments
- Mobile agricultural machinery and equipment coverage form
- Livestock coverage form
- Definitions
- Causes of loss (basic, broad and special)
- Conditions
- Exclusions
- Limits
- Additional coverages

Businessowners Policy 5%

Characteristics and purpose

Businessowners Section I — Property
- Coverages
- Exclusions
- Limits
- Deductibles
- Loss conditions
- General conditions
- Optional coverages
- Definitions

Businessowners Section II — Liability
- Coverages
- Exclusions
- Who is an insured
- Limits of insurance
- General conditions
- Definitions

Businessowners Section III — Common Policy Conditions
- Selected endorsements
  - Hired auto and non-owned auto liability
  - Protective safeguards
  - Utility services — direct damage
  - Utility services — time element

Workers’ Compensation Insurance 11%

Workers’ compensation laws
- Type of law
  - Monopolistic versus competitive
Other Coverages and Options 11%

- Surety bonds
  - Principal, obligee and surety
  - Contract bonds
  - License and permit bonds
  - Judicial bonds

National Flood Insurance Program

- Write your own versus government
- Eligibility

Coverage

- Limits
- Deductibles

Other policies

- Boatowners
- Difference in conditions

Residual markets

- Joint Underwriting Association (ORS 735.200 – 735.390)
- Oregon FAIR Plan Association (ORS 735.004, .015, .045)

Other sources of coverage

- Workers’ Compensation Handicapped Workers Program (ORS 656.628)
- OAR 836-080-0501 to 0277)
- Oregon FAIR Plan Association (ORS 735.004, .015, .045)

PRODUCERS EXAMINATION FOR PROPERTY INSURANCE SERIES 12-12

100 questions - 2 hour time limit

Insurance Regulation 13%

- Licensing
  - Purpose
  - Process (ORS 744.058, .059, .060)
  - Types of licensees
    - Producers (ORS 744.052, .053, 731.104)
    - Consultants (ORS 744.605, .609, .626; OAR 836-071-.0150)
    - Adjusters (ORS 744.531)
    - Nonresidents (ORS 744.063)
  - Temporary (ORS 744.073)
  - Maintenance and duration
    - Renewal and nonrenewal (ORS 744.072, .074; OAR 836-071-.0146)
    - Continuing education requirements (ORS 744.072(4); OAR 836-071-.0215 to 0250)
    - Reinstatement (ORS 744.018, .072(6))
    - Assuming business name (ORS 744.028(2), .068)
    - Change of address or telephone number (ORS 744.028(1), .068)
    - Reporting of actions (ORS 744.089)
  - Disciplinary actions
    - Cease and desist orders (ORS 731.252)
    - License probation, suspension, revocation or refusal to issue or renew (ORS 744.074)
    - Civil penalty (ORS 731.988)
    - Criminal penalty (ORS 731.992)

Federal regulation

- Fair Credit Reporting Act (15 USC 1681 to 1681d)
- Fraud and false statements including 1033 waiver (18 USC 1033, 1034)

General Insurance 13%

- Concepts
  - Risk management key terms
  - Risk
  - Exposure
  - Hazard
  - Peril
  - Loss
  - Methods of handling risk
    - Avoidance
    - Retention
    - Sharing
    - Reduction
    - Transfer
  - Elements of insurable risks
  - Adverse selection
  - Law of large numbers
  - Reinsurance

Insurers

- Types of insurers
  - Stock companies
  - Mutual companies
  - Fraternal benefit societies
  - Reciprocals
  - Lloyd’s associations
  - Risk retention groups
  - Private versus government insurers
  - Admitted versus nonadmitted insurers
  - Domestic, foreign and alien insurers
  - Financial status (independent rating services)
  - Marketing (distribution) systems

Producers and general rules of agency

- Insurer as principal
- Producer/insurer relationship
Authority and powers of producer
Express
Implied
Apparent
Responsibilities to the applicant/insured
Contracts
Elements of a legal contract
Offer and acceptance
Consideration
Competent parties
Legal purpose
Distinct characteristics of an insurance contract
Contract of adhesion
Aleatory contract
Personal contract
Unilateral contract
Conditional contract
Legal interpretations affecting contracts
Ambiguities
Reasonable expectations
Indemnity
Utmost good faith
Representations/misrepresentations
Warranties
Concealment
Fraud
Waiver and estoppel
Property and Casualty Insurance Basics 16%
Principles and concepts
Insurable interest
Underwriting
Function
Loss ratio
Rates
Types
Loss costs
Components
Hazards
Physical
Moral
Morale
Causes of loss (perils)
Named perils versus special (open) perils
Direct loss
Consequential or indirect loss
Blanket, specific insurance, and margin clause
Basic types of construction
Loss valuation
Actual cash value
Replacement cost
Functional replacement cost
Market value
Agreed value
Stated amount
Valued policy
Policy structure
Declarations
Definitions
Insuring agreement or clause
Additional/ supplementary coverage
Conditions
Exclusions
Endorsements
Common policy provisions
Insureds — named, first named and additional
Policy period
Policy territory
Cancellation and nonrenewal
Deductibles
Other insurance
Concurrent
Primary and excess
Policy limits
Restoration/nonreduction of limits
Coinurance
Vacancy or unoccupancy
Named insured provisions
Duties after loss
Assignment
Abandonment
Insurer provisions
Liberalization
Subrogation
Salvage
Claim settlement options
Third-party provisions
Standard mortgage clause
Loss payable clause
No benefit to the bailee
Oregon laws, regulations and required provisions
Oregon Insurance Guaranty Association (ORS 734.510-.710)
Cancellation and nonrenewal
Commercial liability (ORS 742.700-.710)
Property (ORS 742.224, 746.686-687)
Binders (ORS 742.043)
Rates (ORS 737.025, .310; OAR 836-010-0011)
Policy forms (ORS 742.003, .005)
Suit against insurer (ORS 742.240)
Concealment, misrepresentation or fraud (ORS 742.013, .208, .562(1)(b), .702(1)(b); 746.075,.100,.110)
Unfair discrimination (ORS 746.015,.018,.240)
Federal Terrorism Insurance Program (15 USC 6701; Public Law 109-144, 110-160)
Special
Property coverages
Coverage A — Dwelling
Coverage B — Other structures
Coverage C — Personal property
Coverage D — Fair rental value
Coverage E — Additional living expense
Other coverages
General exclusions
Conditions
Selected endorsements
Special provisions — Oregon
Automatic increase in insurance
Broad theft coverage
Dwelling under construction
Personal liability supplement
Homeowners Policy 17%
Coverage forms
HO-2 through HO-6
HO-8
Definitions
Section I — Property coverages
Coverage A — Dwelling
Coverage B — Other structures
Coverage C — Personal property
Coverage D — Loss of use
Additional coverages
Perils insured against
Exclusions
Conditions
Selected endorsements
Special provisions — Oregon
Limited fungi, wet or dry rot, or bacteria coverage
Earthquake
Scheduled personal property
Personal property replacement cost
Permitted incidental occupancies — residence premises — Oregon
Home day care — Oregon
Commercial Package Policy (CPP) 13%
Components of a commercial policy
Common policy declarations
Common policy conditions
Interline endorsements
One or more coverage parts
Commercial property
Commercial property conditions form
Coverage forms
Building and personal property
Condominium association
Condominium commercial unit-owners
Builders risk
Business income
Legal liability
Extra expense
Causes of loss forms
Basic
Dwelling Policy 10%
Characteristics and purpose
Coverage forms — Perils insured against
Basic — Oregon
Broad
Existing text
Lloyd's associations
Risk retention groups
Private versus government insurers
Admitted versus nonadmitted insurers
Domestic, foreign and alien insurers
Financial status (independent rating services)
Marketing (distribution) systems
Producers and general rules of agency
Insurer as principal
Producer/insurer relationship
Authority and powers of producer
Express
Implied
Apparent
Responsibilities to the applicant/insured
Contracts
Elements of a legal contract
Offer and acceptance
Consideration
Competent parties
Legal purpose
Distinct characteristics of an insurance contract
Contract of adhesion
Aleatory contract
Personal contract
Unilateral contract
Conditional contract
Legal interpretations affecting contracts
Ambiguites
Reasonable expectations
Indemnity
Umost good faith
Representations/ misrepresentations
Warranties
Concealment
Fraud
Waiver and estoppel

Property and Casualty Insurance Basics 13%
Principles and concepts
Insurable interest
Underwriting
Function
Loss ratio
Rates
Types
Loss costs
Components
Hazards
Physical
Moral
Morale
Negligence
Elements of a negligent act
Defenses against negligence
Damages
Compensatory — economic versus non-economic
Punitive
Absolute liability
Strict liability
Vicarious liability
Policy structure
Declarations
Definitions
Insuring agreement or clause
Additional/ supplementary coverage
Conditions
Exclusions
Endorsements
Common policy provisions
Insureds — named, first named and additional
Policy period
Policy territory
Cancellation and nonrenewal
Deductibles
Other insurance
Concurrent
Primary and excess
Limits of liability
Per occurrence (accident)
Per person
Aggregate—general versus products—completed operations
Split
Combined single
Policy limits
Named insured provisions
Duties after loss
Assignment
Insurer provisions
Liberalization
Subrogation
Duty to defend
Oregon laws, regulations and required provisions
Oregon Insurance Guaranty Association (ORS 734.510–.710)
Cancellation and nonrenewal
Commercial liability (ORS 742.700–.710)
Property (ORS 742.224, 746.686–687)
Automobile (ORS 742.560–.572)
Binders (ORS 742.043)
Rates (ORS 737.025, .310; OAR 836-010-0011)
Policy forms (ORS 742.003, .005)
Suit against insurer (ORS 742.240)
Concealment, misrepresentation or fraud (ORS 742.013, .208, .562(1)(b), .702(1)(b); 746.075, .100, .110)
Unfair discrimination (ORS 746.015, .018, .240)
Federal Terrorism Insurance Program (15 USC 6701; Public Law 109-144, 110-160)

Coverage forms
HO-2 through HO-6
HO-8
Definitions
Section II — Liability coverages
Coverage E — Personal liability
Coverage F — Medical payments to others
Additional coverages
Exclusions
Conditions
Selected endorsements
Special provisions — Oregon
Limited fungi, wet or dry rot, or bacteria coverage
Permitted incidental occupancies — Oregon
Home day care — Oregon
Business pursuits
Watercraft
Personal injury
Identify theft

Auto Insurance 14%
Laws
Oregon Motor Vehicle Financial Responsibility Law
Required motor vehicle limits of liability (ORS 806.070, .075)
Other ways to prove responsibility (ORS 806.011, .060, .080)
Personal injury protection (ORS 742.518–.544)
Medical
Loss of income
Funeral
Essential services
Exclusions from coverage
Arbitration
Day Care
Uninsured/underinsured motorist (ORS 742.500, .510)
Definitions
Bodily injury
Property damage
Required limits
Aftermarket Crash Parts Act (ORS 746.257, .289, .292)
Credit History (ORS 746.661 (44))
Total Loss (ORS 742.554, 801.527, 819.014), (OAR 836.080.0240) - GINA IS NOT SURE IF THIS IS RELEVANT FOR A PRODUCER
Personal auto policy
Definitions
Liability coverage
Bodily injury and property damage
Supplementary payments
Exclusions
Medical payments coverage
Coverage for damage to your auto
Collision
Other than collision (comprehensive)

Homeowners Policy 10%
Deductibles
Exclusions
Rental Reimbursement
Duties after an accident or loss
General provisions
Selected endorsements
Amendment of policy provisions — Oregon
Towing and labor costs
Extended non-owned coverage — vehicles furnished or available for regular use
Miscellaneous type vehicle
Joint ownership coverage

Commercial auto
Commercial auto coverage forms
Business auto
Garage
Business auto physical damage
Motor carrier
Coverage form sections
Covered autos
Liability coverage
Garagekeepers coverage
Trailer interchange coverage
Physical damage coverage
Exclusions
Conditions
Definitions
Selected endorsements
Lessor — additional insured and loss payee
Mobile equipment
Auto medical payments
coverage/personal injury protection
Drive other car coverage
Individual named insured
Suspension of coverage

Commercial carrier regulations
The Motor Carrier Act of 1980
Endorsement for motor carrier policies of insurance for public liability (MCS-90)

Commercial Package Policy (CPP) 10%

Components of a commercial policy
Common policy declarations
Common policy conditions
Interline endorsements
One or more coverage parts

Commercial general liability
Commercial general liability coverage forms
Bodily injury and property damage liability
Personal and advertising injury liability
Medical payments
Supplementary payments
Who is an insured
Limits of insurance
Conditions

Definitions
Exclusions
Occurrence versus claims-made
Trigger
Retroactive date
Extended reporting periods — basic versus supplemental
Claim information
Premises and operations
Products and completed operations
Insured contract defined/contractual liability
Pollution liability coverage form

Commercial crime
General definitions
Burglary
Theft
Robbery

Crime coverage forms
Commercial crime coverage forms (discovery/loss sustained)
Government crime coverage forms (discovery/loss sustained)

Coverages
Employee theft
Forgery or alteration
Inside the premises — theft of money and securities
Inside the premises — robbery or safe burglary of other property
Outside the premises
Computer fraud
Funds transfer fraud
Money orders and counterfeit money
Other crime coverages
Extortion — commercial entities
Guests’ property
Identify theft/data breach

Farm coverage
Farm liability coverage form (06)
Coverage H — Bodily injury and property damage liability
Coverage I — Personal and advertising injury liability
Coverage J — Medical payments
Definitions
Exclusions
Limits
Additional coverages

Businessowners Policy 10%

Characteristics and purpose
Businessowners Section II — Liability
Coverages
Exclusions
Who is an insured
Limits of insurance
General conditions
Definitions

