This Assignment Pack contains the Quizzes you will need to complete your course. The Lessons will tell you when to complete each Quiz. If you have not yet accessed your Lessons, you can download your Electronic Lesson Book or order a printed copy from the Student Site, www.uscareerinstitute.edu. If you have questions, please contact Student Services at 1-800-347-7899.
Instructions for Quizzes

1. Be sure you’ve mastered the Lessons and Practice Exercises that this Quiz covers.
2. Mark your answers on the Quiz, and make sure to check your answers by reviewing the Lessons.
3. When you’re finished, decide how you will submit your answers and then follow the correct instructions below. You may only submit your answers for a Quiz once. **Important:** When submitting your Quiz, be sure to include your name, address, student ID number and course code. Incomplete information may result in your Quiz not being processed.

Scanner Quiz Instructions

For a Quiz that contains only multiple-choice questions, please select the method of submission:

- **Online:** Submit your answers online and receive your grade immediately by submitting them to the student site, www.uscareerinstitute.edu.

- **Phone:** Call the Quiz Line at 1-877-599-5857 and give your answers over the phone to receive your grade immediately.

- **Mail or Fax:** Scanner Answer Sheets and addressed envelopes are included with each print Assignment Pack. Transfer your Quiz answers to the Scanner Answer Sheet, using only blue or black ink. Mail your Scanner Answer Sheet using the enclosed envelope, or fax the form to 1-877-599-5863.

Instructor-Graded Quiz Instructions

For the quickest response to instructor-graded Quizzes, simply e-mail your completed Quiz as an attachment to your instructor at assignments@uscareerinstitute.edu. In most cases, you will receive the graded Quiz back via e-mail within three business days.

To ensure your instructor can grade your Quiz electronically, please create documents using one of the following preferred software programs: Microsoft® Word, Microsoft® Works or WordPerfect®. Make sure to include your **name, student ID, course code and Quiz number** in the subject line of your e-mail. Include your address in the e-mail. Finally, please note that these instructions only apply to handwritten Quizzes. Thank you and good luck!

For a Quiz that contains Instructor-graded questions, please select the method of submission:

- **Online:** Submit your answers online for an instructor to review and grade by submitting them to the student site, www.uscareerinstitute.edu.

- **Mail or Fax:** Scanner Answer Sheets and addressed envelopes are included with each print Assignment Pack. Transfer your Quiz answers to the Answer Sheet, using only blue or black ink. Mail your Cover Sheet and Answer Sheet using the enclosed envelope, or fax the form to 1-877-599-5863.

After you have submitted your Quiz answers, you may begin the next lesson. You do not need to wait for your Quiz results to move on to the next lesson!
Quiz 1: Introduction to Claims Adjusting

This is a Scanner Quiz that should be submitted according to the instructions at the beginning of this pack.

Choose the best answer from the choices provided.

1. Which of the following was contributed by Benjamin Franklin to the insurance industry?
   a. He formed Union Fire Company and the Philadelphia Contributionship.
   b. He encouraged fire insurance companies to keep reserve funds.
   c. He offered America’s first accident insurance.
   d. He helped traditional disability insurance make the transition to modern health insurance.

2. How did major disasters, such as the great fires of London, New York and Chicago, spur the evolution of the insurance industry? _____
   a. They spurred the development of organized fire fighting and fire insurance.
   b. They triggered the release of the first successful fire insurance in the colonies.
   c. They encouraged people to replace brick houses with wood ones.
   d. They did not play any role in the evolution of insurance.

3. Which of the following did not help promote the development of modern health insurance?
   a. Franklin Health Assurance’s offering of accident insurance in 1850
   b. The evolution of traditional disability insurance into health insurance in the middle-late 20th century
   c. The introduction of hospital and medical expense policies during the first half of the 20th century
   d. Fires in London, New York and Chicago

4. Why is liability insurance necessary for businesses?
   a. It protects the policyholder from financial losses due to damages, and it covers third party’s losses and it protects a person or entity from claims that another party initiates.
   b. It protects a person or entity from claims initiated by another party.
   c. It covers third party’s losses.
   d. It covers first, second and third party’s losses.
5. **How does technology affect the insurance claims adjuster’s daily life?**
   a. It slows down the processing of claims.
   b. It speeds up the processing of claims.
   c. It makes it harder to convey information.
   d. It does not affect the adjuster’s daily life.

