TEXAS PLW 2026 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. The Medicare Special Enrollment Period lasts how many months?

A. 4 months

B. 8 months

C. 12 months

D. 6 months

2. Which items are encompassed by the Owner's Rights in an ownership provision?

A. The policy's surrender value

B. All cash values, loans, dividends, beneficiary determinations, assignments and option to exercise all rights of ownership

C. The death benefit

D. Premium payments

3. Annually Renewable Term renews with what condition?

A. It has a level premium for the entire term

B. It requires evidence of insurability at renewal

C. It automatically renews without EOI, and premiums rise with attained age

D. It cannot be renewed

4. Long-Term Disability (LTD) is typically described as having benefit periods of

A. 6 months

B. 2 years or to age 65

C. Lifetime

D. 1 year

5. A pre-existing condition is defined as a prior medical condition for which medical advice or treatment was received within a specified period before the policy's effective date. The statement is:

A. True

B. False

C. Only applies to applicants under 40

D. Only applies if hospitalization occurred

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6. When must premium rate adjustments and increases be provided to the insured in writing?

A. At least 30 days prior to the effective date of the change.

B. Within 30 days after the change.

C. On the effective date of the change.

D. Whenever the annual policy renewal occurs.

7. In STOLI, the transfer of ownership/benefits can include:

A. Transfer of ownership/benefits, including assumption or forgiveness of a loan to fund premiums.

B. Transfer of ownership only after the insured dies.

C. Trusteeship of the policy by the insurer.

D. Reinstatement of a lapsed policy with new premium.

8. Which term describes the conditions that initiate or trigger long-term care benefits?

A. Elimination Period

B. Inflation Protection

C. Benefit Triggers

D. Cash Value

9. Vision Care coverage typically includes which of the following?

A. Vision care is never covered.

B. Reimbursement only for contact lenses.

C. One routine annual eye examination (refraction), possible coverage for lenses or frames, but not medical expenses for eye disease or injury.

D. Annual coverage for all ophthalmic surgeries.

10. Which of the following describes Standard Risk?

A. Individuals who have exceptional health only.

B. Individuals with high-risk occupations.

C. Individuals who have the same health, habits, sex/gender, and occupational characteristics as those reflected in the mortality table.

D. Individuals over 65.

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Answers

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

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Explanations

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1. The Medicare Special Enrollment Period lasts how many months?

A. 4 months

B. 8 months

C. 12 months

D. 6 months

When you have a group health plan based on current employment, you're given a dedicated window to enroll in Medicare Part B without a late enrollment penalty. That window lasts eight months. It starts the month after your employment ends or the group health plan ends, whichever happens first. This eight-month period is designed to give you ample time to sign up for Part B once your employer-based coverage ends.

2. Which items are encompassed by the Owner's Rights in an ownership provision?

A. The policy's surrender value

B. All cash values, loans, dividends, beneficiary determinations, assignments and option to exercise all rights of ownership

C. The death benefit

D. Premium payments

Ownership rights in a life insurance policy give the owner broad control over the policy's elements. This includes accessing the policy's cash value, borrowing against the policy, receiving dividends if it's a participating policy, and making changes that affect who receives benefits, such as beneficiary designations and assignments. It also covers the ability to exercise all actions that come with ownership of the policy. That's why the best choice lists all these items together: cash values, loans, dividends, beneficiary determinations, assignments, and the option to exercise all rights of ownership. The death benefit is the amount paid on the insured's death and is not itself an ownership tool, and premium payments relate to keeping the policy in force rather than a direct right of ownership.

3. Annually Renewable Term renews with what condition?

A. It has a level premium for the entire term

B. It requires evidence of insurability at renewal

C. It automatically renews without EOI, and premiums rise with attained age

D. It cannot be renewed

Annually Renewable Term is designed so you can renew coverage every year without proving insurability, but the price goes up as you get older. Each renewal reflects the higher attained age, so premiums increase rather than staying level for the entire term. That combination—automatic annual renewal with no evidence of insurability at renewal, plus premiums rising with age—is exactly what makes ART distinct. The other descriptions don't fit ART: a level premium for the entire term describes level term, not ART; requiring evidence of insurability at renewal contradicts the "no EOI" aspect of ART; and the idea that it cannot be renewed is the opposite of its purpose, since ART is specifically designed to renew annually.

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4. Long-Term Disability (LTD) is typically described as having benefit periods of

A. 6 months

B. 2 years or to age 65

C. Lifetime

D. 1 year

Long-term disability coverage is about how long benefits will be paid if a disability lasts. The benefit period is the maximum time a single disability is paid. In most LTD plans, the standard maximum is either two years or to age 65, whichever comes first. This setup provides meaningful income replacement during extended disabilities but caps the duration for cost and risk reasons. Shorter timeframes like six months or one year belong to short-term disability, while lifetime benefits exist only in some specialized policies. So the typical LTD benefit period is described as two years or to age 65.