Businessowners Section III — Common Policy Conditions
Selected endorsements

Workers’ Compensation Insurance 13%

Workers’ compensation laws
Type of law
Monopolistic versus competitive
Compulsory versus elective
Oregon Workers’ Compensation Law
(ORS Chapter 656)
Exclusive remedy (ORS 656.018)
Employment covered (required, voluntary, leased) (ORS 656.017, .023, .027-.041)
Covered injuries (ORS 656.005(7))
Occupational disease (ORS 656.802-.804)
Benefits provided (ORS 656.202, .204, .206, .208, .210, .211, .212, .214, .216, .245, .258)
Workers’ Compensation Handicapped Workers Program (ORS 656.628)

Workers’ compensation and employers liability insurance policy
General section
Part One — Workers’ compensation insurance
Part Two — Employers liability insurance
Part Three — Other states insurance
Part Four — Your duties if injury occurs
Part Five — Premium
Part Six — Conditions
Selected endorsement
Voluntary compensation

Premium computations
Job classification
Rates
Payroll
Adjustment upon audit
Experience modification factor
Premium discounts

Other sources of coverage
Oregon Workers’ Compensation Fund Insurance Plan (ORS 656.730; OAR 836-043-0001-0091)
Self-insured employers and employer groups (ORS 656.403, .407)

Other Coverages and Options 8%

Umbrella/excess liability policies
Personal
Commercial

Specialty liability insurance
Errors and omissions
Directors and officers liability
Fiduciary liability
Liquor liability
Employment practices liability

Surplus lines (ORS Sec. 735.410, .415)
Definitions and markets
Licensing requirements

Surety bonds
Principal, obligee and surety
Contract bonds
License and permit bonds
Insurance Regulation 10%

**Licensing**

- **Purpose**
- **Process (ORS 744.058, .059, .062)**
- **Types of licensees**
  - Producers (ORS 744.052, .053, 731.104)
  - Consultants (ORS 744.605, .609, .626; OAR 836-071-0150)
  - Adjusters (ORS 744.531)
  - Nonresidents (ORS 744.063)
  - Temporary (ORS 744.073)
- **Maintenance and duration**
  - Renewal and nonrenewal (ORS 744.072, .074)
  - Continuing education requirements (ORS 744.072(4); OAR 836-071-0215 to 0250)
  - Reinstatement (ORS 744.018, .072(6))
  - Assumed business name (ORS 744.028(2), .068)
  - Change of address or telephone number (ORS 744.028(1), .068)
- **Disciplinary actions**
  - Cease and desist orders (ORS 731.252)
  - License probation, suspension, revocation or refusal to issue or renew (ORS 744.074)
  - Civil penalty (ORS 731.988)
  - Criminal penalty (ORS 731.992)

**State regulation**

- Director's enforcement authority (ORS 731.256)
- Director's inquiries (ORS 731.296)
- **Company regulation**
  - Producer appointment (ORS 744.078)
  - Termination of appointment (ORS 744.079, .081)
  - Unfair claim settlement practices (ORS 746.230; OAR 836-080-0205 to 0250)
- **Producer regulation**
  - Fiduciary and trust account responsibilities (ORS 744.083; OAR 836-074-0020 to 0050)
  - Place of business/records maintenance (ORS 744.068)
  - Controlled business (ORS 746.065, .160)
  - Commissions (ORS 744.076, .077; OAR 836-071-0269 to 0277)
  - Fees (ORS 744.076, .077; OAR 836-071-0260 to 0277)
- **Unfair trade practices**
  - Misrepresentation (ORS 746.075, .100)
  - False advertising (ORS 746.110; OAR 836-080-0155)
  - Rebating (ORS 746.045)

**Federal regulation**

- Fair Credit Reporting Act (15 USC 1681 to 1681d)
- Fraud and false statements including 1033 waiver (18 USC 1033, 1034)

**General Insurance 10%**

- **Concepts**
  - Risk management key terms
  - Risk
  - Exposure
  - Hazard
  - Peril
  - Loss
  - Methods of handling risk
  - Avoidance
  - Retention
  - Sharing
  - Reduction
  - Transfer
  - Elements of insurable risks
  - Adverse selection
  - Law of large numbers
  - Reinsurance

**Insurers**

- **Types of insurers**
  - Stock companies
  - Mutual companies
  - Fraternal benefit societies
  - Reciprocals
  - Lloyd's associations
  - Risk retention groups
  - Private versus government insurers
  - Admitted versus nonadmitted insurers
  - Domestic, foreign and alien insurers
  - Financial status (independent rating services)
  - Marketing (distribution) systems

**Producers and general rules of agency**

- Insurer as principal
- Producer/insurer relationship
- Authority and powers of producer
  - Express
  - Implied
  - Apparent
- Responsibilities to the applicant/insured

**Contracts**

- Elements of a legal contract
  - Offer and acceptance
  - Consideration
  - Competent parties
  - Legal purpose
  - Distinct characteristics of an insurance contract

**Property and Casualty Insurance Basics 26%**

- **Principles and concepts**
  - Insurable interest
  - Underwriting
  - Function
  - Loss ratio

- **Rates**
  - Types
  - Loss costs
  - Components
  - Hazards
  - Physical
  - Moral
  - Morale

- **Negligence**
  - Elements of a negligent act
  - Defenses against negligence

- **Damages**
  - Compensatory — economic versus non-economic
  - Punitive
  - Absolute liability
  - Strict liability
  - Vicarious liability
  - Causes of loss (perils)
  - Named perils versus special (open) perils
  - Direct loss
  - Consequential or indirect loss
  - Blanket, specific insurance, and margin clause

- **Basic types of construction**
- **Loss valuation**
  - Actual cash value
  - Replacement cost
  - Functional replacement cost

- **Market value**
  - Agreed value
  - Stated amount
  - Valued policy

**Policy structure**

- Declarations
- Definitions
- Insuring agreement or clause
Common policy provisions

Insureds — named, first named and additional
Policy period
Policy territory
Cancellation and nonrenewal
Deductibles
Other insurance
Concurrent
Primary and excess

Characteristics and purpose

Dwelling Policy 13%

Coverage forms — Perils insured against
- Basic — Oregon
- Broad
- Special

Property coverages
- Coverage A — Dwelling
- Coverage B — Other structures
- Coverage C — Personal property
- Coverage D — Fair rental value
- Coverage E — Additional living expense
- Other coverages

General exclusions

Conditions

Selected endorsements
- Special provisions — Oregon
- Automatic increase in insurance
- Broad theft coverage
- Dwelling under construction

Personal liability supplement

Homeowners Policy 19%

Coverage forms
- HO-2 through HO-6
- HO-8

Definitions

Section I — Property coverages
- Coverage A — Dwelling
- Coverage B — Other structures
- Coverage C — Personal property
- Coverage D — Loss of use
- Additional coverages

Section II — Liability coverages
- Coverage E — Personal liability
- Coverage F — Medical payments to others
- Additional coverages

Personal auto policy

Definitions
- Liability coverage
- Bodily injury and property damage
- Supplementary payments
- Exclusions
- Medical payments coverage
- Coverage for damage to your auto
- Collision
- Other than collision (comprehensive)
- Deductibles
- Exclusions
- Rental Reimbursement
- Duties after an accident or loss

General provisions

Selected endorsements
- Amendment of policy provisions — Oregon
- Tow In Oregon provisions
- Extended non-owned coverage — vehicles furnished or available for regular use
- Miscellaneous type vehicle
- Joint ownership coverage

Other Coverages and Options 6%

Umbrella/excess liability policies
- Personal

National Flood Insurance Program
- Write your own versus government
- Eligibility
- Coverage
- Limits
- Deductibles

Other policies
- Boatowners
- Difference in conditions
- Recreational vehicles

Residual markets
- Oregon FAIR Plan Association (ORS 735.005, .015, .045)
Insurance Regulation 12%

Licensing regulation for surplus lines
- Purpose (ORS 735.400)
- Definitions (ORS 731.066, 744.005)
- Types of licensees
  - Individuals (ORS 735.450(1,2,4), 744.050)
  - Business entity (ORS 731.116)
  - Nonresident (ORS 735.450(2,4), 744.063)
- Licensing requirements (ORS 735.450(1,2,4), 455; OAR 836-071-0500)
  - Current license
  - Prior experience
- Maintenance and duration
  - Renewal (ORS 744.072)
  - Change of address (ORS 744.068(4))
  - Assumed business names (ORS 744.068(1))
  - Continuing education requirements (ORS 744.072(4,5))
- Disciplinary actions
  - Hearings (ORS 731.240)
  - Cease and desist order (ORS 731.248, 252)
  - Suspension, revocation, or refusal to renew (ORS 735.480, 744.074)
  - Penalties (ORS 735.485, 490)
  - Reinstatement (ORS 744.072(6))

State regulation
- Director's general duties and powers
  - (ORS 731.236, 735.420, 475)
- Unfair trade practices
  - Misrepresentation (ORS 746.075, 100)
  - False advertising (ORS 746.110; OAR 836-080-0155)
  - Rebating (ORS 746.045)
- Unfair discrimination (ORS 746.015; OAR 836-081-0005, 0010, 0020, 0030)
- Illegal inducement (ORS 746.035)
- Suitability (OAR 836-080-0001-0043, 836-080-0090)
- Examination of records (ORS 744.068(2,3))
- Privacy of Consumer Information (ORS 746.620, 630, 665)

General Insurance 8%

Concepts
- Risk management key terms
  - Risk
  - Exposure
  - Hazard
  - Peril
  - Loss
- Methods of handling risk
  - Avoidance
  - Retention
  - Sharing
  - Reduction
  - Transfer
  - Elements of insurable risks
  - Adverse selection
  - Law of large numbers
  - Reinsurance

Producers and general rules of agency
- Insurers
  - Types of insurers
    - Stock companies
    - Mutual companies
    - Fraternal benefit societies
    - Self insurers
  - Surplus lines
    - Private versus government insurers
    - Admitted versus nonadmitted insurers
    - Domestic, foreign, and alien insurers
    - Financial status (independent rating services)
- Marketing (distribution) systems
  - Source of business
  - Sale
  - Agents
  - Access to customer

Contracts
- Elements of a legal contract
  - Offer and acceptance
  - Consideration
  - Competent parties
- Legal purpose
- Distinct characteristics of an insurance contract
  - Contract of adhesion
  - Aleatory contract
  - Personal contract
  - Unilateral contract
- Conditional contract
- Legal interpretations affecting contracts
  - Ambiguities in a contract of adhesion
  - Reasonable expectations
  - Indemnity
  - Utmost good faith
  - Representations/misrepresentations
  - Warranties
  - Concealment
  - Fraud
  - Waiver and estoppel

Surplus Lines Markets and Practices 80%

United States nonadmitted market

ADJUSTERS EXAMINATION FOR HEALTH INSURANCE
SERIES 12-06

100 questions - 2 hour time limit

Insurance Regulation 10%

Licensing requirements (ORS 744.505)
- Licensing exceptions (ORS 744.515)
- Qualifications (ORS 744.002, 525)
- Types of licensees
Types of health insurance policies

Individual versus group
Private versus government
Limited versus comprehensive
Self insured versus fully insured
On exchange/ off exchange
Small group and large group

Policy exclusion provisions
Individual underwriting on grandfathered plans
Pre-existing conditions
Creditable coverage
Benefits, limitations and exclusions
Producer liability for errors and omissions

Individual Health Insurance Policy General Provisions 13%

Uniform required provisions
Incontestability (ORS 743.414, .472)
Grace period (ORS 743.417)
Reinstatement (ORS 743.420)

Uniform optional provisions
Change of occupation (ORS 743.450)
Misstatement of age (ORS 743.453, .489)

Other general provisions
Right to examine (free look) (ORS 743.492)
Consideration clause
Legal actions (ORS 743.441)
Conformity with state statutes (ORS 743.474)

Disability Income and Related Insurance 10%

Qualifying for disability benefits
Inability to perform duties
Own occupation
Any occupation
Loss of income (income replacement contracts)
Presumptive disability

Requirement to be under physician care

Individual disability income insurance

Basic total disability plan
Income benefits (monthly indemnity)
Elimination and benefit periods
Waiver of premium feature
Coordination with social insurance and workers compensation benefits and at-work benefits

Additional monthly benefit (AMB)
Social insurance supplement (SIS)
Occupational versus nonoccupational coverage
Partial disability benefit
Residual disability benefit

Other provisions affecting income benefits
Cost of living adjustment (COLA) rider
Future increase option (FIO) rider
Relation of earnings to insurance (ORS 743.465)

Other cash benefits
Accidental death and dismemberment

Rehabilitation benefit
Medical reimbursement
benefit(non disabling injury)

Exclusions as the policy lists

Unique aspects of individual disability
underwriting

Occupational considerations
 Benefit limits
Policy issuance alternatives and medical underwriting

Group disability income insurance
Short term disability (STD)
Long term disability (LTD)

Business disability insurance
Key employee (partner) disability income
Disability buy-sell policy

Social Security disability
Qualification for disability benefits
Definition of disability
Waiting period
Disability income benefits

Workers compensation
Eligibility

Medical Plans 10%

Medical plan concepts
Fee-for-service basis versus prepaid basis
Benefit schedule versus usual/ reasonable/ customary charges

Any provider versus limited choice of providers
Insureds versus subscribers/participants
Deductibles and cost sharing

Types of providers and plans
Major medical insurance (indemnity plans)
Characteristics and plan provisions
Managed Care
Preferred provider organizations (PPOs)
General characteristics and plan provisions

Open panel or closed panel
Point-of-service (POS)
Out-of-network provider access
Primary Care Physician (PPO)

Oregon requirements (individual and group)
Eligibility requirements

Newborn child coverage (ORS 743A.090)
Dependent child age limit (ORS 743A.090)
Coverage for adopted children (ORS 743A.090)

Health Care Reform (Affordable Care Act)

Essential Health Benefits
Levels of Coverage
Payment and Billing
Internal Appeal and External Review
Penalties and Fines

Oregon's Health Insurance
Exchange/ Marketplace

Definition
Medicaid
Eligibility
### Pediatric Care (Affordable Care Act)

- Benefits
- Subsidies/Tax Credits
- HIPAA (Health Insurance Portability and Accountability Act) requirements
  - Eligibility
  - Guaranteed issue
  - Creditable coverage
  - Renewability

