GENERAL CLAIMS HANDLING – CALIFORNIA WORKERS COMPENSATION, SELF INSURANCE 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. **Which of the following contributes most to an employer's decision in managing claims?**

   A. The potential for litigation

   B. Cost efficiency in managing benefits

   C. Public relations concerns

   D. All of the above

2. **What does "substantial cause" mean for a victim of a violent act?**

   A. It refers to a minor contributor to the injury

   B. It indicates a primary factor in the event

   C. It implies no negligence on the victim's part

   D. It denotes a direct and significant link to the act

3. **In California workers compensation, how is medical treatment typically initiated post-injury?**

   A. Mandatory arbitration

   B. Employer-directed network

   C. Immediate patient choice

   D. Assessment by a legal counsel

4. **What do 'disability benefits' in California Workers' Compensation comprise?**

   A. Payments for medical bills only

   B. Reimbursement for lost wages only

   C. Payments made to employees unable to work due to injury

   D. One-time lump sum payments for injuries

5. **What documents should be filed with the WCAB if you choose not to be represented after the applicants' attorney files an Application for Adjudication of Claim?**

   A. Employer's insurance policy

   B. Original medical records

   C. Weekly payroll records

   D. Incident report forms

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6. What is the standard rating for a knee injury that produces no objective disability but prescribes a local knee brace?

A. 15%

B. 20%

C. 25%

D. 30%

7. What does the California Self-Insurers' Security Fund provide?

A. A fund that sponsors employee training

B. Security for claims against self-insured employers

C. Health benefits for all workers

D. A guarantee for all workers' compensation claims

8. What is the burial expense limit for workers' compensation claims after 2012?

A. $5,500

B. $8,000

C. $10,000

D. $12,000

9. Prior to April 19, 2004, what was the limit of temporary disability (TD) payments?

A. 180 weeks

B. 240 weeks

C. 300 weeks

D. 365 weeks

10. What should an injured worker do if they disagree with a medical evaluation conducted by a QME?

A. Accept the evaluation without question

B. Request a second evaluation, known as a 'panel QME'

C. File a complaint with the employer

D. Consult a private physician for advice

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Answers

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

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Explanations

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1. Which of the following contributes most to an employer's decision in managing claims?

A. The potential for litigation

B. Cost efficiency in managing benefits

C. Public relations concerns

D. All of the above

The choice indicating that all factors contribute significantly to an employer's decision in managing claims is correct because each aspect is intertwined and plays a crucial role in the overall claims management process. The potential for litigation is a primary concern for employers as it can lead to increased legal costs, potential settlements, and damage to their reputation. Employers typically want to mitigate risks that could lead to litigation, as this can impact their financial standing and business operations. Cost efficiency in managing benefits is another critical consideration. Employers seek to control their expenses associated with claims, which include compensation payments, medical costs, and administrative expenses. Effective claims management can lead to reduced costs and improved financial performance. Public relations concerns cannot be overlooked, as how an employer handles claims can significantly affect its public image and employee morale. A reputation for treating employees fairly and responsibly can enhance an organization's attractiveness to potential talent and build trust within the workforce. Thus, all these factors are interrelated and significantly influence how an employer approaches claims management in the context of California's workers' compensation system. This comprehensive view allows employers to make informed decisions that balance legal risks, operational costs, and public perception.

2. What does "substantial cause" mean for a victim of a violent act?

A. It refers to a minor contributor to the injury

B. It indicates a primary factor in the event

C. It implies no negligence on the victim's part

D. It denotes a direct and significant link to the act

"Substantial cause" refers to a direct and significant link to the violent act that caused harm to the victim. In the context of workers' compensation and legal discussions surrounding violent acts, establishing that the incident was a substantial cause is crucial for determining liability, eligibility for benefits, or compensation. This concept emphasizes that the injury sustained is not merely a result of incidental factors, but rather closely tied to the violent act in question. To qualify as a substantial cause, the act must be significant enough to underscore its role in leading to the victim's injury. This understanding is vital for determining the legal and compensatory outcomes for the victim. The other options do not accurately capture the essence of "substantial cause." For example, regarding a minor contributor to the injury, that would not meet the threshold of significance necessary to establish a substantial link to the violent act. Similarly, while addressing negligence of the victim may have relevance in certain contexts, it does not define the term as intended in this scenario. Lastly, recognizing a primary factor in the event could suggest that other conditions are present, which doesn't fully encapsulate the direct link that "substantial cause" requires.