6. **A claimant is _____**.
   a. a person who makes a claim
   b. a person who has a claim made against them
   c. the insurance provider
   d. a legal term for an insurance claim

7. **Health Maintenance Organizations were initiated by _____**.
   a. the Red Cross
   b. disability insurance companies
   c. the American government
   d. Blue Cross/Blue Shield

8. _____ insurance covers damages caused by an uninsured at-fault driver.
   a. Uninsured/Underinsured
   b. Collision
   c. Comprehensive
   d. Liability

9. **During the middle to late 20th century, traditional disability insurance evolved into _____**.
   a. Medicare
   b. Workers’ compensation
   c. current liability insurance
   d. modern health insurance programs

10. **While Jill looks into work in the insurance field she discovers that job growth in insurance may be limited by _____**.
    a. Internet sales, corporate downsizing and increasing direct mail
    b. corporate downsizing
    c. increasing direct mail, outsourcing and corporate downsizing
    d. outsourcing and Internet sales
11. If your car is damaged in an accident, your _____ coverage helps pay for repairs or a new car, if the old one was totaled.
   a. comprehensive coverage
   b. collision coverage
   c. liability insurance
   d. employer liability

12. _____ insurance covers damage to your car by accidents “other than collision.” This includes fire, theft and vandalism.
   a. Comprehensive
   b. Collision
   c. Liability
   d. Other

13. Your _____ helps pay the medical expenses for persons accidentally injured on your property by a family member or pet.
   a. health
   b. employer liability
   c. comprehensive
   d. home insurance

14. The U.S. Department of Labor predicts that, in upcoming years, the greatest growth areas in insurance will take place in _____ insurance.
   a. auto insurance and fire
   b. medical services and health
   c. fire insurance and hurricane
   d. health insurance and dental

15. _____ is also known as Workers’ Compensation.
   a. Employer liability
   b. Labor relief
   c. Union dues
   d. Employee safety insurance

16. In upcoming years, _____ will have the best opportunities for jobs as claims adjusters.
   a. high school graduates
   b. college graduates
   c. Master’s-prepared candidates
   d. Ph.D.s
17. _____ for businesses protects a company from third party claims.
   a. Professional liability
   c. Malpractice insurance
   c. General liability
   d. Homeowners insurance

18. Insurance adjusters interview and get statements from _____.
   a. claimants, witnesses and police
   b. witnesses
   c. police and witnesses
   d. lawyers, witnesses and police

19. Each of the following is a task performed by an insurance claims adjuster except _____.
   a. writing reports
   b. inspecting damages
   c. deciding if medical care is necessary
   d. reviewing records and calculating bills

20. _____ liability is not a type of liability insurance.
   a. Automotive and transportation
   b. Director’s and officer’s (D&O)
   c. Employer
   d. Professional
Quiz 2: What Is Insurance?

This is a Scanner Quiz that should be submitted according to the instructions at the beginning of this pack.

Choose the best answer from the choices provided.

1. **With a(n) _____ contract, the insured pays a premium in exchange for benefits from the insurance company, yet both parties are not given equal value under the contract.**
   a. unilateral
   b. aleatory
   c. indemnity
   d. good faith

2. **Which claim best illustrates the principle of fortuity?**
   a. A vandal damages a parked car with spray paint.
   b. John James runs a red light and collides with an oncoming SUV.
   c. Pete Nelson puts in a claim for old hail damage.
   d. George Simpson lights a series of small house fires and claims losses.

3. A building is insured for $100,000. It is completely destroyed by fire. The insurance policy stipulates that the insurance company may pay the policyholder less than $100,000 if the building has been vacant for more than 60 days. Why is this arrangement legal?
   a. This is a contract of adhesion and the policyholder willingly accepted these terms.
   b. The fire isn't a liability covered loss.
   c. The principle of fortuity does not apply.
   d. The first party doesn't negotiate effectively.

4. **Which is not included in a policy between the insured and insurer?**
   a. Conditions
   b. Exclusions
   c. Coverage
   d. Damages

5. **After an auto accident claim is filed, the insurance claims adjuster first must _____.**
   a. get a copy of the police report
   b. review the claimant's policy
   c. speak with the insurance company
   d. go to the scene to investigate the car involved in the accident
6. When an incident defined by the principle of fortuity occurs, the claims adjuster should review the policy’s _____.
   a. definitions, exclusions and conditions
   b. definitions, limits and exclusions
   c. exclusions and limits
   d. definitions, exclusions, conditions and limits

7. Marge is driving down a residential street on her way to the gym. The roads are icy and she skids into Mr. Jones’s garage door, hitting his car. Marge’s _____ coverage pays for Mr. Jones’s damages.
   a. collision
   b. comprehensive
   c. property damage liability
   d. bodily injury

8. Bobbie and Frank have with three children. They want to buy life insurance but aren’t sure what to get. They only want coverage until the kids graduate from college; the youngest is in fourth grade. Which policy would you recommend?
   a. Two 15-year term policies—one in each parent’s name
   b. One permanent policy in Frank’s name
   c. Two 10-year term policies in Bobbie’s name
   d. Two permanent policies, one in each parent’s name

9. Erik needs to have his gallbladder removed. He was referred to Dr. Eng by his PCP. Since he is going to an in-network surgeon, he won’t have to pay his $1000 deductible or 20% of the total cost of the procedure. His only cost is his copay. Erik has a(n) _____ plan.
   a. indemnity
   b. HMO
   c. PPO
   d. POS