### Group Health Insurance 12%

<table>
<thead>
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<th>Purpose of group insurance (ORS 743.731(1)-(8))</th>
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<td>Issuance of group contract (ORS 743.733)</td>
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<td>Provisions of coverage (ORS 743.734)</td>
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<tr>
<td>Experience rating versus community rating</td>
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**Types of eligible groups**
- Employment-related groups (ORS 743.733)
- Multiple-Employer Trusts (METs) or Welfare Arrangements (MEWAs) (ORS 750.301)
- Self-Funded groups
- Associations (alumni, professional, other)

### Marketing considerations

- Advertising
- Regulatory jurisdiction/place of delivery

#### Employer group health insurance

- Insurer underwriting criteria
  - Characteristics of group
  - Plan design factors
  - Persistence factors
- Administrative capability
- Eligibility for insurance (ORS 743.754(4),(5))
  - Employee eligibility
  - Dependent eligibility
  - Coordination of benefits provision (OAR 836-020-0770 0806)
  - Change of insurance companies or loss of coverage
    - No-loss no-gain
    - Events that terminate coverage
- Extension of benefits
- Continuation of coverage under COBRA and Oregon rules (ORS 743.610; OAR 836-052-0860)
- Conversion rights (ORS 743.600–0602)

#### Small employer medical plans

- Definition of small employer (ORS 743.730)
- Basic coverage (ORS 743.730(4), .736)
- Availability of coverage (ORS 743.752)
- Renewability of coverage (ORS 743.737(5))
- Participation requirements (ORS 743.737(7))
- Open enrollment
- Purchase policy through exchange/mercakplace (ORS 743.733(b))
- Small group tax credits

### Dental Insurance 5%

- Pediatric Care (Affordable Care Act)
  - Family care
  - Adult care
- Categories of dental treatment
  - Diagnostic and preventive
  - Restorative
  - Oral surgery
  - Endodontics
  - Periodontics
  - Prosthodontics
  - Orthodontics
- Access to Dental Coverage
  - Choice of providers
  - Scheduled versus nonscheduled plans
- Employer group dental expense
  - Integrated deductibles versus stand-alone plans
  - Minimizing adverse selection
- Insurance for Senior Citizens and Special Needs Individuals 10%
- Medicare
  - Nature, financing and administration
  - Part A – Hospital Insurance
    - Individual eligibility requirements
    - Enrollment
    - Coverages and cost-sharing amounts
  - Part B – Medical Insurance
    - Individual eligibility requirements
    - Enrollment
    - Coverages and cost-sharing amounts
    - Exclusions
    - Claims terminology and other key terms
  - Part C – Medicare Advantage
  - Part D – Prescription Drug Insurance
- Medicare supplements
  - Purpose (OAR 836-052-0103)
  - Open enrollment (OAR 836-052-0138)
  - Standardized Medicare supplement plans
    - Core benefits (OAR 836-052-0133)
    - Additional benefits
  - Oregon regulations and required provisions
    - Standards for marketing (OAR 836-052-0175)
    - Advertising (ORS 743.687; OAR 836-052-0170)
    - Appropriateness of recommended purchase and excessive insurance (OAR 836-052-0180)
    - Right to return (free look) (ORS 743.686)
    - Replacement (ORS 743.013; OAR 836-052-0165, 0190)
    - Pre-existing conditions (OAR 836-052-0190)
    - Required disclosure provisions (ORS 743.685; OAR 836-052-0160)
    - Outline of coverage (ORS 743.685(2);OAR 836-052-0160, 0190)
    - Buyer’s guide (ORS 743.685(6))
    - Permitted compensation (OAR 836-052-0156)
- Medicaid
- Eligibility
- Benefits
- Long-Term Care (LTC) policies
  - Definitions (ORS 743.650 to .665)
  - Eligibility for benefits
  - Benefit triggers (ORS 743.652(2))
  - Activities of daily living requirements (OAR 836-052-0516(1))
  - Covered services (OAR 836-052-0596)
  - Benefit periods (ORS 743.665(5))
  - Benefit amounts (OAR 836-052-0586)
- Optional benefits
  - Guarantee of insurability
  - Return of premium (ORS 743.665(E))
- Qualified LTC plans (OAR 836-052-0531)
- Exclusions
  - Oregon regulations and required provisions
  - Training for insurance producers (OAR 836-052-0639)
  - Standards for marketing (OAR 836-052-0706)
  - Advertising (OAR 836-052-0696)
  - Shopper’s guide (OAR 836-052-0786)
  - Outline of coverage (ORS 743.655(7); OAR 836-052-0776)
  - Appropriateness of recommended purchase
  - Right to return (free look) (ORS 743.655(6))
  - Replacement (OAR 836-052-0626, 0736)
  - Renewal provisions
  - Continuation or conversion
  - Required disclosure provisions (OAR 836-052-0716)
  - Inflation protection (OAR 836-052-0616)
  - Pre-existing conditions (ORS 743.655(3))
  - Protection against unintentional lapse (OAR 836-052-0536)
  - Partnership provisions (OAR 836-052-0531)
- Prohibited provisions

### Federal Tax Considerations for Health Insurance 3%

- Personally-owned health insurance
  - Disability income insurance
  - Medical expense insurance
  - Long-term care insurance

#### Employer group health insurance

- Disability income (STD, LTD)
- Benefits subject to FICA
- Medical and dental expense
- Long-term care insurance
- Accidental death and dismemberment
- Medical expense coverage for sole proprietors and partners

#### Business disability insurance

- Key person disability income
- Buy-sell policy

#### Health Savings Accounts (HSAs) and Health Care FSA

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**More Information**

Visit [www.psiexams.com](http://www.psiexams.com) for more resources and information.
Reimbursement Accounts (HRAs)
Definition
Eligibility
Contribution limits
Portability

Understanding the Language of Medical Reports 10%
Medical terminology and abbreviations
Location terms
Movement terms
Prefixes, suffixes and root words
Abbreviations used in medical reports
Medical specialties

Basic human anatomy
Skeletal structure
Nervous system
Respiratory system
Cardiovascular system
Abdominal organs

Injuries and diseases
Strains and sprains
Dislocations
Fractures
Soft tissue injuries
Brain injuries
Burn classifications
Cumulative trauma
Repetitive motion injuries
Lung disease
Diabetes mellitus
Glaucoma
Hypertension
Osteoarthritis
Osteomyelitus
Osteoporosis
Stroke
Tachycardia
Atherosclerosis
Coronary thrombosis

Medical tests
Laboratory
Radiography (X-ray)
Magnetic resonance imaging (MRI)
Computerized tomography (CT or CAT)
Electromyography (EMG)
Nerve conduction studies
Myelography
Arthroscopy
Electrocardiogram (EKG or ECG)
Electroencephalography (EEG)

Insurance Basics 14%
Contracts
Elements of a legal contract
Offer and acceptance
Consideration
Competent parties
Legal purpose
Distinct characteristics of an insurance contract
- Contract of adhesion
- Aleatory contract
- Personal contract
- Unilateral contract
- Conditional contract
Legal interpretations affecting contracts
- Ambiguities
- Reasonable expectations
- Indemnity
- Utmost good faith
- Representations/misrepresentations
- Warranties
- Concealment
- Fraud
- Waiver and estoppel

Principles and concepts
Insurable interest
- Hazard
- Physical
- Moral
- Morale
- Negligence
  - Elements of a negligent act
  - Defenses against negligence
Damages
- Compensatory — economic versus non-economic
- Punitive
- Absolute liability
- Strict liability
- Vicarious liability
- Causes of loss (perils)
- Named perils versus special (open) perils
- Direct loss
- Consequential or indirect loss
  - Blanket, specific insurance, and margin clause
Basic types of construction
- Loss valuation
  - Actual cash value
  - Replacement cost
  - Functional replacement cost
Market value
- Agreed value
- Stated amount
- Valued policy

Policy structure
- Declarations
- Definitions
- Insuring agreement or clause
- Additional/supplementary coverage
- Conditions
- Exclusions
- Endorsements

Common policy provisions
- Insureds — named, first named and additional
- Policy period

ADJUSTERS EXAMINATION FOR GENERAL LINES INSURANCE SERIES 12-07
150 questions - 2 hours and 40 minute time limit
Policy territory
Cancellation and nonrenewal
Deductibles
Other insurance
Concurrent
Primary and excess
Pro rata
Contribution by equal shares
Limits of liability
Per occurrence (accident)
Per person
Aggregate — general versus products — completed operations
Split
Combined single
Policy limits
Restoration/nonreduction of limits
Coincurrence
Vacancy or unoccupancy
Assignment
Insurer provisions
Liberalization
Duty to defend
Third-party provisions
Standard mortgage clause
Loss payable clause
No benefit to the bailee
Oregon laws, regulations and required provisions
Oregon Insurance Guaranty Association (ORS 734.510 to .710)
Cancellation and nonrenewal
Commercial liability (ORS 742.700 to .710)
Property (ORS 742.224, 746.686-687)
Automobile (742.560-.572)
Suit against insurer (ORS 742.240)
Concealment, misrepresentation or fraud (ORS 742.031, .208, .562(1)(b), .702(1)(b); 746.075, .100, .110)

Adjusting Losses 23%
Role of the adjuster
Duties and responsibilities
Staff and independent adjuster versus public adjuster
Relationship to legal profession
Claim reporting
Claim investigation
Claim file documentation of events
Types of reports
Initial or first field
Interim or status
Full formal
Property losses
Duties of insured after a loss
Notice to insurer
Minimizing the loss
Proof of loss
Special requirements
Production of books and records
Abandonment
Determining value and loss
Burden of proof of value and loss
Estimates
Depreciation
Salvage
Claim settlement options
Payment and closure
Liability losses
Investigation procedures
Verify coverages
Determine liability
Gathering evidence
Physical evidence
Witness statements
Determining value of intangible damages
Coverage problems
Dealing with coverage disputes
Reservation of rights letter
Nonwaiver agreement
Declaratory judgment action
Claims adjustment procedures
Settlement procedures
Advance payments
Draft authority
Execution of releases
Subrogation procedures
Alternative dispute resolution
Appraisal
Arbitration
Competitive estimates
Mediation
Negotiation
Dwelling Policy 8%
Characters and purpose
Coverage forms — Perils insured against
Basic
Broad
Special
Property coverages
Coverage A — Dwelling
Coverage B — Other structures
Coverage C — Personal property
Coverage D — Fair rental value
Coverage E — Additional living expense
Other coverages
General exclusion
Conditions
Selected endorsements
Special provisions
Automatic increase in insurance
Broad theft coverage
Dwelling under construction
Personal liability supplement
Homeowners Policy 9%
Coverage forms
HO-2 through HO-6
HO-8
Definitions
Section I — Property coverages
Coverage A — Dwelling
Coverage B — Other structures
Coverage C — Personal property
Coverage D — Loss of use
Additional coverages
Section II — Liability coverages
Coverage E — Personal liability
Coverage F — Medical payments to others
Additional coverages
Perils insured against
Exclusions
Conditions
Selected endorsements
Special provisions
Limited fungi, wet or dry rot, or bacteria coverage
Earthquake
Scheduled personal property
Personal property replacement cost
Permitted incidental occupancies — residence premises
Home day care — Oregon
Business pursuits
Watercraft
Personal injury
Identity theft
Auto Insurance 14%
Laws
Oregon Motor Vehicle Financial Responsibility Law
Required motor vehicle limits of liability (ORS 806.070, .075)
Other ways to prove responsibility (ORS 806.011, .060, .080)
Personal injury protection (ORS 742.518, .544)
Medical
Loss of income
Funeral
Essential services
Exclusions from coverage
Arbitration
Day Care
Uninsured/underinsured motorist (ORS 742.500, .510)
Definitions
Bodily injury
Property damage
Required limits
Aftermarket Crash Parts Act (ORS 746.287, .289, .292)
Total Loss (ORS 742.554, 801.527, 819.014), (OAR 836.080.0240)
Personal auto policy
Definitions
Liability coverage
Bodily injury and property damage
Supplementary payments
Commercial Package Policy (CPP) 9%

Components of a commercial policy

- Common policy declarations
- Common policy conditions
- Interline endorsements

One or more coverage parts

**Commercial general liability**

- Commercial general liability coverage forms
  - Bodily injury and property damage liability
  - Personal and advertising injury liability
  - Medical payments
  - Supplementary payments
  - Who is an insured
  - Limits of insurance
- Conditions
- Definitions
- Exclusions
- Occurrence versus claims-made Trigger
- Retroactive date
- Extended reporting periods — basic versus supplemental Claim information
- Premises and operations
- Products and completed operations
- Insured contract defined/contractual liability
- Owners and contractors protective liability coverage form
- Pollution liability
  - Pollution liability coverage form
  - Pollution liability limited coverage form
  - Pollution liability coverage extension endorsement

**Commercial property**

- Commercial property conditions form
- Coverage forms
  - Building and personal property
  - Condominium association
  - Condominium commercial unit-owners
  - Builders risk
  - Business income
  - Legal liability
  - Extra expense
- Causes of loss forms
  - Basic
  - Broad
  - Special
- Selected endorsements
  - Ordinance or law
  - Spoilage
  - Peak season limit of insurance
  - Value reporting form

**Commercial crime**

- General definitions
  - Burglary
  - Theft
  - Robbery
- Crime coverage forms
  - Commercial crime coverage forms
    (discovery/loss sustained)
  - Government crime coverage forms

**Coverages**

- Employee theft
- Forgery or alteration
- Inside the premises — theft of money and securities
- Inside the premises — robbery or safe burglary of other property
- Outside the premises
- Computer fraud
- Funds transfer fraud
- Money orders and counterfeit money

**Other crime coverages**

- Extortion — commercial entities
- Lessees of safe deposit boxes
- Securities deposited with others
- Guests’ property
- Safe depository
- Identify theft/data breach

