CERTIFIED APPLICATION COUNSELOR PRACTICE TEST (SAMPLE)

STUDY GUIDE



SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

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Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

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How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 – 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

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Questions

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1. A qualified health plan must provide which of the following?

A. Coverage solely for inpatient services

B. Essential health benefits and preventive services without added costs

C. Unlimited coverage for all medical services

D. Full coverage for alternative therapies

2. Which of the following groups is not a mandatory eligibility group for Medicaid?

A. Low-income parents

B. High-income children

C. Blind individuals

D. Low-income pregnant women

3. Which tier typically has the lowest costs for medications?

A. Second tier with brand-name drugs

B. First tier with generic drugs

C. Third tier with specialty drugs

D. No tier corresponds to cost

4. PTCs are exclusively available to consumers who do what?

A. Enroll in Medicaid.

B. Enroll in Qualified Health Plans through a Marketplace.

C. Purchase insurance outside of the Marketplace.

D. Have private insurance coverage.

5. What is the timeframe for submitting supporting documents after a DMI occurs?

A. 30-45 days

B. 60-75 days

C. 90-95 days

D. 120 days

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6. How do consumers obtain Premium Tax Credits (PTCs)?

A. By enrolling in Medicaid

B. By filing taxes

C. By applying directly at a Marketplace

D. By receiving employer-sponsored insurance

7. What can happen to individuals who do not enroll in a health insurance plan during the specified timeframe?

A. They may lose their current coverage

B. They may face a tax penalty

C. They can be denied future coverage

D. They are required to pay a fine to the insurer

8. What type of support do CACs offer during the health coverage application process?

A. CACs only offer online resources

B. CACs provide phone support only

C. CACs provide face-to-face assistance only

D. CACs provide comprehensive support, including in-person and virtual assistance

9. What are the primary enrollment periods for the Marketplace?

A. Only the Open Enrollment Period

B. Open Enrollment and special offers

C. Open Enrollment Period and Special Enrollment Periods

D. Annual enrollment and extension periods

10. Which of the following is an Essential Health Benefits category?

A. Preventive care

B. Emergency services

C. Annual physical exams

D. Prescription drugs

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Answers

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

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Explanations

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1. A qualified health plan must provide which of the following?

A. Coverage solely for inpatient services

B. Essential health benefits and preventive services without added costs

C. Unlimited coverage for all medical services

D. Full coverage for alternative therapies

A qualified health plan is mandated to provide essential health benefits, which include a comprehensive range of healthcare services necessary for individuals and families. These essential health benefits cover items such as hospitalization, prescription drugs, preventive services, laboratory services, and pediatric care, among others. Importantly, preventive services must be offered without any cost-sharing, meaning patients do not need to pay out-of-pocket costs like copayments or deductibles for these services. This provision is designed to encourage individuals to seek necessary preventive care, which is crucial for maintaining overall health and early detection of health issues. The other options do not accurately reflect what a qualified health plan is required to offer. Coverage solely for inpatient services would be too limited and does not align with the broader scope of essential health benefits. While qualified health plans do offer extensive coverage, they do not provide unlimited coverage for all medical services, as there are typically limits and conditions based on the specifics of the plan. Furthermore, while some plans may include alternative therapies, they are not universally required, and coverage for such services is not part of the essential benefits mandated by law.

2. Which of the following groups is not a mandatory eligibility group for Medicaid?

A. Low-income parents

B. High-income children

C. Blind individuals

D. Low-income pregnant women

The group identified as high-income children is not a mandatory eligibility group for Medicaid. Medicaid is designed to provide healthcare coverage for specific populations, particularly those with limited financial resources. Mandatory eligibility groups typically include low-income parents, low-income pregnant women, and individuals with disabilities, including those who are blind. In contrast, high-income children generally do not qualify for Medicaid, as the program primarily serves those with low income or financial need. While some states may offer Medicaid coverage or programs for children from higher-income families, this is not a requirement under federal Medicaid guidelines. Thus, it is crucial to recognize that eligibility for Medicaid is heavily based on income, and being categorized as high-income generally excludes individuals from program participation.

3. Which tier typically has the lowest costs for medications?

A. Second tier with brand-name drugs

B. First tier with generic drugs

C. Third tier with specialty drugs

D. No tier corresponds to cost

The first tier typically has the lowest costs for medications because it predominantly includes generic drugs. Generic medications are bioequivalent to their brand-name counterparts and are generally available at significantly lower prices. This cost-effective nature is due to several factors, such as the lack of proprietary rights after the patent expiration and reduced production and marketing costs. By having a lower copayment or coinsurance associated with them, the first tier encourages patients to choose these generic options as a way to manage their medication expenses effectively. This tier structure is common in many health plans, aiming to promote the use of affordable medications while maintaining adherence to treatment regimens.

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4. PTCs are exclusively available to consumers who do what?

A. Enroll in Medicaid.

B. Enroll in Qualified Health Plans through a Marketplace.

C. Purchase insurance outside of the Marketplace.

D. Have private insurance coverage.

Premium Tax Credits (PTCs) are specifically designed to assist consumers who enroll in Qualified Health Plans (QHPs) through a Health Insurance Marketplace. The fundamental purpose of PTCs is to make health coverage more affordable by providing financial assistance to those who qualify based on their income and household size. When individuals purchase a QHP through the Marketplace, they can apply for PTCs to help lower their monthly premiums. This support is part of the Affordable Care Act's efforts to ensure that more people can afford health insurance. Consumers who enroll in Medicaid, purchase insurance outside the Marketplace, or have private insurance do not qualify for PTCs, which explains why those options do not align with the purpose and eligibility of the credits.