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3. In California workers compensation, how is medical treatment typically initiated post-injury?

A. Mandatory arbitration

B. Employer-directed network

C. Immediate patient choice

D. Assessment by a legal counsel

In California workers' compensation, medical treatment following an injury is typically initiated through an employer-directed network. This approach is designed to manage and control the medical care that injured workers receive while ensuring they have access to appropriate treatments. When an employee is injured on the job, the employer often has a network of medical providers in place—known as a Medical Provider Network (MPN)—that guides the injured worker to receive treatment from designated healthcare providers. The employer's choice to implement a directed network helps streamline the referral process, sometimes resulting in faster treatment and reducing costs associated with workers' comp claims. It also allows for oversight in treatment standards and helps ensure compliance with relevant laws and regulations. While patients may have some choice, in California's workers' compensation system, the use of an employer-directed network is the standard practice for initiating medical treatment, making it the correct answer to this question. Other options, such as mandatory arbitration or assessments by legal counsel, are not the primary mechanisms for initiating medical treatment post-injury.

4. What do 'disability benefits' in California Workers' Compensation comprise?

A. Payments for medical bills only

B. Reimbursement for lost wages only

C. Payments made to employees unable to work due to injury

D. One-time lump sum payments for injuries

Disability benefits in California Workers' Compensation are designed to provide financial support to employees who are unable to work due to a work-related injury or illness. Specifically, these benefits help compensate for lost wages during the period an employee cannot perform their job duties because of their medical condition. This coverage aims to ensure that workers have some level of income while they recover and cannot engage in their typical work activities. Other choices do not encompass the full scope of what disability benefits entail. While payments for medical bills are important in the workers' compensation system, they do not represent disability benefits, which focus on lost wages and the employee's ability to work. Similarly, reimbursement for lost wages could imply only the wage replacement aspect but does not specifically highlight the context of an employee being unable to work due to injury, which is crucial. Lastly, one-time lump sum payments may be part of settlements or specific types of claims but are not representative of the ongoing wage-loss benefits provided throughout an employee's recovery period. Thus, the correct understanding of 'disability benefits' is that they comprise payments made to employees who are unable to work due to their injuries or illnesses.

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5. What documents should be filed with the WCAB if you choose not to be represented after the applicants' attorney files an Application for Adjudication of Claim?

A. Employer's insurance policy

B. Original medical records

C. Weekly payroll records

D. Incident report forms

When an applicant files an Application for Adjudication of Claim, it is important to provide the Workers' Compensation Appeals Board (WCAB) with relevant documentation that supports your case. The correct choice of original medical records is critical because these documents are essential to establishing the nature and extent of the injury or condition for which the claim is being made. Original medical records provide evidence of the diagnosis, treatment, and the progress or outcome of the medical care received. They are foundational in proving the legitimacy of the claim and the relationship between the injury and the work-related incident. Without these medical records, it would be difficult for the WCAB to assess the case accurately or to determine the medical necessity of treatments required. The other options, while they may serve various purposes in the workers' compensation process, do not directly support the claim in the same way as medical records do. For example, an employer's insurance policy may outline coverage details but does not directly assist in adjudicating the specifics of an injury claim. Weekly payroll records could be relevant in determining temporary disability benefits but are not necessary for the immediate filing purpose with WCAB. Incident report forms may help outline the details surrounding the incident but are less central than the actual medical documentation needed for decision-making on claims

6. What is the standard rating for a knee injury that produces no objective disability but prescribes a local knee brace?

A. 15%

B. 20%

C. 25%

D. 30%

In California workers' compensation, the rating for knee injuries is guided by the Medical Evaluation Guidelines. When a knee injury does not produce any objective disability, but the treatment involves a prescription for a local knee brace, the situation indicates that there is some level of impairment or impact on the individual's functioning despite the lack of measurable disability. A local knee brace suggests that the injury is significant enough to require support, indicating a need for management of the condition rather than indicating that the injury is resolved. The correct rating in this context is often established to appropriately reflect the limitations that might arise from the injury while considering the absence of objective findings. In this case, a rating of 20% is assigned since it embodies a moderate acknowledgment of the impact of the injury and the need for supportive treatment like a knee brace, which aligns well with the guidelines for such injuries where there is no objective disability. This rating recognizes that the injury is still relevant enough to require intervention, reflecting a balance between the absence of measurable impairment and the need for ongoing management.