**Commercial inland marine**

- Nationwide marine definition
- Commercial inland marine conditions form
- Inland marine coverage forms
  - Accounts receivable
  - Bailee’s customer
  - Commercial articles
  - Contractors equipment floater
  - Electronic data processing
  - Equipment dealers
  - Installation floater
  - Jewelers block
  - Signs
  - Valuable papers and records
- Transportation coverages
  - Common carrier cargo liability
  - Motor truck cargo forms
- Transit coverage forms

**Equipment breakdown**

- Equipment breakdown protection coverage form
- Selected endorsement
- Actual cash value

**Farm coverage**

- Farm property coverage form
  - Coverage A — Dwellings
  - Coverage B — Other private structures
  - Coverage C — Household personal property
  - Coverage D — Loss of use
  - Coverage E — Scheduled personal property
  - Coverage F — Unscheduled farm personal property
  - Coverage G — Other farm structures
- Farm liability coverage form
  - Coverage H — Bodily injury and property damage liability
  - Coverage I — Personal and advertising injury liability
  - Coverage J — Medical payments
Mobile agricultural machinery and equipment coverage form
Livestock coverage form
Definitions
Causes of loss (basic, broad and special)
Conditions
Exclusions
Limits
Additional coverages

Businessowners Policy 7%
Characteristics and purpose
Businessowners Section I — Property
Coverages
Exclusions
Limits
Deductibles
Loss conditions
General conditions
Optional coverages
Definitions
Businessowners Section II — Liability
Coverages
Exclusions
Who is an insured
Limits of insurance
General conditions
Definitions
Businessowners Section III — Common Policy Conditions
Selected endorsements
Hired auto and non-owned auto liability
Protective safeguards
Utility services — direct damage
Utility services — time element

Workers’ Compensation Insurance 2%
Workers’ compensation laws
Type of law
Monopolistic versus competitive
Compulsory versus elective
Oregon Workers’ Compensation Law (ORS Chapter 656)
Exclusive remedy (ORS 656.018)
Federal workers’ compensation laws
Federal Employers Liability Act (FELA) (45 USC 51-60)
U.S. Longshore and Harbor Workers’ Compensation Act (33 USC 901-950)
The Jones Act (46 USC 688)

Other sources of coverage
Oregon Workers’ Compensation Fund Insurance Plan (ORS 656.730; OAR 836-043-0001-0091)
Self-insured employers and employer groups (ORS 656.403, .407)

Other Coverages and Options 4%
Umbrella/excess liability policies
Personal
Commercial
Specialty liability insurance
Errors and omissions

Directors and officers liability
Fiduciary liability
Liquor liability
Employment practices liability
Surplus lines (ORS Sec. 735.410, .415)
Definitions and markets
Licensing requirements
Surety bonds
Principal, obligee and surety
Contract bonds
License and permit bonds
Judicial bonds
Aviation insurance
Aircraft hull
Aircraft liability
Ocean marine insurance
Major coverages
Hull insurance
Cargo insurance
Freight insurance
Protection and indemnity
National Flood Insurance Program
Write your own versus government
Eligibility
Coverage
Limits
Deductibles
Other policies
Boatowners
Difference in conditions
Recreational vehicles
Residual markets
Joint Underwriting Association (ORS 735.200-.260; 737.390)
Oregon FAIR Plan Association (ORS 735.005, .015, .045)

CONSULTANTS EXAMINATION FOR LIFE INSURANCE SERIES 12-08

100 questions - 2 hour time limit

Insurance Regulation 15%
Licensing
Purpose
Process (ORS 744.058, .059, .062)
Types of licensees
Producers (ORS 744.052, .053, 731.104)
Consultants (ORS 744.605, .609, .626; OAR 836-071-0150)
Adjusters (ORS 744.531)
Nonresidents (ORS 744.063)
Maintenance and duration
Renewal and nonrenewal (ORS 744.072, .074) OAR 836-071-0146
Reinstatement (ORS 744.018, .072(6))
Assumed business name (ORS 744.028(2), .068)
Change of address or telephone number (ORS 744.028(1), .068)
Reporting of actions (ORS 744.089)
Suitability (OAR 836-080-0090; OAR 836-080-0170 to 0190)
Replacement (OAR 836-080-0001 to 0043)
Disciplinary actions
Cease and desist orders (ORS 731.252)
License probation, suspension, revocation or refusal to issue or renew (ORS 744.074)
Civil penalty (ORS 731.988)
Criminal penalty (ORS 731.992)

State regulation
Director’s enforcement authority (ORS 731.256)
Director’s inquiries (ORS 731.296)
Company regulation
Unfair claim settlement practices (ORS 746.230; OAR 836-080-0205 to 0250)
Unfair trade practices
Misrepresentation (ORS 746.075, .100)
False advertising (ORS 746.110; OAR 836-080-0155)
Rebating (ORS 746.045)
Unfair discrimination (ORS 746.015; OAR 836-081-0005, 0010, 0020, 0030)
Illegal inducement (ORS 746.035)
Examination of records (ORS 744.068(2, 3))
Privacy of Consumer Information (ORS 746.600, .620, .630, .665; OAR 836-080-0501 to 836-080-0551)

Federal regulation
Fair Credit Reporting Act (15 USC 1681 to 1681d)
Fraud and false statements including 1033 waiver (18 USC 1033, 1034)

General Insurance 13%
Concepts
Risk management key terms
Risk
Exposure
Hazard
Peril
Loss
Methods of handling risk
Avoidance
Retention
Sharing
Reduction
Transfer
Elements of insurable risks
Adverse selection
Law of large numbers
Suitability
Reinsurance

Insurers
Types of insurers
Stock companies
Mutual companies
Fraternal benefit societies
Business uses of life insurance

Determining amount of personal life insurance

Life settlements (ORS 744.318, .321, .323, .326, .328; OAR 836-014-0200-0330)

Determining amount of personal life insurance

Human life value approach

Needs approach

Types of information gathered

Determining lump-sum needs

Planning for income needs

Business uses of life insurance

Buy-sell funding

Key person (ORS 743.228)

Executive bonuses

Deferred compensation funding

Types of life insurance policies (ORS 731.102, .170)

Group and individual (ORS 731.150, 743.303,)

Permanent, term, variable and annuities (ORS 731.156, 743.245)

Fixed versus variable life insurance and annuities including regulation of variable products (SEC, FINRA, and Oregon) (ORS 733.220)

Licensee responsibilities

Solicitation and sales presentations (OAR 836-051-0005-0020)

Advertising (ORS 746.075, .110, .115)

Oregon Life and Health Insurance Guaranty Association (ORS 734.750-.890)

Association (ORS 734.750-.890)

Illustrations (OAR 836-051-0500-0600)

Policy summary

Buyer’s guide

Life insurance policy cost comparison methods

Replacement (ORS 746.085; OAR 836-080-0001-0043)

Use and disclosure of insurance information (ORS 746.600 to .605, .605-610, .615 to .630, .635 to .660; OAR 836-080-0430)

Field underwriting

Notice of information practices

Application procedures

Delivery

Policy review

Effective date of coverage

Premium collection

Statement of good health

Individual underwriting by the insurer

Information sources and regulation

Application (ORS 743.039, .318)

Medical examinations and lab tests (including HIV consent) (OAR 836-050-0250)

Selection criteria and unfair discrimination (OAR 836-081-0005, 0010)

Sexual orientation prohibited (OAR 836-050-0240)

Medical and lifestyle questions (OAR 836-050-0245)

Prohibited discrimination (ORS 746.015)

Evidence of insurability (ORS 743.321)

Incontestability (ORS 743.315)

Suitability in the sale of life insurance (OAR 836-080-0090)

Life Insurance Policies 12%

Term life insurance

Level term

Annual renewable term

Level premium term

Decreasing term

Whole life insurance

Continuous premium (straight life)

Limited payment

Single premium

Flexible premium policies

Adjustable life

Universal life

Specialized policies

Joint life (first-to-die)

Juvenile life

Survivorship Life

Group life insurance

Characteristics of group plans

Group underwriting requirements

Conversion to individual policy (ORS 743.333-.339)

Incontestability (ORS 743.315)

Evidence of Insurability (ORS 743.321)

Mistatement of Age (ORS 743.324)

Payments under the policy (ORS 743.327)

Termination of individual coverage (ORS 743.333)

Continuing coverage (ORS 743.356)

Prohibited sales practices (ORS 743.348)

Policies issued to trustees of certain funds (ORS 743.354)

Credit life insurance (individual versus group)

Life Insurance Policy Provisions, Options and Riders 10%

Standard provisions

Ownership

Assignment (ORS 743.043)

Entire contract (ORS 743.174)

Modifications

Right to examine (free look)

Payment of premiums (ORS 743.162)

Grace period (ORS 743.165)

Reinstatement (ORS 743.171)

Incontestability (ORS 743.168, .315)

Misstatement of age and gender (ORS 743.180)

Exclusions

Suicide exclusion

Medical examination; autopsy

Prohibited provisions including backdating (ORS 743.225)

Beneficiaries

Designation options

Individuals

Classes

Estates

Minors

Trusts

Succession

Revocable versus irrevocable

Common disaster clause

Spendthrift clause

Settlement options

Cash payment

Interest only

Fixed-period installments
Fixed-amount installments
Life income
Single life
Joint and survivor
Nonforfeiture options (ORS 743.204 to .210)
Cash surrender value
Extended term
Reduced paid-up insurance
Policy loan and withdrawal options
Cash loans
Automatic premium loans
Withdrawals or partial surrenders
Uses of dividends (ORS 743.183)
Interest rate (ORS 743.187)
Dividend options
Cash payment
Reduction of premium payments
Accumulation at interest
One-year term option
Paid-up additions
Disability riders
Waiver of premium
Waiver of cost of insurance
Disability income benefit
Payor benefit life/disability (juvenile insurance)
Accelerated (living) benefit provision/ri (ORS 743.154; OAR 836-051-0300-0380, 836-052-0646)
Qualifying events
Disclosure
Effect of benefit payment
Riders covering additional insureds
Spouse/other-insured term rider
Children's term rider
Family term rider
Riders affecting the death benefit amount
Accidental death
Guaranteed insurability
Cost of living
Return of premium

Annuities 18%
Annuity principles and concepts
Accumulation period versus annuity period
Owner, annuitant and beneficiary
Insurance aspects of annuities
Suitability in the sale of annuities (OAR 836-080-0090)
Immediate versus deferred annuities
Single premium immediate annuities (SPIAs)
Deferred annuities
Premium payment options
Nonforfeiture
Surrender charges
Death benefits
Annuity (benefit) payment options
Life contingency options
Pure life versus life with guaranteed minimum
Single life versus multiple life
Annuities certain (types)
Annuity products
Fixed annuities
General annuity rates
Interest rate guarantees (minimum versus current)
Level benefit payment amount
Equity indexed annuities
Market value adjusted annuities
Uses of annuities
Lump-sum settlements
Qualified retirement plans including group versus individual annuities
Personal uses
Individual retirement annuities (IRAs)
Tax-deferred growth
Retirement income
Education funds
Living benefit riders

Federal Tax Considerations for Life Insurance and Annuities 7%
Taxation of personal life insurance
Amounts available to policyowner
Cash value increases
Dividends
Policy loans
Surrenders
Amounts received by beneficiary
General rule and exceptions
Settlement options
Values included in insured's estate
Modified endowment contracts (MECs)
Modified endowment versus life insurance
Seven-pay test
Distributions
Taxation of non-qualified annuities
Individually-owned
Accumulation phase (tax issues related to withdrawals)
Annuity phase and the exclusion ratio
Distributions at death
Corporate-owned
Taxation of individual retirement annuities (IRAs)
Traditional IRAs
Contributions and deductible amounts
Premature distributions (including taxation issues)
Annuity phase benefit payments
Amounts received by beneficiary
Roth IRAs
Contributions and limits
Distributions
Rollovers and transfers (IRAs and qualified plans) and suitability
Section 1035 exchanges and suitability
Qualified Plans 7%
General requirements

Federal tax considerations
Tax advantages for employers and employees
Taxation of distributions (age-related)
Plan types, characteristics and purchasers
Simplified employee pensions (SEPs)
Self-employed plans (HR 10 or Keogh plans)
Profit-sharing and 401(k) plans
SIMPLE plans
403(b) tax-sheltered annuities (TSAs)
Pension plans
Section 457 deferred compensation
Special rules for life insurance
Incidental limitation
Taxation of economic benefit
Taxation of life insurance distributions

CONSULTANTS EXAMINATION FOR HEALTH INSURANCE SERIES 12-09
100 questions - 2 hour time limit

Insurance Regulation 10%
Licensing
Purpose
Process (ORS 744.058, .059, .062)
Types of licensees
Producers (ORS 744.052, .053, 731.104)
Consultants (ORS 744.605, .609, .626; OAR 836-071-0150)
Adjusters (ORS 744.531)
Nonresidents (ORS 744.063)
Maintenance and duration
Renewal and nonrenewal (ORS 744.072, .074) OAR 836-071-0146)
Reinstatement (ORS 744.018, .072(6))
Assumed business name (ORS 744.028(2), .068)
Change of address or telephone number (ORS 744.028(1), .068)
Reporting of actions (ORS 744.089)
Suitability (OAR 836-080-0090; OAR 836-080-0170 to 0190)
Replacement (OAR 836-080-0001 to 0043)
Disciplinary actions
Cease and desist orders (ORS 731.252)
License probation, suspension, revocation or refusal to issue or renew (ORS 744.074)
Civil penalty (ORS 731.988)
Criminal penalty (ORS 731.992)

State regulation
Director's enforcement authority (ORS 731.256)
Director's inquiries (ORS 731.296)
Company regulation
Unfair claim settlement practices (ORS 746.230; OAR 836-080-0205 to 0250)
Unfair trade practices
Misrepresentation (ORS 746.075, .100)
False advertising (ORS 746.110; OAR 836-080-0155)
Rebating (ORS 746.045)
Unfair discrimination (ORS 746.015; OAR 836-081-0005, 0010, 0020, 0030)
Illegal inducement (ORS 746.035)
Examination of records (ORS 744.068(2, 3))
Privacy of Consumer Information (ORS 746.600, .620, .630, .665; OAR 836-080-0501 to 836-080-0551)