10. Joe Smith has an all risk property insurance policy. He had a flood in his basement but his insurance won’t cover it. What type of policy did he need?
    a. Named peril
    b. Property damage liability
    c. Permanent
    d. Open peril
11. In a(n) _____ policy, property is covered only when the actual cause of damage is listed in the insurance policy.
   a. named peril
   b. property damage liability
   c. permanent
   d. open peril

12. A(n) _____ is a person or company that provides insurance coverage to individuals or groups that purchase policies.
   a. first party
   b. third party
   c. claimant
   d. insurer

13. The _____ is the portion of a claim to be paid by the insured before any payment is made by the insurer.
   a. premium
   b. copayment
   c. deductible
   d. coinsurance

14. _____ party coverage refers to insurance that protects the policyholder from financial loss.
   a. First
   b. Second
   c. Third
   d. Fourth

15. _____ is a periodic payment made on an insurance policy.
   a. A premium
   b. A copayment
   c. Coinsurance
   d. Extortion

16. Details the insurer provides about the policyholder’s coverage and their requirements in the event of a loss are _____.
   a. stipulations
   b. conditions
   c. requirements
   d. details
17. The _____ is policyholder who makes a claim to an insurance company for damages.
   a. complainant
   b. witness
   c. claimant
   d. at-fault party

18. A(n) _____ adjuster’s responsibilities include collision payments, property damage payments, and bodily injury settlements.
   a. health insurance
   b. liability
   c. property
   d. life insurance

19. _____ insurance is held and paid into for the duration of the insured’s life.
   a. Liability
   b. Term life
   c. Permanent life
   d. Temporary

20. _____ insurance covers damage to a vehicle caused by events other than collision, such as flood, fire, hail, theft or vandalism.
   a. Liability
   b. Collision
   c. No-fault
   d. Comprehensive
Quiz 3: Interpersonal Relations: Part 1

This is a Scanner Quiz that should be submitted according to the instructions at the beginning of this pack.

Choose the best answer from the choices provided.

1. When talking to a customer or co-worker _____.
   a. maintain eye contact the whole time
   b. alternate between looking at the person and looking down
   c. look around the room a good deal of the time
   d. maintain eye contact, but look away from time to time

2. When a customer is explaining a problem, it is most important to _____.
   a. try to understand and empathize with how she is feeling
   b. look for specific facts pertaining to the situation
   c. listen carefully in order to find a solution
   d. use body language and tone of voice to show you understand

3. To effectively convey a message to customers or coworkers, _____.
   a. listen to their point and then express your ideas gently
   b. strongly state your opinion so that they know where you stand
   c. try to persuade them without being too forceful
   d. explain the logic behind what you are saying

4. If a customer complains about another person on your staff, you should _____.
   a. apologize to the customer and try to accommodate him or her
   b. offer another criticism of the staff member to demonstrate sympathy
   c. transfer the call to the staff member the customer is complaining about
   d. transfer the call to the staff member’s supervisor so that the complaint can be formally registered

5. When investigating a claim, it’s best to communicate with the customer _____.
   a. by using technical jargon to impress the customer
   b. through e-mail in order to avoid misunderstandings
   c. by avoiding technical jargon and using language that the customer understands
   d. through print so that you have a record of communication
6. Customer complaints should be viewed as a(n) _____.
   a. opportunity to improve service
   b. problem that is taking up valuable time
   c. opportunity to change company policies
   d. overall problem with the company

7. When a customer is voicing a complaint, _____.
   a. place him or her on hold and locate a manager
   b. explain why I think he or she is wrong
   c. raise my voice and tell him or her to stop complaining
   d. remain calm and understanding

8. When meeting with a customer to assess the damage to his or her property, strive to be _____.
   a. entertaining and often humorous
   b. clear and concise
   c. quiet and reserved
   d. direct, specific and sometimes stern

9. Which of the following is NOT a technique for building rapport?
   a. Using the customer’s name
   b. Avoiding eye contact
   c. Saying “Please” and “Thank you
   d. Explaining your reasons for saying “No”

10. When you, as a service provider, say “I’m sorry” to a customer your purpose is _____.
    a. to accept blame for the situation
    b. to end the altercation
    c. to express understanding and empathy
    d. You should never say “I’m sorry” to a customer.

