# NORTH CAROLINA ACCIDENT AND HEALTH PRACTICE EXAM (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. What is the "claim process" in health insurance?**

A. The routine for patients to select their primary care physician

B. The procedure for seeking payment from an insurer for medical services

C. The evaluation of risk by insurance underwriters

D. The timeline for policy renewal

**2. What type of insurance provides coverage for long-term care services?**

A. Disability insurance

B. Long-term care insurance

C. Life insurance

D. Health maintenance organization (HMO) insurance

**3. How many days does a policyholder have to return an Accident/Health Insurance Policy for a full refund?**

A. 30 days

B. 15 days

C. 10 days

D. 20 days

**4. During which phase of insurance does underwriting typically occur?**

A. Policy issuance

B. Claim processing

C. Initial application

D. Renewal

**5. What defines "short-term health insurance"?**

A. A permanent solution for long-term health needs

B. A detailed plan for all ages

C. Temporary coverage designed for limited durations

D. A specific plan covering only outpatient services

**6. What does PPO stand for in health insurance?**

A. Preferred Provider Organization

B. Personal Protection Option

C. Public Policy Organization

D. Patient Payment Obligation

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**7. Which financial principle guides the operation of health insurance policies in terms of risk?**

A. Risk transfer

B. Risk avoidance

C. Risk retention

D. Risk pooling

**8. What is a common characteristic of individual health insurance policies?**

A. Lower costs than group insurance

B. Higher flexibility in choice of providers

C. No exclusions for pre-existing conditions

D. Guaranteed renewal regardless of health status

**9. Which of the following medical expenses does Cancer insurance NOT cover?**

A. chemotherapy

B. radiation therapy

C. arthritis

D. surgical procedures

**10. How many months must approved premium rates for group health insurance be guaranteed by the insurer?**

A. 6 months

B. 12 months

C. 18 months

D. 24 months

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# Answers

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

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# Explanations

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## 1. What is the "claim process" in health insurance?

A. The routine for patients to select their primary care physician

B. The procedure for seeking payment from an insurer for medical services

C. The evaluation of risk by insurance underwriters

D. The timeline for policy renewal

*The claim process in health insurance is fundamentally the procedure for seeking payment from an insurer for medical services that have been rendered to the policyholder. When a patient receives medical care, the healthcare provider submits a claim to the insurance company requesting reimbursement for the services provided. This process is critical as it outlines the steps that must be undertaken to ensure that the insurer evaluates the claim, processes it, and ultimately dispenses payment. This procedure typically includes the submission of necessary documentation, such as medical records, a claim form, and codes that describe the diagnosis and treatment, which are important for the insurer's understanding and evaluation of the claim. Once submitted, the insurance company will review the claim against the terms of the policy to determine eligibility for payment, the amount covered, and any cost-sharing responsibilities for the insured. The other options refer to different aspects of healthcare and insurance. The routine for patients to select their primary care physician is more about patient choice and network participation rather than claims. The evaluation of risk by insurance underwriters pertains to how insurers assess potential clients and their associated risks, influencing premium rates and coverage terms, rather than the claims process itself. The timeline for policy renewal relates to maintaining insurance coverage but is not connected to how claims are filed and paid*

## 2. What type of insurance provides coverage for long-term care services?

A. Disability insurance

B. Long-term care insurance

C. Life insurance

D. Health maintenance organization (HMO) insurance

*Long-term care insurance is specifically designed to cover the costs associated with services that assist individuals with prolonged illness, disability, or the inability to perform routine daily activities like bathing, dressing, or eating. This type of insurance not only covers care received in nursing homes but can also include in-home care and assisted living facilities, addressing the unique needs of individuals requiring long-term support. Disability insurance, on the other hand, primarily helps individuals replace lost income when they cannot work due to a disability, rather than covering the costs associated with long-term care services. Life insurance provides a payout upon the policyholder's death, intended to support beneficiaries financially, but does not cover long-term care expenses. Health maintenance organization (HMO) insurance typically focuses on providing a network of health care services and may cover some short-term rehabilitation services, but does not specifically cater to the needs that long-term care insurance addresses. Thus, long-term care insurance stands out as the appropriate choice for covering those extended care services.*

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## 3. How many days does a policyholder have to return an Accident/Health Insurance Policy for a full refund?