Federal regulation
Fair Credit Reporting Act (15 USC 1681 to 1681d)
Fraud and false statements including 1033/1681d)

General Insurance 10%

Concepts
Risk management key terms
Risk
Exposure
Hazard
Peril
Loss

Methods of handling risk
Avoidance
Retention
Sharing
Reduction
Transfer

Elements of insurable risks
Adverse selection
Law of large numbers
Reinsurance

Insurers
Types of insurers
Stock companies
Mutual companies
Fraternal benefit societies
Reciprocals
Lloyd’s associations
Risk retention groups
Private versus government insurers
Admitted versus nonadmitted insurers
Domestic, foreign and alien insurers
Financial status (independent rating services)
Marketing (distribution) systems

Producers and general rules of agency
Insurer as principal
Producer/insurer relationship
Authority and powers of producer
Express
Implied
Apparent

Responsibilities to the applicant/insured

Contracts
Elements of a legal contract
Offer and acceptance
Consideration

Competent parties
Legal purpose
Distinct characteristics of an insurance contract
Contract of adhesion
Aleatory contract
Personal contract
Unilateral contract
Conditional contract

Legal interpretations affecting contracts
Ambiguities in a contract of adhesion
Reasonable expectations
Indemnity
Utmost good faith
Representations/misrepresentations
Warranties
Concealment
Fraud
Waiver and estoppel

Health Insurance 11%

Types of products and benefits
Medical and surgical (ORS 743.730(18),(23))
Dental (ORS 743.730(18)(a))
Long-term care (ORS 743.730(18)(a)(F), 743.650(4), (5)) OAR 836-052-0516
Short-term care (ORS 743.652(5))
Medicare supplements (ORS 743.680, OAR 836-052-0103)
Accident (ORS 743.730(b)(A))
Disability
Student health (ORS 743.550)
Blanket (ORS 743.534)
Vision

Types of health insurance policies
Individual versus group
Private versus government
TRICARE (ORS 743.730(b)(A)(E))
Limited versus comprehensive
Self insured versus fully insured
On exchange/off exchange
Small group and large group
Primary or supplemental

Policy exclusion provisions
Producer responsibilities
Marketing requirements
Advertising (OAR 836-020-0200-0305)
Oregon Life and Health Insurance Guaranty Association (ORS 734.750-.890)
Sales presentations
Outline of coverage (OAR 836-020-0305)
Summary benefits and coverage

Field underwriting
Nature and purpose
Disclosure of information about individuals
Application procedures
Requirements at delivery of policy
Common situations for errors/omissions

Individual underwriting on grandfathered plans

Pre-existing conditions
Creditable coverage
Benefits, limitations and exclusions
Producer liability for errors and omissions

Individual Health Insurance Policy General Provisions 8%

Uniform required provisions
Incontestability (ORS 743.414, .472)
Grace period (ORS 743.417)
Reinstatement (ORS 743.420)

Uniform optional provisions
Change of occupation (ORS 743.450)
Unfair discrimination (ORS 743.453, .489)

Other general provisions
Right to examine (free look) (ORS 743.492)
Consideration clause
Renewability clause (ORS 743.495, .498, .766(5))
Noncancelable
Guaranteed renewable
Conditionally renewable
Renewable at option of insurer
Nonrenewable (cancelable, term)
Cancellation (ORS 743.472, .766(6))

Disability Income and Related Insurance 7%

Qualifying for disability benefits
Inability to perform duties
Own occupation
Any occupation
Loss of income (income replacement contracts)
Presumptive disability
Requirement to be under physician care

Individual disability income insurance

Unique aspects of individual disability underwriting

Occupational considerations
Benefit limits
Policy issuance alternatives and medical underwriting
Basic total disability plan
Income benefits (monthly indemnity)
Elimination and benefit periods
Waiver of premium feature
Coordination with social insurance, workers compensation benefits and at-work benefits
Additional monthly benefit (AMB)
Social insurance supplement (SIS)
Occupational versus nonoccupational coverage
Partial disability benefit
Residual disability benefit
Sick leave
Vacation leave

Other provisions affecting income benefits
Cost of living adjustment (COLA) rider
Future increase option (FIO) rider
Relation of earnings to insurance (ORS 743.465)

Other cash benefits
Accidental death and dismemberment
Rehabilitation benefit
Medical reimbursement
benefit (non-disabling injury)
Exclusions as the policy lists
Unique aspects of individual disability underwriting
Occupational considerations
Benefit limits
Policy issuance alternatives
Group disability income insurance
Short-term disability (STD)
Long-term disability (LTD)
Unique aspects of group disability underwriting
Pre-existing conditions
Waiting period
Group total disability benefit
Income benefits (monthly indemnity)
Elimination and benefit periods
Waiver of premium feature
Coordination with social insurance, workers compensation benefits and at-work benefits
Additional monthly benefit (AMB)
Social insurance supplement (SIS)
Occupational versus non-occupational coverage
Sick leave
Vacation leave
Business disability insurance
Key employee (partner) disability income
Disability buy-sell policy
Social Security disability
Qualification for disability benefits
Definition of disability
Waiting period
Disability income benefits
Workers compensation
Eligibility
Medical Plans 19%
Medical plan concepts
Fee-for-service basis versus prepaid basis
Benefit schedule versus usual/reasonable/customary charges
Any provider versus limited choice of providers
Insureds versus subscribers/participants
Deductibles and cost sharing
Types of providers and plans
Major medical insurance (indemnity plans)
Characteristics and plan provisions
Managed Care
Preferred provider organizations (PPOs)
General characteristics and plan provisions
Open panel or closed panel
Point-of-service (POS)
Out-of-network provider access
Primary Care Physician (PPC)
Oregon requirements (individual and group)
Eligibility requirements
Newborn child coverage (ORS 743A.090)
Dependent child age limit (ORS 743A.090)
Coverage for adopted children (ORS 743A.090)
Health Care Reform (Affordable Care Act)
Essential Health Benefits
Levels of Coverage
Payment and Billing
Internal Appeal and External Review
Penalties and Fines
Oregon's Health Insurance Exchange/Marketplace
Definition
Medicaid
Eligibility
Benefits
Subsidies/Tax Credits
HIPAA (Health Insurance Portability and Accountability Act) requirements
Eligibility
Guaranteed issue
Renewability
Group Health Insurance 14%
Purpose of group insurance (ORS 743.731(1)(8))
Issuance of group contract (ORS 743.733)
Provisions of coverage (ORS 743.734)
Experience rating versus community rating
Types of eligible groups
Employment-related groups (ORS 743.733)
Multiple-Employer Trusts (METs) or Welfare Arrangements (MEWAs) (ORS 750.301)
Self-Funded groups
Associations (alumni, professional, other)
Marketing considerations
Advertising
Regulatory Jurisdiction/place of delivery
Employer group health insurance
Insurer underwriting criteria
Characteristics of group
Plan design factors
 Persistency factors
Administrative capability
Eligibility for insurance (ORS 743.754(4)(5))
Employee eligibility
Dependent eligibility
Coordination of benefits provision (ORS 836-020-0770-0806)
Change of insurance companies or loss of coverage
No-loss no-gain
Events that terminate coverage
Extension of benefits
Continuation of coverage under COBRA and Oregon rules (ORS 743.610; OAR 836-052-0860)
Conversion rights (ORS 743.600-602)
Small employer medical plans
Definition of small employer (ORS 743.730)
Requirements of small employer (ORS 743.737)
Basic coverage (ORS 743.730(4), .736)
Availability of coverage (ORS 743.752)
Renewability of coverage (ORS 743.737(5))
Participation requirements (ORS 743.737(7))
Open enrollment
Purchase policy through exchange/marketplace (ORS 743.733(b))
Small group tax credits
Dental Insurance 3%
Pediatric Care (Affordable Care Act)
Family care
Adult care
Categories of dental treatment
Diagnostic and preventive
Restorative
Oral surgery
Endodontics
Periodontics
Prosthodontics
Orthodontics
Access to Dental Coverage
Choice of providers
Scheduled versus nonscheduled plans
Employer group dental expense
Integrated deductibles versus stand-alone plans
Minimizing adverse selection
Insurance for Senior Citizens and Special Needs Individuals 13%
Medicare
Nature, financing and administration
Part A — Hospital Insurance
Individual eligibility requirements
Enrollment
Coverages and cost-sharing amounts
Part B — Medical Insurance
Individual eligibility requirements
Enrollment
Coverages and cost-sharing amounts
Exclusions
Claims terminology and other key terms
Part C — Medicare Advantage
Part D — Prescription Drug Insurance
Medicare supplements
Purpose (OAR 836-052-0103)
Open enrollment (OAR 836-052-0138)
Standardized Medicare supplement plans
Core benefits (OAR 836-052-0133)
Additional benefits
Oregon regulations and required provisions
Standards for marketing (OAR 836-052-0175)
Advertising (ORS 743.687; OAR 836-052-0170)
Appropriateness of recommended purchase and excessive insurance (OAR 836-052-0180)
Right to return (free look) (ORS 743.686)
Replacement (ORS 743.013; OAR 836-052-0165, 0190)
Pre-existing conditions (OAR 836-052-0190)
Required disclosure provisions (ORS 743.685; OAR 836-052-0160)

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Employer group health insurance

Personally

Insura

Other options for individuals with Medicare

Employer group health plans

Disabled employees

Employees with kidney failure

Individuals age 65 and older

Medicaid

Eligibility

Benefits

Long-Term Care (LTC) policies

Definitions (ORS 743.650 to .665)

Eligibility for benefits

Benefit triggers (ORS 743.652(2))

Activities of daily living requirements (OAR 836-052-0516(1))

Covered services (OAR 836-052-0596)

Benefit periods (ORS 743.665(5))

Benefit amounts (OAR 836-052-0586)

Optional benefits

Guarantee of insurability

Return of premium (ORS 743.665(E))

Qualified LTC plans (OAR 836-052-0531)

Exclusions

Oregon regulations and required provisions

Training for insurance producers (OAR 836-052-0639)

Standards for marketing (OAR 836-052-0706)

Advertising (OAR 836-052-0696)

Shopper’s guide (OAR 836-052-0786)

Outline of coverage (ORS 743.655(7); OAR 836-052-0776)

Appropriateness of recommended purchase

Right to return (free look) (ORS 743.655(6))

Replacement (OAR 836-052-0626, 0736)

Renewal provisions

Continuation or conversion

Required disclosure provisions (OAR 836-052-0716)

Inflation protection (OAR 836-052-0616)

Pre-existing conditions (ORS 743.655(3))

Protection against unintentional lapse (OAR 836-052-0536)

Partnership provisions (OAR 836-052-0531)

Prohibited provisions

Federal Tax Considerations for Health Insurance 5%

Personally-owned health insurance

Disability income insurance

Medical expense insurance

Long-term care insurance

Employer group health insurance

Disability income (STD, LTD)

Benefits subject to FICA

Medical and dental expense

Long-term care insurance

Accidental death and dismemberment

Medical expense coverage for sole proprietors and partners

Business disability insurance

Key person disability income

Buy-sell policy

Health Savings Accounts (HSAs) and Health Reimbursement Accounts (HRAs)

Definition

Eligibility

Contribution limits

Portability

150 questions - 2 hours and 40 minute time limit

Insurance Regulation 8%

Licensing

Purpose

Process (ORS 744.058, .059, .062)

Types of licensees

Producers (ORS 744.052, .053, 731.104)

Consultants (ORS 744.605, .609, .626; OAR 836-071-0150)

Adjusters (ORS 744.531)

Nonresidents (ORS 744.063)

Maintenance and duration

Renewal and nonrenewal (ORS 744.072, .074 OAR 836-071-0146)

Reinstatement (ORS 744.018, .072(6))

Assumed business name (ORS 744.028(2), .068)

Change of address or telephone number (ORS 744.028(1), .068)

Reporting of actions (ORS 744.089)

Suitability (OAR 836-080-0090; OAR 836-080-0170 to 0190)

Replacement (OAR 836-080-0001 to 0043)

Disciplinary actions

Cease and desist orders (ORS 731.252)

License probation, suspension, revocation or refusal to issue or renew (ORS 744.074)

Civil penalty (ORS 731.988)

Criminal penalty (ORS 731.992)

State regulation

Director's enforcement authority (ORS 731.256)

Director's inquiries (ORS 731.296)

Company regulation

Unfair claim settlement practices (ORS 744.230; OAR 836-080-0205 to 0250)

Unfair trade practices

Misperesentation (ORS 746.075, .100)

False advertising (ORS 746.110; OAR 836-080-0155)

Rebating (ORS 746.045)

Unfair discrimination (ORS 746.015; OAR 836-081-0005, 0010, 0020, 0030)

Illegal inducement (ORS 746.035)

Examination of records (ORS 744.068(2, 3))

Privacy of Consumer Information (ORS 746.600, .620, .630, .665; OAR 836-080-0501 to 0551)

Federal regulation

Fair Credit Reporting Act (15 USC 1681 to 1681d)

Fraud and false statements including 1033 waiver (18 USC 1033, 1034)

General Insurance 5%

Concepts

Risk management key terms

Risk

Exposure

Hazard

Peril

Loss

Methods of handling risk

Avoidance

Retention

Sharing

Reduction

Transfer

Elements of insurable risks

Adverse selection

Law of large numbers

Reinsurance

Insurers

Types of insurers

Stock companies

Mutual companies

Fraternal benefit societies

Reciprocal

Lloyd's associations

Risk retention groups

Private versus government insurers

Admitted versus nonadmitted insurers

Domestic, foreign and alien insurers

Financial status (independent rating services)