11. Philip and Carrie have been talking back and forth all day. The reciprocal interactions between two or more people is known as _____.
    a. communication
    b. interpersonal relations
    c. conflict
    d. correspondence
12. _____ is technical terminology used throughout the insurance industry.
   a. Communication
   b. Interpersonal relations
   c. E-mail
   d. Jargon

13. _____ is the act of giving or exchanging information without using any spoken words.
   a. Clarifying
   b. Interviewing
   c. Nonverbal communication
   d. Appraisal

14. **Effective speaking skills** _____.
   a. identify the purpose and desired result of the conversation
   b. ask probing, personal questions
   c. always begin with closed questions and end with open ones
   d. maintain a steady pitch and volume throughout the conversation

15. _____ questions are used to follow up or get answers on unclear information.
   a. Leading
   b. Open
   c. Funnel
   d. Closed

16. _____ describes a method of speaking which may be aggressive, passive or assertive.
   a. Arguing
   b. Negotiation
   c. Communication style
   d. Talk technique

17. _____ describes intent to listen for meaning.
   a. Active listening
   b. Effective communication
   c. Message reception
   d. Effective speaking
18. _____ is the process by which information is exchanged between individuals.
   a. Active listening
   b. Negotiation
   c. Litigation
   d. Communication

19. James called his electric company to discuss a charge on his bill and the customer service clerk said, “That’s not my job.” What would have been a more appropriate response?
   a. “I’ll be with you in a moment.”
   b. “I am hearing a lot of complaints on that.”
   c. “Let me get someone who can help you.”
   d. “You’ll have to call back and ask for the billing department.”

20. Good _____ provides quality service that satisfies the wants and needs of customers.
   a. public relations
   b. customer service
   c. interpersonal relations
   d. communication
Quiz 4: Interpersonal Relations: Part 2

This is an Instructor-graded Quiz that should be submitted according to the instructions at the beginning of this pack.

For the following questions, choose the best answer from the choices provided.

1. A(n) _____ is a discussion intended to produce a positive result.
   a. investigation
   b. conversation
   c. negotiation
   d. debate

2. When you are interviewing a witness, how many questions should you ask at one time?
   a. Two
   b. Three
   c. None
   d. One

3. When contacting a policyholder, what is the first piece of information you need to clarify?
   a. Whether you are speaking to the right person
   b. Your full name and title
   c. If the person knows why you are calling
   d. If they have any questions

4. In a negotiation plan, the _____ identifies if the negotiation is going to be cooperative or competitive.
   a. goals and potential issues of the claim
   b. negotiation approach
   c. objectives for the negotiation
   d. background information

5. Sam is writing a negotiation plan and he is trying to identify what each side wants to get out of the negotiation. What part of the negotiation plan is he working on?
   a. Background information
   b. Objectives for the negotiation
   c. Goals and potential issues of the negotiation
   d. The negotiation approach
6. Bill is having a hard time as a negotiator. He asks for feedback and is told he is difficult to work with and unfriendly. What should Bill focus on in the future?
   a. His negotiation plan
   b. Building rapport
   c. His negotiation type
   d. Finding a new job

7. Three reasons conflict occurs include differing objectives and interests, differing belief systems and values and _____.
   a. personal attitudes
   b. previous failure with the negotiation process
   c. varied perspectives on the situation
   d. fighting

8. Amy is interviewing a witness who is emotional. She finds herself getting frustrated during the negotiation and raises her voice at the witness. Where did she go wrong?
   a. She did not encourage responses.
   b. She used closed questions.
   c. She did not ask one question at a time.
   d. She did not remain neutral.

9. Which type of question is the most effective during an interview?
   a. A question that asks why
   b. A closed question
   c. An open-ended question
   d. A multi-part question

10. When speaking to a policyholder on the phone it is always important to remain _____ and attentive.
    a. present
    b. quiet
    c. occupied
    d. directive
For the following items, match the term or concept on the left with the explanation on the right.

11. _____ Information
   a. The amount of money you can spend on a negotiation
   b. The party with more or less power in the negotiation
   c. Looking in depth at what the issues are in a negotiation
   d. The process of learning as much as you can about the problem or claim
   e. When preparing a negotiation, you want to have a clear picture of what each side wants as a result
   f. Negotiation can be cooperative
   g. Includes the background information of the claim, objectives for the negotiation, the goals and possible issues and the negotiation approach
   h. Introduction when contacting a policyholder
   i. Someone you would interview who had expertise and experience in a specific area
   j. Be mindful of posture and facial expressions

12. _____ Goals and expectations
13. _____ Analysis
14. _____ Leverage evaluation
15. _____ Negotiation Plan
16. _____ Type of negotiation
17. _____ Budget
18. _____ Information about yourself
19. _____ Interviewing a witness
20. _____ Expert Witness

Complete the following, then transfer your answers to the quiz cover sheet.

21. In this lesson, you were introduced to negotiation plans and read about the important parts of such plans. Now, it’s your turn to complete a negotiation plan on your own paper for a fictitious scenario that you create or from a personal experience of filing a claim. Describe the scenario and include the following pieces. Recall adjuster Mark Davis’s plan that he presented on Kitty’s kitchen design for ideas to get you started.