A. 30 days

B. 15 days

C. 10 days

D. 20 days

*The correct duration for a policyholder to return an Accident/Health Insurance Policy for a full refund is typically 10 days. This is in line with consumer protection regulations that provide a "free look" period, allowing policyholders to review their insurance policy after purchasing it. During this time, consumers can assess the terms and decide whether the policy meets their needs without financial risk. If they choose to return the policy within this 10-day timeframe, they are entitled to receive a full refund of any premiums paid. In comparison, other timeframes like 15, 20, or 30 days may apply to different types of insurance products or specific provisions but do not reflect the standard "free look" period for Accident/Health Insurance Policies in North Carolina. Understanding this policy return window is crucial for both insurance agents and consumers to ensure proper compliance with regulations and informed decision-making regarding insurance coverage.*

## 4. During which phase of insurance does underwriting typically occur?

A. Policy issuance

B. Claim processing

C. Initial application

D. Renewal

*Underwriting is a crucial process in the insurance industry that involves evaluating the risks associated with insuring an individual or entity. It typically occurs during the initial application phase. During this phase, the insurer assesses various factors, including the applicant's health history, lifestyle choices, and other relevant information to determine the applicant's risk level. By analyzing this data, underwriters can make informed decisions on whether to accept the application, what premium to charge, and any exclusions or limitations that may apply. This process is essential for the insurer to balance their risk and ensure they can provide coverage while also maintaining financial stability. In contrast, policy issuance follows the underwriting phase, where the policy is formally created and delivered to the policyholder. Claim processing occurs after a claim has been submitted, which is post-coverage and not directly related to the risk assessment. Renewal, on the other hand, may involve some reassessment but does not entail the full underwriting process since it usually deals with existing policyholder history rather than fresh applications.*

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## 5. What defines "short-term health insurance"?

A. A permanent solution for long-term health needs

B. A detailed plan for all ages

C. Temporary coverage designed for limited durations

D. A specific plan covering only outpatient services

*Short-term health insurance is specifically designed to provide temporary coverage for individuals who find themselves in a transitional phase, such as between jobs, waiting for other coverage to begin, or during short personal gaps in insurance. This type of insurance typically offers limited benefits for a set period, usually ranging from a few months up to a year, depending on the provider and the specific policy's terms. Unlike permanent solutions for long-term health needs or detailed plans meant to cover individuals of all ages, short-term health insurance is not intended to replace long-term health care. It often lacks many of the comprehensive benefits associated with standard health insurance plans, such as preventive services or pre-existing condition coverage. The focus is on providing essential health care needs during a limited timeframe, which makes it a practical solution for temporary circumstances. Furthermore, while it may include outpatient services, it is not confined to just that type of care. This further solidifies the characteristic of being temporary and geared towards addressing immediate, short-term health requirements rather than creating a holistic health plan.*

## 6. What does PPO stand for in health insurance?

A. Preferred Provider Organization

B. Personal Protection Option

C. Public Policy Organization

D. Patient Payment Obligation

*PPO stands for Preferred Provider Organization. This type of health insurance plan provides members with a network of healthcare providers who have agreed to provide services at reduced rates. One of the main features of a PPO is that it allows members to choose their healthcare providers while still encouraging them to use those within the preferred network to save on costs. This flexibility appeals to many individuals who want the option to see specialists without needing a referral, which is often required in more structured health insurance plans. The other terms presented do not correspond to established concepts in health insurance. Personal Protection Option does not have significance in this context, Public Policy Organization does not relate to health insurance structures, and Patient Payment Obligation focuses on payment responsibilities rather than the organizational structure of care provider relationships. Understanding the nature of PPOs and their benefits is essential for navigating health insurance options.*

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## 7. Which financial principle guides the operation of health insurance policies in terms of risk?