Marketing (distribution) systems

Producers and general rules of agency

Insurer as principal

Producer/insurer relationship

Authority and powers of producer

Express

Implied

Apparent

Responsibilities to the applicant/insured

Contracts

Elements of a legal contract

Offer and acceptance

Consideration

Competent parties
Legal purpose
Distinct characteristics of an insurance contract
Contract of adhesion
Aleatory contract
Personal contract
Unilateral contract
Conditional contract
Legal interpretations affecting contracts
Ambiguities in a contract of adhesion
Reasonable expectations
Indemnity
Utmost good faith
Representations/misrepresentations
Warranties
Concealment
Fraud
Waiver and estoppel

Life Insurance Basics 7%
Insurable interest (ORS 743.024, .027, .030)
Personal uses of life insurance
Survivor protection
Estate creation
Cash accumulation
Liquidity
Estate conservation
Life settlements (ORS 744.318, .321, .323, .326, .328; OAR 836-014-0200-0330)
Determining amount of personal life insurance
Human life value approach
Needs approach
Types of information gathered
Determining lump-sum needs
Planning for income needs
Business uses of life insurance
Buy-sell funding
Key person (ORS 743.228)
Executive bonuses
Deferred compensation funding
Types of life insurance policies (ORS 731.102, .170)
Group and individual (ORS 731.150, 743.303)
Permanents, term, variable and annuities (ORS 731.156, 743.245)
Flexible versus variable life insurance and annuities including regulation of variable products (SEC, FINRA, and Oregon) (ORS 733.220)
Licensee responsibilities
Solicitation and sales presentations (OAR 836-051-0005-0020)
Advertising (ORS 746.075, .110, .115)
Oregon Life and Health Insurance Guaranty Association (ORS 734.750, .890)
Association (ORS 734.750, .890)
Illustrations (OAR 836-051-0500-0600)
Policy summary
Buyer's guide
Life insurance policy cost comparison methods
Replacement (ORS 746.085; OAR 836-080-0001-0043)
Use and disclosure of insurance information (ORS 746.600 to .605, .610, .615 to .630, .635 to .660; OAR 836-080-0430)
Field underwriting
Notice of information practices
Application procedures
Delivery
Policy review
Effective date of coverage
Premium collection
Statement of good health
Individual underwriting by the insurer
Information sources and regulation
Application (ORS 743.039, .318)
Medical examinations and lab tests (including HIV consent) (OAR 836-050-0250)
Selection criteria and unfair discrimination (OAR 836-081-0005, 0010)
Sexual orientation prohibited (OAR 836-050-0240)
Medical and lifestyle questions (OAR 836-050-0245)
Prohibited discrimination (ORS 746.015)
Evidence of insurability (ORS 743.321)
Incontestability (ORS 743.315)
Suitability in the sale of life insurance (OAR 836-080-0090)

Life Insurance Policies 7%
Term life insurance
Level term
Annual renewable term
Level premium term
Decreasing term
Whole life insurance
Continuous premium (straight life)
Limited payment
Single premium
Flexible premium policies
Adjustable life
Universal life
Specialized policies
Joint life (first-to-die)
Juvenile life
Survivorship Life
Group life insurance
Characteristics of group plans
Group underwriting requirements
Conversion to individual policy (ORS 743.333-.339)
Incontestability (ORS 743.315)
Evidence of insurability (ORS 743.321)
Mistatement of Age (ORS 743.324)
Payments under the policy (ORS 743.327)
Termination of individual coverage (ORS 743.333)
Continuing coverage (ORS 743.356)
Prohibited sales practices (ORS 743.348)
Policies issued to trustees of certain funds (ORS 743.354)

Credit life insurance (individual versus group)
Life Insurance Policy Provisions, Options and Riders 5%
Standard provisions
Ownership
Assignment (ORS 743.043)
Entire contract (ORS 743.174)
Modifications
Right to examine (free look)
Payment of premiums (ORS 743.162)
Grace period (ORS 743.165)
Reinstate (ORS 743.171)
Incontestability (ORS 743.168, .315)
Misstatement of age and gender (ORS 743.180)
Exclusions
Suicide exclusion
Medical examination; autopsy
Prohibited provisions including backdating (ORS 743.225)

Beneficiaries
Designation options
Individuals
Classes
Estates
Minors

Trusts
Succession
Revocable versus irrevocable
Common disaster clause
Spendthrift clause

Settlement options
Cash payment
Interest only
Fixed-period installments
Fixed-amount installments
Life income
Single life
Joint and survivor

Nonforfeiture options (ORS 743.204 to .210)
Cash surrender value
Extended term
Reduced paid-up insurance

Policy loan and withdrawal options
Cash loans
Automatic premium loans
Withdrawals or partial surrenders
Uses of dividends (ORS 743.183)
Interest rate (ORS 743.187)

Dividend options
Cash payment
Reduction of premium payments
Accumulation at interest
One-year term option
Paid-up additions

Disability riders
Waiver of premium
Waiver of cost of insurance
Annuities 8%

Annuity products
- Simple annuities
- Deferred annuities
- Immediate annuities
- Annuities certain (types)
- Annuity phase benefit payments
- Roth IRAs
- Contributions and deductible amounts
- Benefits and limitations
- Death benefits

Annuity principle and concepts
- Accumulation period versus annuity period
- Owner, annuitant and beneficiary
- Accumulation and annuity periods
- Annuity principles and concepts
- Modified endowment contracts (MECs)
- Taxation of non-qualified annuities
- Individual-owned
- Accumulation phase (tax issues related to withdrawals)
- Annual phase and the inclusion ratio
- Distributions at death
- Corporate-owned
- Taxation of individual retirement annuities (IRAs)

Types of annuities
- Traditional IRAs
- Contributions and deductible amounts
- Premature distributions (including taxation issues)
- Annuity phase benefit payments
- Amounts received by beneficiary
- Roth IRAs
- Contributions and limits
- Distributions
- Rollovers and transfers (IRAs and qualified plans) and suitability
- Section 1035 exchanges and suitability

Qualified Plans 4%

General requirements
- Federal tax considerations
- Tax advantages for employers and employees
- Taxation of distributions (age-related)
- Plan types, characteristics and purchasers
- Simplified employee pensions (SEPs)
- Self-employed plans (HR 10 or Keogh plans)
- Profit-sharing and 401(k) plans
- SIMPLE plans
- 403(b) tax-sheltered annuities (TSAs)
- Pension plans
- Section 457 deferred compensation

Uniform Insurance Policy Provisions 8%

Uniform required provisions
- Pre-existing conditions
- Creditable coverage
- Benefits, limitations and exclusions
- Producer liability for errors and omissions

Modified endowment contracts (MECs)
- Modified endowment versus life insurance
- Seven-pay test
- Distributions

Individual Health Insurance Policy Provisions 8%

Uniform optional provisions
- Change of occupation (ORS 743.450)
- Misstatement of age (ORS 743.453, .489)

Other general provisions
- Right to examine (free look) (ORS 743.492)
- Consideration clause
- Legal actions (ORS 743.441)
- Renewability clause (ORS 743.495, .498, .766(5))
- Noncancelable
- Guaranteed renewable
- Conditionally renewable
- Renewable at option of insurer
- Nonrenewable (cancelable, term)
- Cancellation (ORS 743.472, .766(6))

Federal Tax Considerations for Life Insurance and Annuities 7%

Taxation of personal life insurance
- Amounts available to policyowner
- Cash value increases
- Dividends
- Policy loans
- Surrenders
- Amounts received by beneficiary
- General rule and exceptions
- Settlement options
- Values included in insured's estate

Health Insurance 7%

Types of products and benefits
- Medical and surgical (ORS 743.730(18), (23))
- Dental (ORS 743.730(18)(a))
- Long-term care (ORS 743.730(18)(a)(F), 743.650(4), (5)) OAR 836-052-0516
- Short-term care (ORS 743.652(5))
- Medicare supplements (ORS 743.680, OAR 836-052-0103)
- Accident (ORS 743.730(b)(A))
- Disability
- Student health (ORS 743.550)
- Blanket (ORS 743.534)
- Vision

Types of health insurance policies
- Individual versus group
- Private versus government
- TRICARE (ORS 743.730(b)(A)(E))
- Limited versus comprehensive
- Self insured versus fully insured
- On exchange/off exchange
- Small group and large group
- Primary or supplemental

Policy exclusion provisions
- Producer responsibilities
- Marketing requirements
- Advertising (OAR 836-020-0200-0305)
- Oregon Life and Health Insurance Guaranty Association (ORS 734.750-.890)
- Sales presentations
- Outline of coverage (OAR 836-020-0305)
- Summary benefits and coverage
- Field underwriting
- Nature and purpose
- Disclosure of information about individuals
- Application procedures
- Requirements at delivery of policy
- Common situations for errors/omissions

Individual underwriting on grandfathered plans
- Pre-existing conditions
- Creditable coverage
- Benefits, limitations and exclusions
- Producer liability for errors and omissions

Uniform Life Insurance Policy Requirements

Uniform provisions
- Contestability
- Budget insurance
- Decrease limits
- Temporary insurance
- Contestability
- Group insurance
- Uninsured
- Annual renewable
- Other general provisions
- Right to examine (free look) (ORS 743.492)
- Consideration clause
- Legal actions (ORS 743.441)
- Renewability statement (ORS 743.495, .498, .766(5))
- Noncancelable
- Guaranteed renewable
- Conditionally renewable
- Renewable at option of insurer
- Nonrenewable (cancelable, term)
- Cancellation (ORS 743.472, .766(6))
Qualifying for disability benefits
Inability to perform duties
   Own occupation
   Any occupation
   Loss of income (income replacement contracts)
   Presumptive disability
   Requirement to be under physician care

Individual disability income insurance
Unique aspects of individual disability underwriting
   Occupational considerations
   Benefit limits
   Policy issuance alternatives and medical underwriting
   Basic total disability plan
      Income benefits (monthly indemnity)
      Elimination and benefit periods
      Waiver of premium feature
      Coordination with social insurance, workers compensation benefits and at-work benefits
      Additional monthly benefit (AMB)
   Social insurance supplement (SIS)
   Occupational versus nonoccupational coverage
   Partial disability benefit
   Residual disability benefit
   Sick leave
   Vacation leave
   Other provisions affecting income benefits
      Cost of living adjustment (COLA) rider
      Future increase option (FIO) rider
      Relation of earnings to insurance (ORS 743.465)
   Other cash benefits
      Accidental death and dismemberment
      Rehabilitation benefit
      Medical reimbursement benefit (nondisabling injury)
   Exclusions as the policy lists

Unique aspects of individual disability underwriting
   Occupational considerations
   Benefit limits
   Policy issuance alternatives

Group disability income insurance
   Short-term disability (STD)
   Long-term disability (LTD)
   Unique aspects of group disability underwriting
      Pre-existing conditions
      Waiting period
   Group total disability benefit
   Income benefits (monthly indemnity)
   Elimination and benefit periods
   Waiver of premium feature
   Coordination with social insurance, workers compensation benefits and at-work benefits
      Additional monthly benefit (AMB)

Social insurance supplement (SIS)
   Occupational versus nonoccupational coverage
   Sick leave
   Vacation leave

Business disability insurance
   Key employee (partner) disability income
   Disability buy-sell policy

Social Security disability
   Qualification for disability benefits
   Definition of disability
   Waiting period
   Disability income benefits

Workers compensation
   Eligibility

Medical Plans
   Medical plan concepts
      Fee-for-service basis versus prepaid basis
      Benefit schedule versus usual/reasonable/customary charges
      Any provider versus limited choice of providers
      Insureds versus subscribers/participants
      Deductibles and cost sharing

Types of providers and plans
   Major medical insurance (indemnity plans)
      Characteristics and plan provisions
      Managed Care
      Preferred provider organizations (PPOs)
      General characteristics and plan provisions
      Open panel or closed panel
      Point-of-service (POS)
      Out-of-network provider access
      Primary Care Physician (PPO)

Oregon requirements (individual and group)
   Eligibility requirements
      Newborn child coverage (ORS 743A.090)
      Dependent child age limit (ORS 743A.090)
      Coverage for adopted children (ORS 743A.090)

Health Care Reform (Affordable Care Act)
   Essential Health Benefits
   Levels of Coverage
   Payment and Billing
   Internal Appeal and External Review
   Penalties and Fines
   Oregon’s Health Insurance Exchange/Marketplace
      Definition
      Medicaid
      Eligibility
      Benefits
      Subsidies/Tax Credits

HIPAA (Health Insurance Portability and Accountability Act) requirements
   Eligibility
   Guaranteed issue
   Renewability

Group Health Insurance
   Purpose of group insurance (ORS 743.731(1)-(B))
   Issuance of group contract (ORS 743.733)
   Provisions of coverage (ORS 743.734)
   Experience rating versus community rating

Types of eligible groups
   Employment-related groups (ORS 743.733)
   Multiple-Employer Trusts (METs) or Welfare Arrangements (MEWAs) (ORS 750.301)
   Self-Funded groups
   Associations (alumni, professional, other)

Marketing considerations
   Advertising
   Regulatory jurisdiction/place of delivery

Employer group health insurance
   Insurer underwriting criteria
   Characteristics of group
   Plan design factors
   Persistency factors
   Administrative capability
   Eligibility for insurance (ORS 743.754(4),(5))
      Employee eligibility
      Dependent eligibility
   Coordination of benefits provision (OAR 836-020-0770-0806)
   Change of insurance companies or loss of coverage
      No-loss no-gain
      Events that terminate coverage
      Extension of benefits
   Continuation of coverage under COBRA and Oregon rules (ORS 743.610; OAR 836-052-0860)
   Conversion rights (ORS 743.600 .602)

Small employer medical plans
   Definition of small employer (ORS 743.730)
   Requirements of small employer (ORS 743.737)
   Basic coverage (ORS 743.730(4), .736)
   Availability of coverage (ORS 743.752)
   Renewability of coverage (ORS 743.737(5))
   Participation requirements (ORS 743.737(7))
   Open enrollment
   Purchase policy through exchange/marketplace (ORS 743.733(b))
   Small group tax credits

Dental Insurance
   Pediatric Care (Affordable Care Act)
      Family care
      Adult care