   Facts:

   Goals:

   Concessions:
Alternatives:

Approach:

Expected Outcome:

Consequences:

Please note: Your answer for each piece shouldn’t be more than a few sentences.
Insurance Claims Adjuster
Quiz 4

1. Fill in your student ID and your course code below.

<table>
<thead>
<tr>
<th>STUDENT ID NUMBER</th>
<th>COURSE CODE</th>
</tr>
</thead>
</table>

2. Be sure your name and address are filled in below.

3. Transfer your answers to this cover sheet.

NAME
ADDRESS
CITY STATE ZIP

U.S. Career Institute
2001 Lowe Street
Fort Collins, CO 80525

IC-02

Grade: __________

1. ____
2. ____
3. ____
4. ____
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18. ____
19. ____
20. ____

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Quiz 5: The Claims Adjustment Process: Part 1

This is a Scanner Quiz that should be submitted according to the instructions at the beginning of this pack.

For questions 1 through 20, choose the best answer from the choices provided.

1. _____ is the process of gathering and assessing information in order to approve or deny a claim.
   a. Intake
   b. Assessment
   c. Assignment
   d. Evaluation

2. Which path do the steps of an insurance claim’s “life cycle” follow? _____
   a. Assignment ➞ Coverage determination ➞ Intake ➞ File management ➞ Recovery ➞ Settlement
   b. Intake ➞ Assignment ➞ Coverage determination ➞ File management ➞ Recovery ➞ Settlement
   c. Intake ➞ Coverage determination ➞ File management ➞ Assignment ➞ Recovery ➞ Settlement
   d. Intake ➞ Coverage determination ➞ Assignment ➞ File management ➞ Recovery ➞ Settlement

3. _____ is not taught in detail in insurance claims adjuster courses because each insurance company has its own information management system to learn.
   a. Assignment
   b. File management
   c. Recovery
   d. Settlement

4. During intake, the insurance claims adjuster gathers information such as the name of the _____.
   a. claimant, policy numbers and the reason for the call
   b. party at-fault, the date of the accident and the condition of the driver
   c. at-fault party, whether a ticket was issued and the extent of damage
   d. claimant, policy numbers and the name of the responding police officer
5. _____ involves verifying the identity of the claimant, determining the kind and amount of coverage the policyholder has, and verifying actual damage.
   a. Intake
   b. Coverage determination
   c. Assignment
   d. File management

6. _____ is a term used to describe the process of drawing up insurance policies that specify the risk assumed by the insurer in exchange for the payment of premiums.
   a. Insurance claims adjusting
   b. Policy generation
   c. Enrollment
   d. Underwriting

7. Which statement best describes the comparison between the insurance claims process(es) used for different kinds of insurance claims, such as auto liability, homeowners, and so on? _____
   a. Different processes are used to process different kinds of claims.
   b. Different kinds of claims are processed exactly the same way.
   c. Different kinds of claims are processed by different insurance agencies.
   d. A similar process is used to process all claims, regardless of kind.

8. During assignment, the insurance claims adjuster might do each of the following activities except _____.
   a. interview the claimant and other parties
   b. assign a monetary value to the damages and pay the claimant
   c. interview witnesses, including experts
   d. assess evidence, including police reports and photos

9. The insurance claims process begins when _____.
   a. the accident takes place
   b. the police file a report
   c. the insurance claims adjuster becomes aware of the claim
   d. payment is made to the claimant
10. The insurance claims adjuster _____.
   a. oversees the insurance claims process throughout its “life cycle”
   b. handles the first four steps of the insurance claims process, then turns it over to the company’s comptroller
   c. is responsible only for gathering information, not evaluating its merit
   d. has, as a goal, saving the insurance company money by denying claims

11. During _____, all interviewing and evidence assessment is carried out.
   a. intake
   b. assignment
   c. recovery
   d. file management

12. In Robin’s case, extensive interviews of the claimant, other driver and witnesses were not necessary because _____ fault.
   a. Robin admits she was at
   b. the other driver says the accident was Robin’s
   c. the police say Robin was at
   d. in Robin’s state, the law stipulates that any driver that hits another car from behind is at

13. The only expert evidence required in Robin’s case is _____.
   a. expert testimony by the other driver’s doctors
   b. the police report and car repair estimates
   c. photos Robin took at the scene of the accident
   d. an accident reconstruction prepared by a firm that specializes in preparing evidence for trial

14. The forms used to gather information needed to process an insurance claim are available _____.
   a. at insurance agencies and police stations
   b. from the NAIIA online
   c. at police stations and auto body repair shops
   d. at insurance agencies and from the NAIIA online

15. A beginning insurance claims specialist _____.
   a. is expected to be able to handle complex cases immediately
   b. is often “eased” into the profession, handling less complex cases at first
   c. can expect to be given no special consideration in terms of expertise
   d. will not be permitted to process claims at all
16. A _____ is an objective ‘witness’ when it comes to determining fault.
   a. police officer who arrives after the accident
   b. claimant
   c. car
   d. bystander

17. Which of the following might the insurance claims adjuster do when he is processing a complex automobile liability case? _____
   a. Interview only the claimant and the police officer who filed the report and record their statements and compare them to one another.
   b. Record all statements and compare them to one another, as well as to the police report, and study photos of the damage to the vehicles.
   c. Study photos of the damage or the actual damage to vehicles and interview only the auto body repairman since his opinion of what happened is most important.
   d. Study photos of the damage or the actual damage to vehicles; record all statements and compare them to one another, as well as to the police report; and interview both the claimant and the other parties to the accident.