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7. What does the California Self-Insurers' Security Fund provide?

A. A fund that sponsors employee training

B. Security for claims against self-insured employers

C. Health benefits for all workers

D. A guarantee for all workers' compensation claims

The California Self-Insurers' Security Fund is designed to provide security for claims against self-insured employers. This means that if a self-insured employer is unable to meet its obligations to pay workers' compensation claims due to insolvency or other issues, the Security Fund steps in to ensure that employees can still receive their entitled benefits. This safety net is crucial for protecting workers and ensuring they can access compensation for work-related injuries or illnesses, despite any challenges faced by their employer. The other options do not accurately reflect the purpose of the Self-Insurers' Security Fund. For instance, the fund does not sponsor employee training or provide general health benefits; its specific focus is on managing claims related to self-insurance. Additionally, while the fund does offer coverage for claims, it does not guarantee all workers' compensation claims universally, as not every claim would fall under its purview, especially those from employers who are not self-insured.

8. What is the burial expense limit for workers' compensation claims after 2012?

A. $5,500

B. $8,000

C. $10,000

D. $12,000

The burial expense limit for workers' compensation claims, as established after 2012 in California, is indeed set at $12,000. This amount reflects the changes made to provide greater support for the families of workers who suffer fatal workplace injuries. It's important for the claims professionals to be aware of this limit as it directly influences the financial resources available for covering the costs associated with burial expenses, ensuring that families can adequately manage these costs during a difficult time. Previous limits were lower, and the increase to $12,000 aligns with the rising costs of burial and funeral services, aiming to provide more just and equitable support in the wake of a worker's death. This highlights the ongoing adjustments in workers' compensation laws to meet the needs of workers and their dependents.

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9. Prior to April 19, 2004, what was the limit of temporary disability (TD) payments?

A. 180 weeks

B. 240 weeks

C. 300 weeks

D. 365 weeks

Prior to April 19, 2004, the limit for temporary disability (TD) payments in California workers' compensation was set at 240 weeks. This means that an injured worker could receive TD benefits for up to 240 weeks, or approximately five years, depending on the nature and extent of their disability. The purpose of TD payments is to provide financial support to employees who are temporarily unable to work due to a work-related injury or illness, allowing them to focus on their recovery without the immediate pressure of financial instability. Recognizing the importance of providing adequate support while maintaining a balance with the insurance system's sustainability, this limit was established to ensure that the process remained fair for both employees and employers. After April 19, 2004, this limit was revised to 104 weeks, reflecting changes in the workers' compensation laws aimed at promoting quicker rehabilitation and return to work for injured workers. This historical context is essential for understanding the evolution of TD benefits within California's workers' compensation system and the legislative intent behind these changes.

10. What should an injured worker do if they disagree with a medical evaluation conducted by a QME?

A. Accept the evaluation without question

B. Request a second evaluation, known as a 'panel QME'

C. File a complaint with the employer

D. Consult a private physician for advice

When an injured worker disagrees with a medical evaluation conducted by a Qualified Medical Evaluator (QME), the appropriate course of action is to request a second evaluation, often referred to as a "panel QME." In California's workers' compensation system, if a party contests the findings of a QME, they can seek a second opinion by selecting another QME from a list provided by the state, which ensures that the second evaluation is impartial and based on a broader scope of expertise. This process is important because it provides an avenue for the injured worker to obtain a different assessment without having to fully accept the original evaluation. The second QME can either confirm or contradict the first evaluation, offering more clarity on the worker's condition and needs. Empowering workers with the option to seek a second opinion aligns with principles of fairness and thoroughness in medical assessments within the workers' compensation framework. In contrast, accepting the evaluation without question does not address the worker's concerns and could lead to unfavorable outcomes regarding their claim. Filing a complaint with the employer may not directly resolve issues related to the QME's findings and can complicate the claims process. Seeking advice from a private physician might provide the worker with additional information, but it does not carry the same

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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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