Categories of dental treatment
   Diagnostic and preventive
   Restorative
   Oral surgery
   Endodontics
   Periodontics
Medicare

Other options for individuals with Medicare

Medicare

Access to Dental Coverage

Choice of providers
Scheduled versus nonscheduled plans

Employer group dental expense
Integrated versus stand-alone plans

Minimizing adverse selection

Insurance for Senior Citizens and Special Needs Individuals

Medicare

Nature, financing and administration

Part A – Hospital Insurance
Individual eligibility requirements
Enrollment
Coverages and cost-sharing amounts

Part B – Medical Insurance
Individual eligibility requirements
Enrollment
Coverages and cost-sharing amounts
Exclusions
Claims terminology and other key terms

Part C – Medicare Advantage

Part D – Prescription Drug Insurance

Medicare supplements

Purpose (OAR 836-052-0103)
Open enrollment (OAR 836-052-0138)
Standardized Medicare supplement plans
Core benefits (OAR 836-052-0133)
Additional benefits

Oregon regulations and required provisions

Standards for marketing (OAR 836-052-0175)
Advertising (ORS 743.687; OAR 836-052-0170)
Appropriateness of recommended purchase and excessive insurance (OAR 836-052-0180)
Right to return (free look) (ORS 743.686)
Replacement (ORS 743.013; OAR 836-052-0165, 0190)
Pre-existing conditions (OAR 836-052-0190)
Required disclosure provisions (ORS 743.685; OAR 836-052-0160)
Outline of coverage (ORS 743.685(2); OAR 836-052-0160, 0190)
Buyer’s guide (ORS 743.685(6))
Permitted compensation (OAR 836-052-0156)

Medicare SELECT (OAR 836-052-0139)

Other options for individuals with Medicare

Employer group health plans
Disabled employees
Employees with kidney failure
Individuals age 65 and older

Medicaid
Eligibility
Benefits

Long-Term Care (LTC) policies

Definitions (ORS 743.650 to .665)
Eligibility for benefits
Benefit triggers (ORS 743.652(2))
Activities of daily living requirements (OAR 836-052-0516(1))
Covered services (OAR 836-052-0596)
Benefit periods (ORS 743.665(5))
Benefit amounts (OAR 836-052-0586)
Optional benefits

Guarantee of insurability

Return of premium (ORS 743.665(E))
Qualified LTC plans (OAR 836-052-0531)

Exclusions

Oregon regulations and required provisions

Training for insurance producers (OAR 836-052-0639)
Standards for marketing (OAR 836-052-0706)
Advertising (OAR 836-052-0696)

Shopper’s guide (OARS 836-052-0786)
Outline of coverage (ORS 743.655(7); OAR 836-052-0776)

Appropriateness of recommended purchase

Right to return (free look) (ORS 743.655(6))
Replacement (OAR 836-052-0626, 0736)
Renewal provisions
Continuation or conversion
Required disclosure provisions (OAR 836-052-0716)

Inflation protection (OAR 836-052-0616)
Pre-existing conditions (ORS 743.655(3))

Protection against unintentional lapse (OAR 836-052-0536)
Partnership provisions (OAR 836-052-0531)

Prohibited provisions

Federal Tax Considerations for Health Insurance

Personally-owned health insurance

Disability income insurance
Medical expense insurance

Long-term care insurance

Employer group health insurance

Disability income (STD, LTD)

Benefits subject to FICA

Medical and dental expense
Long-term care insurance

Accidental death and dismemberment

Medical expense coverage for sole proprietors and partners

Business disability insurance

Key person disability income

Buy-sell policy

Health Savings Accounts (HSAs) and Health Reimbursement Accounts (HRAs)

Definition
Eligibility

Contribution limits

Portability

CONSULTANTS EXAMINATION FOR GENERAL LINES INSURANCE SERIES 12-11

150 questions • 2.5 hour time limit

Insurance Regulation 12%

Licensed

Purpose
Process (ORS 744.058, .059, .062)
Types of licensees
Producers (ORS 744.052, .053, 731.104)
Consultants (ORS 744.605,.609, .626; OAR 836-071-0150)
Adjusters (ORS 744.531)

Nonresidents (ORS 744.063)

Maintenance and duration
Renewal and nonrenewal (ORS 744.072, .074) OAR 836-071-0146
Reinstatement (ORS 744.018, .072(6))

Assumed business name (ORS 744.028(2), .068)

Change of address or telephone number (ORS 744.028(1), .068)

Reporting of actions (ORS 744.089)

Disciplinary actions

Cease and desist orders (ORS 731.252)
License probation, suspension, revocation or refusal to issue or renew (ORS 744.074)
Civil penalty (ORS 731.988)

Criminal penalty (ORS 731.992)

State regulation

Director’s enforcement authority (ORS 731.256)

Director’s inquiries (ORS 731.296)

Company regulation

Unfair claim settlement practices (ORS 746.230; OAR 836-080-0205 to 0250)

Unfair trade practices

Misrepresentation (ORS 746.075, .100)
False advertising (ORS 746.110; OAR 836-080-0155)
Rebating (ORS 746.045)

Unfair discrimination (ORS 746.015; OAR 836-081-0005, 0010, 0020, 0030)

Illegal inducement (ORS 746.035)

Examination of records (ORS 746.068(2, 3))

Privacy of Consumer Information (ORS 746.600, .620, .630, .665; OAR 836-080-0501 to 836-080-0551)

Federal regulation

Fair Credit Reporting Act (15 USC 1681 to 1681d)

Fraud and false statements including 1033 waiver (18 USC 1033, 1034)

General Insurance 8%

Concepts

Risk management key terms

Risk

Exposure

Hazard

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Peril
Loss
Methods of handling risk
Avoidance
Retention
Sharing
Reduction
Transfer
Elements of insurable risks
Adverse selection
Law of large numbers
Reinsurance
Insurers
Types of insurers
Stock companies
Mutual companies
Fraternal benefit societies
Reciprocals
Lloyd’s associations
Risk retention groups
Private versus government insurers
Admitted versus nonadmitted insurers
Domestic, foreign and alien insurers
Financial status (independent rating services)
Marketing (distribution) systems
Producers and general rules of agency
Insurer as principal
Producer/insurer relationship
Authority and powers of producer
Express
Implied
Apparent
Responsibilities to the applicant/insured
Contracts
Elements of a legal contract
Offer and acceptance
Consideration
Competent parties
Legal purpose
Distinct characteristics of an insurance contract
Contract of adhesion
Aleatory contract
Personal contract
Unilateral contract
Conditional contract
Legal interpretations affecting contracts
Ambiguities
Reasonable expectations
Indemnity
Ultmost good faith
Representations/misrepresentations
Warranties
Concealment
Fraud
Waiver and estoppel
Principles and concepts
Insurable interest
Underwriting
Function
Loss ratio
Rates
Types
Loss costs
Components
Hazards
Physical
Moral
Moral
Negligence
Elements of a negligent act
Defenses against negligence
Damages
Compensatory — economic versus non-economic
Punitive
Absolute liability
Strict liability
Vicarious liability
Causes of loss (perils)
Named perils versus special (open) perils
Direct loss
Consequential or indirect loss
Blanket, specific insurance, and margin clause
Basic types of construction
Loss valuation
Actual cash value
Replacement cost
Functional replacement cost
Market value
Agreed value
Stated amount
Valued policy
Policy structure
Declarations
Definitions
Insuring agreement or clause
Additional/supplementary coverage
Conditions
Exclusions
Endorsements
Common policy provisions
Insureds — named, first named and additional
Policy period
Policy territory
Cancellation and nonrenewal
Deductibles
Other insurance
Concurrent
Primary and excess
Limits of liability
Per occurrence (accident)
Per person
Aggregate—general versus products—completed operations
Split
Combined single
Policy limits
Restoration/nonreduction of limits
Coinsurance
Vacancy or unoccupancy
Named insured provisions
Duties after loss
Assignment
Abandonment
Insurer provisions
Liberalization
Subrogation
Salvage
Claim settlement options
Duty to defend
Third-party provisions
Standard mortgage clause
Loss payable clause
No benefit to the bailee
Oregon laws, regulations and required provisions
Oregon Insurance Guaranty Association (ORS 734.510-.710)
Cancellation and nonrenewal
Commercial liability (ORS 742.700-.710)
Property (ORS 742.224, 746.686-687)
Automobile (ORS 742.560-.572)
Binders (ORS 742.043)
Rates (ORS 737.025, .310; OAR 836-010-0011)
Policy forms (ORS 742.003, .005)
Suit against insurer (ORS 742.240)
Concealment, misrepresentation or fraud
(ORS 742.013, .208, .562(1)(b), .702(1)(b); 746.075, .100, .110)
Unfair discrimination
(ORS 746.015, .018, .240)
Federal Terrorism Insurance Program (15 USC 6701; Public Law 109-144, 110-160)
Dwelling Policy 5%
Characteristics and purpose
Coverage forms — Perils insured against
Basic — Oregon
Broad
Special
Property coverages
Coverage A — Dwelling
Coverage B — Other structures
Coverage C — Personal property
Coverage D — Fair rental value
Coverage E — Additional living expense
Other coverages
General exclusions
Conditions
Selected endorsements
Special provisions — Oregon
Automatic increase in insurance
Homeowners Policy 4%

Coverage forms
HO-2 through HO-6
HO-8

Definitions

Section I — Property coverages
Coverage A — Dwelling
Coverage B — Other structures
Coverage C — Personal property
Coverage D — Loss of use
Additional coverages

Section II — Liability coverages
Coverage E — Personal liability
Coverage F — Medical payments to others
Additional coverages

Perils insured against

Exclusions

Conditions

Selected endorsements

Special provisions — Oregon
Limited fungi, wet or dry rot, or bacteria coverage
Earthquake
Scheduled personal property
Personal property replacement cost
Permitted incidental occupancies — residence premises — Oregon
Home day care — Oregon
Business pursuits
Watercraft
Personal injury
Identify theft

Auto insurance 8%

Laws
Oregon Motor Vehicle Financial Responsibility Law
Required motor vehicle limits of liability (ORS 806.070, .075)
Other ways to prove responsibility (ORS 806.011, .060, .080)
Personal injury protection (ORS 742.518-.544)
Medical
Loss of income
Funeral
Essential services
Exclusions from coverage

Arbitration
Day Care
Uninsured/underinsured motorist (ORS 742.500-.510)
Definitions
Bodily injury
Property damage
Required limits

Aftermarket Crash Parts Act (ORS 746.287, .289, .292)
Credit History (ORS 746.661 (44))

Personal auto policy

Definitions
Liability coverage
Bodily injury and property damage
Supplementary payments
Exclusions
Medical payments coverage
Coverage for damage to your auto
Collision
Other than collision (comprehensive)
Deductibles
Exclusions
Rental Reimbursement
Duties after an accident or loss
General provisions
Selected endorsements
Amendment of policy provisions — Oregon
Towing and labor costs
Extended non-owned coverage — vehicles furnished or available for regular use
Miscellaneous type vehicle
Joint ownership coverage

Commercial auto

Commercial auto coverage forms
Business auto
Garage
Business auto physical damage
Motor carrier

Coverage form sections
Covered autos
Liability coverage
Garagekeepers coverage
Trailer interchange coverage
Physical damage coverage
Exclusions
Conditions
Definitions
Selected endorsements
Lessor — additional insured and loss payee
Mobile equipment
Auto medical payments
coverage/personal injury protection
Drive other car coverage
Individual named insured
Suspension of coverage

Commercial carrier regulations
The Motor Carrier Act of 1980
Endorsement for motor carrier policies of insurance for public liability (MCS-90)

Commercial Package Policy (CPP) 18%

Components of a commercial policy
Common policy declarations
Common policy conditions
Interline endorsements
One or more coverage parts

Commercial general liability

Commercial general liability coverage forms
Bodily injury and property damage liability
Personal and advertising injury liability
Medical payments
Supplementary payments
Who is an insured
Limits of insurance
Conditions
Definitions
Exclusions
Occurrence versus claims-made
Trigger
Retroactive date
Extended reporting periods — basic versus supplemental
Claim information

Premises and operations
Products and completed operations
Insured contract defined/contractual liability
Pollution liability coverage form

Commercial property

Commercial property conditions form
Coverage forms
Building and personal property
Condominium association
Condominium commercial unit-owners
Builders risk
Business income
Legal liability
Extra expense
Causes of loss forms
Basic
Broad
Special
Selected endorsements
Ordinance or law
Spoilage
Peak season limit of insurance
Value reporting form

Commercial crime

General definitions
Burglary
Theft
Robbery

Crime coverage forms
Commercial crime coverage forms (discovery/loss sustained)
Government crime coverage forms (discovery/loss sustained)

Coverages
Employee theft
Forgery or alteration
Inside the premises — theft of money and securities
Inside the premises — robbery or safe burglary of other property
Outside the premises
Computer fraud

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Funds transfer fraud
Money orders and counterfeit money
Other crime coverages
Extortion — commercial entities
Guests’ property
Identify theft/data breach

Commercial inland marine
Nationwide marine definition
Commercial inland marine conditions form
Inland marine coverage forms
Accounts receivable
Bailee’s customer
Commercial articles
Contractors equipment floater
Electronic data processing
Installation floater
Signs
Valuable papers and records
Transportation coverages
Motor truck cargo forms
Transit coverage forms

Equipment breakdown
Equipment breakdown protection coverage form
Selected endorsement
Actual cash value

Farm coverage
Farm property coverage form
Coverage A — Dwellings
Coverage B — Other private structures
Coverage C — Household personal property
Coverage D — Loss of use
Coverage E — Scheduled personal property
Coverage F — Unscheduled farm personal property
Coverage G — Other farm structures
Farm liability coverage form
Coverage H — Bodily injury and property damage liability
Coverage I — Personal and advertising injury liability
Coverage J — Medical payments
Mobile agricultural machinery and equipment coverage form
Livestock coverage form
Definitions
Causes of loss (basic, broad and special)
Conditions
Exclusions
Limits
Additional coverages