18. The activities described in Question 17 occur during _____.
   a. intake
   b. assignment
   c. coverage determination
   d. file management

19. During the interview of a claimant or witness, the insurance claims adjuster _____.
   a. directly asks for evidence and information without worry of how s/he is received
   b. is sensitive to the physical condition of witnesses with injuries and asks many questions in a rapid-fire way designed to catch witnesses in lies
   c. remains goal-directed and efficient and does not ask about the physical condition of witnesses with injuries
   d. remains nonjudgmental, empathetic, goal-directed and efficient and is sensitive to the physical condition of witnesses with injuries

20. _____ make a claim more complex.
   a. Laws
   b. Injuries
   c. Rear-end accidents
   d. Underwriters
Quiz 6: The Claims Adjustment Process: Part 2

This is a Scanner Quiz that should be submitted according to the instructions at the beginning of this pack.

For questions 1 through 20, choose the best answer from the choices provided.

Choose the best answer from the choices provided.

1. A drunk driver strikes Catherine's garage. Its contents, as well as a car parked in the driveway, are destroyed. When the other party's insurance claims adjuster contacts her two days after the incident, she is not receptive to attempts to reach a settlement. The adjuster concludes _____.
   a. Catherine is distressed and may be more receptive to negotiation at a later date
   b. Catherine is unreasonable, and the case should immediately be turned over to the company's legal counsel
   c. a settlement with Catherine is apt to be speedy because her level of upset makes her open to suggestion
   d. a settlement with Catherine cannot take place when she is behaving so irrationally

2. The insurance claims adjuster consults police and medical staff, evaluates medical records and inspects property damage to collect information needed to _____.
   a. write a thorough report
   b. make a claim
   c. request litigation
   d. hire an attorney

3. What effect does litigation have on the timing of settlement?
   a. It has little to no effect on the amount of time needed to reach an agreement.
   b. It usually results in reaching an agreement sooner than might otherwise be the case.
   c. It lengthens the process, and settlement is reached later than would otherwise be the case.
   d. There is no correlation between litigation and settlement in terms of timing.
4. If the policyholder contests a claim denial, the insurance company’s legal counsel will strive to _____.
   a. avoid response
   b. apologize
   c. cancel the policyholder’s insurance
   d. prove why the claim was denied

5. When conducting a background check prior to settlement of a traffic accident claim, Carrie notes that the claimant—a new Clearview policyholder—filed four other claims, with other insurance companies, in the last 18 months. What action does Carrie take?
   a. She notifies the judge presiding over the case.
   b. She notifies Clearview’s special investigation unit.
   c. She issues a check for damages to the claimant.
   d. She asks the claimant’s physician for a detailed report.

6. In the previous question, why does Carrie examine the claimant’s past claims history?
   a. To determine whether the claimant has ever engaged in claims fraud
   b. To gather information for the court
   c. To authorize payment of the claim
   d. To facilitate processing of the payment check

7. Which of the following is a possible reason to deny a claim?
   a. A preexisting condition
   b. Poor driving record
   c. Failure to report it in the specified time frame
   d. Failure to have routine check-ups

8. What is the usual amount of time allowed to make a claim?
   a. 24 hours
   b. 90 days
   c. 30 days
   d. 15 days

9. When claims are denied due to improper filing, the claimant may _____.
   a. not appeal the decision
   b. not submit addition information
   c. provide any additional documentation or information
   d. go to the supreme court
10. Immediately after an auto accident resulting in minor injuries and property damage, Gus contacts his attorney. “I want to sue the jerk!” he insists. His lawyer refuses to file suit. Why?
   a. It’s too early to file a claim with the insurance company.
   b. Seeing a doctor is more important.
   c. Attorneys do not involve themselves with insurance claims.
   d. Litigation is a last resort.

11. _____ is the medical or surgical management and care provided to a patient.
   a. Coverage
   b. Diagnosis
   c. Representation
   d. Treatment

12. An action intended to illegally obtain money or benefits, such as fabricating a claim, is called _____.
   a. misrepresentation
   b. misstatement
   c. fraud
   d. litigation

13. The guarantee to pay for specific losses as provided under the terms of an insurance policy is known as _____.
   a. coverage
   b. an exclusion
   c. benefits
   d. a claim

14. A(n) _____ describes anything specifically stated in an insurance policy that the policy does not cover.
   a. coverage
   b. exclusion
   c. premium
   d. clause