5. What is the timeframe for submitting supporting documents after a DMI occurs?

A. 30-45 days

B. 60-75 days

C. 90-95 days

D. 120 days

The correct timeframe for submitting supporting documents after a Data Matching Issue (DMI) occurs is typically set at 90 to 95 days. This period is established to allow individuals sufficient time to gather necessary documentation that may be required to resolve discrepancies flagged during the application process. It is essential for applicants to understand this timeframe as it directly impacts their ability to maintain health insurance coverage and ensure their applications are processed efficiently. The timeframe is structured to balance the needs of the applicants, who may require time to acquire documents from various sources, and the operational requirements of the enrollment process, which can't remain open indefinitely. Comprehending this timeframe helps applicants plan and act quickly to resolve issues that could hinder their access to health insurance.

6. How do consumers obtain Premium Tax Credits (PTCs)?

A. By enrolling in Medicaid

B. By filing taxes

C. By applying directly at a Marketplace

D. By receiving employer-sponsored insurance

Premium Tax Credits (PTCs) are designed to help lower-income individuals and families afford health insurance coverage purchased through the Health Insurance Marketplace. The mechanism by which consumers obtain PTCs primarily involves their application during the enrollment process in the Marketplace, rather than directly through tax filing. To qualify for PTCs, consumers must apply for coverage through the Health Insurance Marketplace, detailing their income and household size. Based on the information provided, the Marketplace calculates the amount of PTCs for which the individual or family is eligible. While consumers do need to file taxes in order to reconcile these credits and potentially receive any excess credits as a refund, the initial step to receive the credits is through the application process, not the act of filing taxes. The correct approach to obtaining PTCs is to apply directly at the Marketplace, where their eligibility is evaluated, and the credits are determined based on their specific situation. This process ensures that the assistance provided aligns with consumers' financial realities as assessed during their Marketplace application.

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7. What can happen to individuals who do not enroll in a health insurance plan during the specified timeframe?

A. They may lose their current coverage

B. They may face a tax penalty

C. They can be denied future coverage

D. They are required to pay a fine to the insurer

Individuals who do not enroll in a health insurance plan during the specified enrollment period may face a tax penalty. This penalty is often referred to as the "individual mandate" penalty, which was originally part of the Affordable Care Act (ACA). The mandate required most Americans to have health insurance or pay a tax penalty when filing their federal income tax return. It's important to note that while there may be changes to this requirement over time and specific conditions where the penalty may not apply (like in certain states or with specific exemptions), the fundamental principle under the ACA was aimed at encouraging individuals to maintain continuous health coverage to avoid gaps in care and financial protection against medical expenses. The other choices discuss different aspects of health insurance coverage, such as losing existing coverage or potential future coverage issues, but they do not directly relate to the specific consequences of failing to enroll during the designated period in the way that the tax penalty does.

8. What type of support do CACs offer during the health coverage application process?

A. CACs only offer online resources

B. CACs provide phone support only

C. CACs provide face-to-face assistance only

D. CACs provide comprehensive support, including in-person and virtual assistance

Certified Application Counselors (CACs) offer comprehensive support by providing assistance in various formats, including both in-person and virtual help. This multidimensional approach is essential as it ensures that individuals seeking health coverage can access guidance in a manner that is most convenient and effective for them. During the application process, CACs help consumers understand their options, complete applications, navigate complex healthcare systems, and obtain information about eligible plans. Whether a person prefers to engage through face-to-face meetings, phone support, or online communications, CACs are equipped to meet those needs. This flexibility is particularly important in accommodating diverse populations, including those who might have limited internet access or require more personalized assistance. By offering a range of support methods, CACs can effectively serve a wider audience, ensuring that more individuals have access to health coverage and understand their rights and responsibilities under the healthcare system.

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9. What are the primary enrollment periods for the Marketplace?

A. Only the Open Enrollment Period

B. Open Enrollment and special offers

C. Open Enrollment Period and Special Enrollment Periods

D. Annual enrollment and extension periods

The primary enrollment periods for the Marketplace consist of two key components: the Open Enrollment Period and Special Enrollment Periods. The Open Enrollment Period is the designated timeframe each year when individuals can enroll in or change their health insurance plans without needing to meet specific criteria. This period is typically set annually and allows for broad access to a range of health insurance options available through the Marketplace. In addition to the Open Enrollment Period, Special Enrollment Periods provide flexibility for individuals who experience qualifying life events, such as marriage, the birth of a child, or loss of other health coverage. These events allow individuals to enroll in a health plan or make changes to their existing coverage outside the standard Open Enrollment timeline. Recognizing both these periods is essential for understanding how individuals can access health coverage through the Marketplace and the rules governing enrollment. Other choices do not accurately capture the necessary components or mix periods that facilitate effective enrollment strategies.

10. Which of the following is an Essential Health Benefits category?

A. Preventive care

B. Emergency services

C. Annual physical exams

D. Prescription drugs

Emergency services qualifies as an Essential Health Benefits category because it encompasses the critical medical services provided to individuals during urgent situations requiring immediate treatment. Under the Affordable Care Act, the Essential Health Benefits framework was established to ensure that health insurance plans offered through the marketplace cover a baseline of essential services, which include emergency services aimed at addressing acute medical needs. Preventive care and annual physical exams are important health services but fall under a different classification within health insurance policies. While they are covered to some extent, they are often categorized separately from the mandated Essential Health Benefits. Prescription drugs represent another vital aspect of healthcare coverage, and while they are often included in health plans, they may not be universally classified within the Essential Health Benefits depending on the specifics of the plan. Understanding these classifications is crucial for Certified Application Counselors as they guide individuals in selecting plans that adequately meet their health needs.

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Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

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

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