Businessowners Policy 6%
Characteristics and purpose
Businessowners Section I — Property
Coverages
Exclusions
Limits
Deductibles
Loss conditions
General conditions
Optional coverages
Definitions
Businessowners Section II — Liability
Coverages
Exclusions
Who is an insured
Limits of insurance
General conditions
Definitions
Businessowners Section III — Common Policy Conditions
Selected endorsements
Hired auto and non-owned auto liability
Protective safeguards
Utility services — direct damage
Utility services — time element

Workers’ Compensation Insurance 13%
Workers’ compensation laws
Type of law
Monopolistic versus competitive
Compulsory versus elective
Oregon Workers’ Compensation Law (ORS Chapter 656)
Exclusive remedy (ORS 656.018)
Employment covered (required, voluntary, leased) (ORS 656.017, .023, .027-.041)
Covered injuries (ORS 656.005(7))
Occupational disease (ORS 656.802-.804)
Benefits provided (ORS 656.202, .204, .206, .208, .210, .211, .212, .214, .216, .245, .258)
Workers’ Compensation Handicapped Workers Program (ORS 656.628)
Workers’ compensation and employers liability insurance policy
General section
Part One — Workers’ compensation insurance
Part Two — Employers liability insurance
Part Three — Other states insurance
Part Four — Your duties if injury occurs
Part Five — Premium
Part Six — Conditions
Selected endorsement
Voluntary compensation
Premium computations
Job classification
Rates
Payroll
Adjustment upon audit
Experience modification factor
Premium discounts
Other sources of coverage
Oregon Workers’ Compensation Fund Insurance Plan (ORS 656.730; OAR 836-043-0001-0091)
Self-insured employers and employer groups (ORS 656.403, .407)

Umbrella/excess liability policies
Personal
Commercial

Specialty liability insurance
Errors and omissions
Professional liability
Directors and officers liability
Fiduciary liability
Liquor liability
Employment practices liability

Surplus lines (ORS Sec. 735.410, .415)
Definitions and markets
Licensing requirements

Surety bonds
Principal, obligee and surety
Contract bonds
License and permit bonds
Judicial bonds

National Flood Insurance Program
Write your own versus government
Eligibility
Coverage
Limits
Deductibles

Other policies
Boatowners
Difference in conditions
Recreational vehicles

Residual markets
Joint Underwriting Association (ORS 735.200–260; 737.390)
Oregon FAIR Plan Association (ORS 735.005, .015, .045)

50 questions - 1 hour time limit

Insurance Regulation 10%
Licensing requirements (ORS 744.505)
Qualifications (ORS 744.002, .525)
Types of licenses
Nonresident adjuster (ORS 744.528, .538)
Records Retention (ORS 744.024(3))

Maintenance and duration
Renewal (ORS 744.008, .009(1))
Expiration (ORS 744.007, OAR836-071-0130(1))
Nonrenewal (ORS 744.009(2))
Notification of change, deletion, or addition of an assumed business name (ORS 744.028(2))
Change of address or telephone number (ORS 744.028(1))

Disciplinary actions
Cease and desist orders (ORS 731.252)
Insurance Basics 20%

Contracts
- Elements of a legal contract
- Offer and acceptance
- Consideration
- Competent parties
- Legal purpose
- Distinct characteristics of an insurance contract
  - Contract of adhesion
  - Aleatory contract
  - Personal contract
  - Unilateral contract
  - Conditional contract
- Legal interpretations affecting contracts
  - Ambiguities in a contract of adhesion
  - Reasonable expectations
  - Indemnity
  - Utmost good faith
  - Waiver and estoppel

Principles and concepts
- Insurable interest
- Negligence
  - Elements of a negligent act
  - Defenses against negligence
- Causes of loss (perils)
- Named perils versus special (open) perils
- Direct loss
- Loss valuation
  - Market value
  - Agreed value
  - Stated amount

Policy structure
- Declarations
- Definitions
- Insuring agreement or clause
- Additional/supplementary coverage
- Conditions
- Exclusions
- Endorsements

Common policy provisions
- Insureds - named, first named and additional
- Policy period
- Policy territory
- Cancellation and nonrenewal
- Deductibles
- Other insurance
  - Pro rata
  - Contribution by equal shares
- Policy limits
- Abandonment
- Assignment of Indemnity
- Loss payable clause
- Insurer provisions
- Subrogation

2.5 Oregon laws, regulations and required provisions
- Oregon Insurance Guaranty Association (ORS 734.510 – .710)
- Suit against insurer (ORS 742.240)
- Concealment, misrepresentation or fraud (ORS 742.013, .208) (2010-NCIS 3OR)

Power of Attorney

Crop-Hail Insurance 45%

General Provisions (2011-NCIS 3)
- Agreement to Insure
- Coverage
- Insurance Period
- Duties after Loss
  - Insured's Duties
  - Insurer's Duties
- Loss Payment
- Reduction of Insurance
- Appraisal/Inspection
- Liberalization
- Variation in Acreage in Case of Loss
- Entire Agreement, Waiver or Change of Policy Provisions
- Assignment of Interest
- Assignment of Indemnity
- Concealment or Fraud
- Cancellation of Policy
- Exclusions
- Abandonment of Crop
- Suit against Us
- Conformity to Statutes
- Pre-Judgment Interest

Special Provisions
- Perils Insured Against
- Minimum Loss
- Catastrophe Loss Award

Crop Specific Coverage
- Replanting Destroyed Crops
- Optional Provisions
- Expiration of Insurance

Oregon Amending Endorsement (2010-NCIS 3OR)

Multiple Peril Crop Insurance (MPCI) 20%

Policy Structure
- Priorities of Conflicts between Provisions
  - Catastrophic Risk Protection
  - Endorsement
  - Special Provisions
  - Basic Provisions
- Definitions
- Life of Policy, Cancellation and Termination (Important Dates)
- Coverage Levels and Price
- Contract Changes
- Acreage Reporting
- Eligibility
  - Insureds
  - Crops
- Ownership Share
- Causes of Loss
- Replanting Provisions
- Loss Adjustment Responsibilities
- Insured
- Insurer

Production Records
- Planting Coverage
- Late
- Prevented

Written Agreements
- Transfer of Rights to Coverage
- Assignment of Indemnity
- Unit Structure
- Organic Farming Practices
- Inspections
- Mediation/Arbitration
- Claim Settlement

Oversight Organizations 5%
- Federal Crop Insurance Corporation (FCIC)
- Risk Management Agency (RMA)
- National Crop Insurance Services (NCIS)

REFERENCE LIST FOR ADJUSTERS EXAMINATION FOR CROP INSURANCE

The reference materials listed below were used to prepare the questions for this examination. This examination is CLOSED BOOK. These references are not allowed in the examination center.

- Common Crop Insurance Policy, Basic Provisions - Reinsured Version (11-BR)
- 2011 Crop Insurance Handbook
- Crop Insurance Plan Comparison
- FCIC 09-CAT - Multiple Peril Catastrophic
- Risk Protection Endorsement
- Crop Hail Insurance Policy General Provisions (NCIS 3)
- NCIS 457 - Optional Fire and Lightning Coverage on Crops Planted in Small Grain Crop, Stubble or Residue
- Crop Hail Insurance Policy Jacket (NCIS 5)
- Oregon Administrative Rules, Chapter 836 - Department of Consumer and Business Services, Insurance Division
- Oregon Revised Statutes Chapter 744 - Insurance Producers
- Oregon Revised Statutes Chapter 746 - Insurance Producers
- Oregon Statutes, Chapters 731, 734, 735
- About the Risk Management Agency - Program Aid 1667-02
- 18 USC Chapter 47, Sections 1033 and 1034
Read the Candidate Information Bulletin before filling out this registration form. You must provide all information requested and submit the appropriate fee. PLEASE TYPE OR PRINT LEGIBLY. Registration forms that are incomplete, illegible, or not accompanied by the proper fee will be returned unprocessed. Registration fees are not refundable or transferable.

1. **Legal Name:**
   - Last Name: ___________________________  
   - First Name: ___________________________  
   - Middle Name: ___________________________

2. **Social Security:** [____] - [____] - [____] *(FOR IDENTIFICATION PURPOSES ONLY)*

3. **Date of Birth:** [____] - [____] - [____]

4. **School Code:** [____] *(Your school will provide)*

5. **Mailing Address:**
   - Number, Street *(Must be a physical address, PO Boxes are NOT accepted)*: ___________________________  
   - Apt/Ste: ___________________________  
   - City: ___________________________  
   - State: ___________________________  
   - Zip Code: ___________________________

6. **Telephone:**
   - Home [____] - [____] - [____]
   - Office [____] - [____] - [____]

7. **Email:** ___________________________@______________________________

The following sections 8-13 are optional. You will not be penalized for declining. However, we encourage your participation.

8. **Gender**
   - Female
   - Male
   - Unspecified
   - I decline to participate

9. **Race**
   - American Indian and Alaska Native
   - Asian
   - Black or African American
   - Native Hawaiian and Other Pacific Islander
   - White
   - Two or more races
   - Unspecified
   - I decline to participate

10. **Education Level**
    - High School or GED
    - Some College
    - 2-Year College Degree(Associates)
    - 4-Year College Degree(BA, BS)
    - Master's Degree
    - Doctoral Degree
    - Unspecified
    - I decline to participate

11. **Age Group**
    - Under 18
    - 18-24
    - 25-29
    - 30-34
    - 35-39
    - 40-44
    - 45-49
    - 50-54
    - 55-59
    - 60-64
    - 65 and over
    - Unspecified
    - I decline to participate

12. **Ethnicity**
    - American/Canadian
    - Chinese
    - Mexican
    - Cuban
    - Polish
    - Dutch
    - Puerto Rican
    - English
    - Russian
    - Filipino
    - Scottish
    - French
    - Swedish
    - Korean
    - Vietnamese
    - Polish
    - Other Asian
    - Italian
    - Other European
    - Tagalog
    - Vietnamese
    - I decline to participate

13. **Native Language**
    - Arabic
    - Chinese
    - English
    - French
    - German
    - Italian
    - Spanish
    - Korean
    - Polish
    - Russian
    - Tagalog
    - Vietnamese
    - I decline to participate

You must fill out the next page
The following sections are Mandatory.

14. Examination: You may only take one examination at a time; please check one. (*Includes Law)

☐ Laws and Regulations ($45) ☐ Life Insurance Producer* ($45) ☐ Health Insurance Producer* ($45)
☐ Life & Health Insurance Producer* ($55) ☐ Crop Insurance Adjuster ($45) ☐ Surplus Lines Insurance Producer ($45)
☐ Health Insurance Adjuster ($45) ☐ General Lines Insurance Adjuster ($45) ☐ Life Insurance Consultant ($45)
☐ Health Insurance Consultant ($45) ☐ Life and Health Insurance Consultant ($55) ☐ General Lines Insurance Consultant ($45)
☐ Property Insurance Producer* ($45) ☐ Casualty Insurance Producer* ($45) ☐ Personal Lines Producer* ($45)
☐ Property and Casualty Insurance Producer* ($55)

Check one: ☐ FIRST TIME ☐ RETAKE

15. Total Fee Included: $________________. You may pay by credit card, company check, cashier’s check or money order. Make check or money order payable to PSI and note your Social Security # on it. Cash and personal checks are not accepted.

If paying by credit card, check one: ❑ VISA ❑ MasterCard ❑ American Express ❑ Discover

Card Number:________________________________________ Exp. Date: ________________________

Card Verification No: ____________ The card verification number may be located on the back of the card (the last three digits on the signature strip) or on the front of the card (the four digits to the right and above the card account number).

Billing Street Address: __________________________________________ Billing Zip Code: ____________

Cardholder Name (Print): _______________________________ Signature:______________________________

16. I am submitting the Exam Accommodations Form (at the end of this bulletin) and required documentation. ☐ Yes ☐ No

17. Affidavit: I certify that the information provided on this registration form (and/or telephonically to PSI) is correct. I understand that any falsification of information may result in denial of licensure. I have read and understand the examination information bulletin.

Signature:________________________________________ Date:______________________________

Complete and forward this registration form with the applicable examination fee to:
PSI licensure:certification * ATTN: Examination Registration OR INS
3210 E Tropicana * Las Vegas, NV * 89121
Fax (702) 932-2666 * (800) 733-9267 * TTY (800) 735-2929
www.psiexams.com
All examination centers are equipped to provide access in accordance with the Americans with Disabilities Act (ADA) of 1990. Applicants with disabilities or those who would otherwise have difficulty taking the examination may request exam accommodations.

Candidates who wish to request exam accommodations because of a disability should fax this form and supporting documentation to PSI at (702) 932-2666.

Requirements for exam accommodation requests:

You are required to submit documentation from the medical authority or learning institution that rendered a diagnosis. Verification must be submitted to PSI on the letterhead stationery of the authority or specialist and include the following:

- Description of the disability and limitations related to testing
- Recommended accommodation/modification
- Name, title and telephone number of the medical authority or specialist
- Original signature of the medical authority or specialist

Date: _____________________________________________

SS#: _____________________________________________

Legal Name: _______________________________________

Last Name                                    First Name

Address: _________________________________________

Street                                     City, State, Zip Code

Telephone: (__________) ___________ - _____________
          (__________) ___________ - _____________
          Home                          Work

Email Address: __________________________________

Check any exam accommodations you require (requests must concur with documentation submitted):

☐ Reader (as accommodation for visual impairment or learning disability)    ☐ Extended time
☐ Large-print written examination                                           (Additional time requested: _____________)
☐ Other __________________________

After you have registered for the exam, complete and fax this form, along with supporting documentation, to (702) 932-2666 or email it to examaccommodations@psionline.com. After 4 days, PSI Exam Accommodations will email you confirmation of approval with instructions for the next step.

DO NOT SCHEDULE YOUR EXAMINATION UNTIL THIS DOCUMENTATION HAS BEEN RECEIVED AND PROCESSED BY PSI EXAM ACCOMMODATIONS.
PSI licensure: certification
3210 E Tropicana
Las Vegas, NV 89121