A. Risk transfer

B. Risk avoidance

C. Risk retention

D. Risk pooling

*The guiding financial principle behind the operation of health insurance policies in terms of risk is risk pooling. This concept refers to the practice of gathering a large number of policyholders who share similar risks, allowing them to collectively share the financial burden of healthcare costs. By pooling together the resources and premiums from many individuals, the insurance provider can cover the expenses associated with health claims that arise among the group. Risk pooling is essential because it enables the insurance company to predict and manage the overall risk more effectively. Since not all members of the pool will experience high healthcare costs at the same time, this diversification allows the insurer to create a stable and sustainable system. It mitigates the individual financial risks faced by policyholders, providing a safety net for potentially catastrophic costs while enabling the insurer to maintain premium pricing that is equitable based on shared risk. The other concepts like risk transfer, risk avoidance, and risk retention are related but do not directly reflect how health insurance operates. Risk transfer involves shifting the financial exposure of potential losses to another party, which is not how health insurance primarily functions in the context of shared costs amongst a group. Risk avoidance would imply eliminating risks altogether, which is not a realistic approach within health insurance frameworks. Lastly, risk retention focuses on accepting the risk rather*

## 8. What is a common characteristic of individual health insurance policies?

A. Lower costs than group insurance

B. Higher flexibility in choice of providers

C. No exclusions for pre-existing conditions

D. Guaranteed renewal regardless of health status

*A common characteristic of individual health insurance policies is their higher flexibility in choice of providers. Individual health plans generally allow policyholders to select from a broader range of healthcare providers and facilities compared to group insurance plans. This flexibility is beneficial for individuals who may have specific doctors or specialists in mind and allows them to tailor their healthcare options according to personal health needs and preferences. While group insurance often involves a more restrictive network due to employer agreements with specific providers, individual plans frequently provide the option to see a larger variety of healthcare professionals without being confined to a particular network. This adaptability is an attractive feature for those purchasing their own health insurance. Additionally, while individual health insurance may sometimes have higher costs compared to group plans due to the lack of collective purchasing power, and it's true that many newer policies address pre-existing conditions due to regulatory changes, the prime selling point of individual health plans tends to be the increased freedom in provider selection.*

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## 9. Which of the following medical expenses does Cancer insurance NOT cover?

A. chemotherapy

B. radiation therapy

C. arthritis

D. surgical procedures

*Cancer insurance is specifically designed to provide financial assistance for expenses directly related to the diagnosis and treatment of cancer. This typically includes treatments such as chemotherapy, which is a common and essential form of cancer treatment aimed at killing or slowing the growth of cancer cells, and radiation therapy, a procedure used to destroy cancer cells or shrink tumors. Surgical procedures that are necessary for treating cancer, such as tumor removal, also fall under the covered expenses for cancer insurance. On the other hand, arthritis is not covered by cancer insurance because it is a condition that is unrelated to cancer. Cancer insurance policies focus on expenses specifically associated with cancer care, rather than other medical conditions. Therefore, it is accurate to say that cancer insurance does not cover medical expenses that arise from conditions like arthritis, as these expenses do not pertain to the treatment of cancer.*

## 10. How many months must approved premium rates for group health insurance be guaranteed by the insurer?

A. 6 months

B. 12 months

C. 18 months

D. 24 months

*Group health insurance policies in North Carolina require that approved premium rates be guaranteed by the insurer for a minimum of 12 months. This regulation ensures a level of stability for policyholders, allowing them to predict costs for at least a year without the risk of immediate rate changes. The 12-month guarantee period provides both insurers and policyholders with an appropriate balance, enabling insurers to manage their risk while offering necessary protection and predictability for the members of the group health plan. Other durations, such as 6, 18, or 24 months, do not align with the stipulated requirement, which specifically mandates a 12-month guarantee. While insurers can choose to offer longer guarantee periods, the minimum established by regulation is essential for maintaining a stable market for group health insurance. This standard helps ensure that employers and employees can manage their health care budgets effectively without sudden premium escalations within the first year of coverage.*

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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:

https://ncaccidenthealth.examzify.com

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

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