15. A(n) _____ is a demand to recover money under an insurance policy for loss.
   a. claim
   b. deductible
   c. exclusion
   d. premium
16. A _____ is the part of a loss that the insured pays; it comes out of any payment from the insurance company.
   a. claim
   b. premium
   c. benefit
   d. deductible

17. An individual who has special training, skill, experiences or knowledge that makes her qualified to give dependable testimonial in her area of professional expertise is known as a(n) _____.
   a. witness
   b. expert
   c. claimant
   d. insurance claims adjuster

18. _____ describes misstatement of facts made on an application for insurance or an insurance agent who misstates coverage.
   a. Fraud
   b. Litigation
   c. Misrepresentation
   d. Case law

19. The recognition of disease or illness is _____.
   a. diagnosis
   b. treatment
   c. medical malpractice
   d. cause for claim

20. The process of investigating and sorting out the facts and law in a particular case and then bringing or defending a lawsuit is _____.
   a. filing a claim
   b. litigation
   c. suborning fraud
   d. misrepresentation
Quiz 7: Principles of Health and Accident Insurance

This is a Scanner Quiz that should be submitted according to the instructions at the beginning of this pack.

Choose the best answer from the choices provided.

1. **Individual health insurance plans provide insurance to _____ .**
   a. corporate employees
   b. unemployed or self-employed individuals
   c. individuals older than the age of 65
   d. people with an income of less than $12,500 per year

2. **Which of the following statements best compares and contrasts an HMO with a PPO?**
   a. Both require that participants see a pre-approved doctor.
   b. An HMO does not require PCP referral to a specialist.
   c. A PPO does not require PCP referral to a specialist.
   d. They are different names for the same type of plan.

3. **Insurance companies use _____ to estimate loss and calculate the amount to charge for premiums.**
   a. several complex formulas
   b. linear algorithms
   c. the law of large numbers and statistics
   d. accountants

4. **Gene, 73, falls in his assisted-living facility. He breaks his hip and requires surgery. When the registration clerk visits the ER to admit him to the hospital, what kind of insurance card does she expect Gene to present and why?**
   a. Medicare because all Americans older than age 65 are eligible for its benefits.
   b. Medicaid because all Americans older than age 65 are eligible for its benefits.
   c. Blue Cross because it is among the insurance types the hospital accepts.
   d. HIPAA because it protects the rights of all healthcare consumers.

5. **Which statement best contrasts health insurance with accident insurance?**
   a. Health insurance helps with medical expenses but usually doesn’t cover indirect costs that can accrue as a result of an accident.
   b. Health insurance covers transportation, while accident insurance excludes this cost.
   c. Health insurance covers over-the-counter medication, while accident insurance excludes this cost.
   d. Health insurance covers lost income, while accident insurance usually excludes this cost.
6. Corinne loses her job. Her former employer’s health plan offers her continued coverage for 18 months. During this time, she discovers a tumor in her left breast. She undergoes surgery and completes radiation therapy. At the end of 18 months, her doctor recommends chemotherapy to destroy any cancerous cells that might remain. Corinne has not yet found another job. What would you expect in terms of her ability to purchase an individual health insurance policy?
   a. She will be able to purchase an individual policy easily.
   b. Because she has a pre-existing condition, insurance companies will deny coverage.
   c. Insurance companies will deny coverage because she does not have a job.
   d. Insurance companies will tell her that she needs to get a job that provides insurance.

7. According to the law of large numbers, as the number of trials of a random act _____, the percentage difference between the expected and actual values goes to zero.
   a. decreases
   b. stays the same
   c. fluctuates
   d. increases

8. Many find it easy to confuse Medicare and Medicaid. Which statement best distinguishes between the two?
   a. Medicaid is offered to low-income Americans, and Medicare is offered to Americans older than age 65.
   b. Medicare is offered to low-income Americans, and Medicaid is offered to Americans older than age 65.
   c. Both insurance plans are open to any American who is able to pay the premiums and coinsurance.
   d. Both insurance plans are open to any foreigner who is able to pay the premiums and coinsurance.

9. Each of the following statements describes Medicaid except _____.
   a. eligibility may depend on age
   b. it may provide coverage for pregnant women
   c. it is a federally-administered program
   d. eligibility may depend on disability

10. _____ insurance is purchased to pay for the indirect costs that an injured individual accumulates.
    a. Auto
    b. Health
    c. Traveler’s
    d. Accident
11. Mark has been recruited from a large corporation to work for a large accounting firm. Among his benefits are a choice of HMO, PPO and traditional 80-20 plan. Mark has several pre-existing conditions and wants to continue to see his current doctor, who is part of the PPO, but not the HMO. Which of the following is true?
   a. If Mark enrolls in the HMO, he can see his current doctor if he makes a copayment.
   b. If Mark enrolls in the PPO, he can continue to see his current doctor.
   c. The only way Mark can continue to see his current doctor is if he enrolls in the traditional 80-20 plan.
   d. Mark cannot continue to see his current doctor; he will have to pick a new PCP.