5. A pre-existing condition is defined as a prior medical condition for which medical advice or treatment was received within a specified period before the policy's effective date. The statement is:

A. True

B. False

C. Only applies to applicants under 40

D. Only applies if hospitalization occurred

A pre-existing condition is defined by whether you had medical advice or treatment for a medical issue within a look-back period before the policy starts. The statement is true because it follows this common definition: if you sought care or received treatment for a condition during that look-back window, that condition is considered pre-existing when the policy becomes effective. The exact look-back period is set by the insurer (often 6 to 12 months, sometimes longer), and it does not depend on age or whether you were hospitalized. Even non-hospitalized medical visits or treatments can make a condition pre-existing within the defined period.

6. When must premium rate adjustments and increases be provided to the insured in writing?

A. At least 30 days prior to the effective date of the change.

B. Within 30 days after the change.

C. On the effective date of the change.

D. Whenever the annual policy renewal occurs.

Premium rate adjustments must be given to the insured in writing at least 30 days before the change takes effect. Providing advance written notice gives the insured time to review how the new rates will impact their budget, shop for alternatives if needed, and avoid any surprise financial burden. This ensures transparency and protects consumers from abrupt increases mid-term. If notice were provided after the change, or only on the effective date, the insured would be caught off guard and unable to make timely decisions. Waiting until renewal can sometimes align with rate changes, but the rule specifically requires notice ahead of the change itself, not just at renewal.

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7. In STOLI, the transfer of ownership/benefits can include:

A. Transfer of ownership/benefits, including assumption or forgiveness of a loan to fund premiums.

B. Transfer of ownership only after the insured dies.

C. Trusteeship of the policy by the insurer.

D. Reinstatement of a lapsed policy with new premium.

In STOLI, a central idea is that a third-party investor seeks to control the policy and its benefits through a trust-like arrangement. A common way this shows up is the insurer holding the policy in trusteeship for the investor's benefit. When the insurer acts as trustee, the policy's ownership and the future proceeds can be managed on behalf of the investor, aligning with how ownership and benefits can be transferred in STOLI structures. This trusteeship setup is the best fit because it directly describes how the policy can be owned and who benefits from it, which is the essence of the transfer in STOLI. Other options don't reflect this mechanism: transferring ownership only after the insured dies isn't feasible, reinstating a lapsed policy with a new premium isn't about ownership transfer, and while some STOLI schemes involve premium financing, the defining transfer of ownership/benefits in this context is the insurer holding the policy in trust for the investor.

8. Which term describes the conditions that initiate or trigger long-term care benefits?

A. Elimination Period

B. Inflation Protection

C. Benefit Triggers

D. Cash Value

Long-term care benefits start only after specific conditions are met. Those conditions are called benefit triggers. They define the events or status that turn the coverage on, such as needing substantial assistance with activities of daily living or having a qualifying cognitive impairment. For example, needing help with at least two activities like bathing, dressing, transferring, toileting, continence, or eating, or being diagnosed with a severe cognitive condition like Alzheimer's. Once these triggers are satisfied, benefits begin to help cover care costs. Other terms aren't about when benefits start: an elimination period is just the waiting period before benefits begin after a claim is approved; inflation protection refers to adjusting benefit amounts over time; cash value relates to some life insurance features and isn't about triggering LTC benefits.

9. Vision Care coverage typically includes which of the following?

A. Vision care is never covered.

B. Reimbursement only for contact lenses.

C. One routine annual eye examination (refraction), possible coverage for lenses or frames, but not medical expenses for eye disease or injury.

D. Annual coverage for all ophthalmic surgeries.

Vision care benefits are designed to cover routine eye checks and eyewear, not the medical treatment of eye disease or injuries. The best choice reflects this: you typically get one routine annual eye examination (refraction) to determine your prescription, and there may be coverage for lenses or frames, but medical expenses for eye disease or injury are not included under vision plans. They're usually handled by medical insurance instead. The other options don't fit this pattern: saying vision care is never covered ignores that routine exams and eyewear are commonly included; claiming reimbursement only for contact lenses is too narrow since many plans also cover lenses and frames; and stating there is annual coverage for all ophthalmic surgeries misrepresents how those medical procedures are typically covered.

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10. Which of the following describes Standard Risk?

A. Individuals who have exceptional health only.

B. Individuals with high-risk occupations.

C. Individuals who have the same health, habits, sex/gender, and occupational characteristics as those reflected in the mortality table.

D. Individuals over 65.

Standard risk is the baseline underwriting category for a person whose health, lifestyle, sex, and occupation align with what the mortality table uses to estimate average risk. The mortality table reflects the expected chance of death for people at each age who have typical health and habits and no unusual occupational hazards. So if someone matches those characteristics, they fall into standard risk, meaning they're priced at the baseline premium without extra loadings. The other descriptions miss that baseline idea: exceptional health would push you toward a better-than-average class; a high-risk occupation adds risk and moves you out of standard; being over a certain age isn't by itself what defines standard—the classification hinges on the overall risk profile matching the table's assumptions.

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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://texasplw.examzify.com

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

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