

CH 15

Health Care and Individual Health Insurance

QUESTION one (Multiple choice)

1- Hospital expense coverage is written

- a) Only on an indemnity basis
- b) Only on a valued basis
- c) Only on a service basis
- d) On a service basis ,reimbursement basis ,or indemnity(cash payment) basis
- e) None of the above

Answer

2- Hospitalization policies do not usually provide coverage for

- a) Hospital room and board
- b) Operating room charges
- c) Maternity benefits
- d) Physician's charges
- e) X-ray and laboratory charges

Answer

3- Preferred provider organization (PPO)

- a) Is a health insurer selected by a group of physicians
- b) Is a health care provider designated by an employer or insurer
- c) Is an insurer approved by the state commissioner of insurance
- d) Usually charges higher fees than other providers in the area
- e) None of the above

Answer

4- The coordination of benefits provision

- a) Relates the coverage of a major medical policy to base coverage
- b) Relates the coverage of hospitalization policies to surgical expense policies
- c) Is commonly used in individual contracts ,but not in group contracts
- d) Prioritizes the payment order when two spouses are covered under each other's employer provided health coverage.
- e) None of the above

Answer

5- The basic benefits provided by a hospital expense insurance policy include which of the following?

I- Daily hospital benefits

II- Benefits for physicians' charges while hospitalized

a) I only b) II only c) both I and II d) neither I nor II

Answer

6- Which of the following statements about individual hospital expense insurance policies is true?

- a) Under an indemnity approach, daily room and board charges are paid on the basis of a fixed amount for each day of hospitalization regardless of actual costs.
- b) Under a service approach, daily room and board charges are paid for private rather than semiprivate accommodations.
- c) Benefits are paid for miscellaneous expenses incurred in the hospital, such as X-ray and drugs.
- d) Most policies cover the normal costs of pregnancy on the same basis as any other medical condition.

Answer

7- Which of the following statements about a schedule of surgical operations found in a surgical expense insurance policy is true?

- a) Covered surgical procedures are listed, and the surgeon can charge the usual, reasonable and customary fee for performing the covered procedures.
- b) It specifies the times that surgical procedures must be performed in order to be covered in full.
- c) It lists the maximum dollar that will be paid for each surgical procedure.
- d) It is a list of the surgical procedures that are excluded.

Answer

8- Which of the following would be covered by physicians' in-hospital benefit portion of a hospital-surgical insurance plan?

- a) Cost of a minor surgical procedure performed in a doctor's office
- b) Cost of a surgical procedure performed at a hospital
- c) Outpatient lab tests and X-rays.
- d) Nonsurgical treatment provided by a doctor at a hospital

Answer

- 9- Major medical insurance is characterized by which of the following?
- a) Internal limits for all categories of expenses
 - b) High maximum limits
 - c) No exclusions
 - d) No coinsurance

Answer

- 10- Purposes of coinsurance provisions in major medical insurance policies include which of the following?
- I- To reduce premiums
 - II- To prevent overutilization of policy benefits
- a) I only b) II only c) both I and II d) neither I nor II

Answer

- 11- The effect of a stop limit in a major medical insurance policy is to
- a) Limit the lifetime benefits payable under the policy.
 - b) Put a cap on annual benefits that will be paid.
 - c) Prevent the insured from the receiving duplicate benefits if medical expenses are also covered under worker compensation insurance.
 - d) Pay 100 percent of eligible medical expenses after an insured has incurred a specified amount of out-of-pocket expenses

Answer

12-all the following are common exclusions in a major medical insurance policy except

- a) Routine dental care
- b) Surgeons' fees
- c) Expenses covered by worker compensation laws.
- d) Eye examinations

Answer

- 12- Which of the following statements about provisions in individual health insurance policies is true?
- a) Insurers are required to use a standard renewal provision in each health insurance policy sold.
 - b) After a policy is in force for three months, the time limit on a certain defenses provision prohibits the insurance company from denying a claim based on a fraudulent misstatement in the application.

- c) The usual length of the grace period is 90 days
- d) A pre-existing medical condition is either excluded or not covered until a policy has been in force for a specified period of time.

Answer

13- Osama purchased a major medical insurance policy. All of the following characteristics of major medical insurance Except

- a) First dollar coverage
- b) Broad coverage
- c) High maximum limits
- d) Coinsurance

Answer

QUESTION Two

TRUE FALSE QUESTIONS

- 1- In individual medical expense insurance , The major medical policy coincides with the risk management philosophy, in that it protect against catastrophic losses, while at the same time providing for retention of small losses by insured

- 2- Surgical expense policies usually provide coverage on a blanket basis, with the limit of the policy payable for any covered operation.

- 3- Cosmetic Surgery of an elective nature is usually excluded from hospitalization surgical, and major medical policies.

- 4- Comprehensive major medical plans are usually characterized by higher deductibles than regular major medical plans.

- 5- Most group health policies provide the same benefits for pregnancies as for other covered expenses