12. Insurance companies have contracts with policyholders that require that they pay benefits when certain circumstances arise. If they pay out benefits routinely, how do they make money?
   a. A float results when insurance companies pay more in benefits than they collect in premiums.
   b. An underwriting loss results when insurance companies collect more in premiums than they pay out in benefits.
   c. An underwriting profit results when insurance companies collect more in premiums than they pay out in benefits.
   d. An overwriting profit results when insurance companies collect more in premiums than they pay out in benefits.

13. Pedro is a member of a PPO that his employer offers. His employer pays for part of the cost of the policy, and Pedro pays the remainder. Each time he sees his doctor, he makes a $20 copayment. In addition, a bimonthly payroll deduction is made to pay for coverage. This payment is the _____.
   a. deductible
   b. copayment
   c. coinsurance
   d. premium

14. When a policyholder enrolls in a(n) _____, she can choose her own in-network medical provider.
   a. HMO
   b. PPO
   c. POS
   d. traditional 80-20 plan
15. A(n) _____ provides continuous coverage no matter where the policyholder works or lives.
   a. accident insurance policy
   b. HMO
   c. individual health insurance policy
   d. group health insurance policy

16. Health insurance benefits individuals because it offers _____.
   a. protection against large financial loss and helps pay for childcare
   b. to pay for all necessary medical care
   c. the ability to afford medical care and to pay for all prescriptions in full
   d. access to medical screening

17. Emily is pregnant and unemployed. Her husband’s job does not provide health insurance, and his income is too low to purchase an individual policy to cover Emily. What advice would you give the expectant mother?
   a. Investigate whether she and the baby are eligible for Medicare coverage.
   b. Investigate whether she and the baby are eligible for Medicaid coverage.
   c. Sue her husband’s employer for discrimination—it can’t deny coverage to a pregnant woman.
   d. Plan a home birth so that no medical bills associated with the birth accrue.

18. Which of the following does accident insurance usually cover?
   a. Surgical procedures
   b. Over-the-counter medicine and auto detailing
   c. Anything that the accident victim specifies when he chooses the policy
   d. Transportation and lost income

19. HIPAA ensures that _____.
   a. people who switch jobs can enroll in another group insurance plan
   b. people with low income can get health care
   c. people older than the age of 65 can see the doctor of their choice
   d. pregnant women and minor children receive access to health care
20. Most Americans with private insurance obtain their coverage through group plans that _____.
   a. the state provides
   b. are federally administered
   c. their employers provide
   d. they purchase out-of-pocket

For questions 21 through 25, refer to the information that follows, and choose the best answer from the choices provided.

Jaycee is a health claims adjuster. Her daily work includes processing healthcare claims that her company’s automated system flagged. What actions is she likely to take with each of the following claims? Why?

21. Jaycee’s first claim is for a 20-year-old woman. The system flagged the claim because the last name didn’t match the name on the sponsor’s account. Jaycee investigates and approves the claim. Which of the following is a reason for the name discrepancy that would allow Jaycee to approve the claim?
   a. The condition was unlikely for a 20-year-old woman.
   b. The young woman had married and changed her name but had not notified the insurance company.
   c. The insurance policy didn’t cover the condition she had.
   d. Jaycee was convinced that there was no evidence of fraud.

22. Jaycee’s next claim is flagged with reference to the physician. She investigates the physician and ultimately forwards the claim to the fraud division. Which of the following is a reason that Jaycee might suspect fraud?
   a. The physician’s medical coder makes too many mistakes.
   b. The physician is a cardiologist and bills for heart surgery.
   c. The physician is an obstetrician and bills for heart surgery.
   d. The insurance policy didn’t cover heart surgery.

23. Jaycee’s third claim is flagged because of the medical code. She investigates and denies the claim. Which of the following is a reason why Jaycee might deny this claim?
   a. She didn’t understand the medical code.
   b. The medical code was put into the wrong place on the form.
   c. The medical code is for enlarged prostate, and the patient is a man.
   d. The medical code is for a hysterectomy, and the patient is a man.
24. Jaycee's fourth claim is flagged because of questions that surround the policy and coverage. Jaycee ultimately refers the claim to her supervisor. Which of the following is a reason why Jaycee would not either approve or deny the claim herself?

a. She didn’t understand the medical code and requested clarification from her supervisor.

b. The procedure clearly was not covered under the plan.

c. The patient information was incomplete.

d. The claim might be covered under another type of insurance, such as worker’s compensation or an auto policy, and the supervisor should follow up.

25. Jaycee’s fifth claim is flagged because of another coding discrepancy. Jaycee investigates and ultimately approves the claim. Which of the following is a scenario that would let her approve the claim?

a. The code is for osteoporosis, and the patient is 12 years old.

b. The code is for a heart transplant, and the patient is 18 years old.

c. The code is for pregnancy, and the patient is male.

d. The code is for cholesterol-reducing medication, and the patient is 12 years old.