

INSURANCE & RISK MANAGEMENT

- 1) Model ____ is present whenever an insufficiently accurate model is used to make decisions.
 - A) loss
 - B) implosion
 - C) failure
 - D) risk

- 2) An activity to capture, compile, and report risk attributes and metrics which determine whether or not risks are being mitigated effectively and risk mitigation plans are being performed correctly in the Continuous Risk Management process.
 - A) risk tracking
 - B) risk analysis
 - C) risk communicating and documenting
 - D) risk identification

- 3) Model ____ can stem from using a model with bad specifications, programming or technical errors, or data or calibration errors.
 - A) defiance
 - B) destruction
 - C) risk
 - D) assessment

- 4) Which of the following policy exclusions is described: Many risks are excluded under one type of policy because they are covered under another. For example, auto liability claims are excluded under a general liability policy because they are covered by a commercial auto policy.
 - A) not accidental
 - B) covered elsewhere
 - C) insurable for a price
 - D) catastrophic

- 5) One of the first sections of an insurance policy that contains the basic facts of the policy such as the name of the policyholder, the organization which is insured, the types of perils covered, the premium, and the maximum amount covered.
 - A) declarations
 - B) endorsement
 - C) conditions
 - D) inspections

- 6) The Disability Insurance program benefits and administrative costs are financed primarily by a portion of the ___ payroll tax on wages covered by Social Security.
- A) Medicare
 - B) Social Financial Securities
 - C) Healthcare
 - D) Federal Insurance Contribution Act
- 7) The ___ operates a nationwide health care system, the goal of which is to provide quality medical care on a timely basis to all eligible veterans with a system that includes 172 hospital centers, 119 nursing homes, 233 outpatient clinics, and 26 domiciliary care facilities.
- A) Department of Defense Fund
 - B) Veterans of Foreign Wars
 - C) Federal Soldier Medical Services
 - D) Department of Veterans Affairs
- 8) ___ insurance covers a range of services like nursing home care or in-home help with basic personal tasks like bathing, grooming, and eating.
- A) Long-term disability insurance
 - B) Long-term care
 - C) Health care
 - D) Identity theft protection
- 9) The Employee Retirement Income Security Act (ERISA) is a ___ law that sets minimum standards for most voluntarily established retirement and health plans in private industry to provide protection for individuals in these plans.
- A) federal
 - B) local
 - C) state
 - D) international
- 10) All of the following are components of the Enterprise Risk Management model (ERM) **except** for ____.
- A) identify risks
 - B) make recommendations
 - C) state goal
 - D) evaluate risks

- 11) Defining the ___ of an insurance contract begins with identifying and prioritizing critical business processes and their related risks.
- A) scope
 - B) action
 - C) value
 - D) process
- 12) ___ is about protecting data against unintentional, unlawful, or unauthorized access, disclosure, or theft.
- A) Data prison
 - B) Data confidentiality
 - C) Identity theft
 - D) Information acquisition
- 13) Examples of confidential information include all the following **except** ___.
- A) individually identifiable health information
 - B) public information as specified in all applicable federal or state laws
 - C) education records
 - D) personally identifiable information
- 14) ___ use analysis to predict the risk that an event will occur and help insurance companies decide how much to charge for various types of coverages.
- A) Claims clerks
 - B) Loss Control Specialists
 - C) Actuaries
 - D) Claims adjusters
- 15) Claims adjusters are also known as all the following **except** ___.
- A) appraisers
 - B) investigators
 - C) analysts
 - D) modifiers

- 1) D
- 2) A
- 3) C
- 4) B
- 5) A
- 6) D
- 7) D
- 8) B
- 9) A
- 10) B
- 11) A
- 12) B
- 13) B
- 14) C
- 15) D