BASICS EXAM

Topic - 1: Final Assessment
Page - 1: Final Assessment Q1

Question:

As a result of the Affordable Care Act, Medicaid was:

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. Expanded to cover individuals whose household income is less than 400% of the federal poverty level
B. Expanded to cover individuals whose household income is at or below 138% of the federal poverty level
C. Expanded to cover individuals whose household income is less than 100% of the federal poverty level
D. Not expanded to cover individuals whose household income is less than 138% of the federal poverty level

Correct Answer: B

Topic - 1: Final Assessment
Page - 2: Final Assessment Q2

Question:

Which of the following statements is true for all health plans with plan years beginning on or after January 1, 2014?

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. The Affordable Care Act generally prohibits group health plans and health insurance issuers from limiting or excluding coverage related to pre-existing health conditions, regardless of the age of the covered individual.
B. The Affordable Care Act allows group health plans and health insurance issuers to limit or

exclude coverage related to pre-existing health conditions, regardless of age.
C. The Affordable Care Act prohibits group health plans and health insurance issuers from limiting or excluding coverage of pre-existing health conditions only for covered individuals over 65.
D. The Affordable Care Act allows group health plans and health insurance issuers to limit or exclude coverage only for covered individuals under 18.

Correct Answer: A

Topic - 1: Final Assessment
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Question:

Which of the following is NOT a consumer protection component of the Affordable Care Act?

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. Extension of dependent coverage of children up to age 26
B. Prohibition on charging consumers a higher premium based on health status or gender
C. Prohibition on coverage limitations or exclusions based on pre-existing conditions
D. Prohibition on charging consumers a higher premium based on age

Correct Answer: D

Topic - 1: Final Assessment
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Question:

Under the Affordable Care Act, group health plans and health insurance issuers must:

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. Preclude participation of qualified individuals in an approved clinical trial
B. Deny, limit, or place additional conditions on the coverage of routine patient costs for items and services furnished in connection with participation in an approved clinical trial
C. Allow qualified individuals to participate in an approved clinical trial for the treatment of cancer or other life-threatening diseases or conditions
D. Discriminate against qualified individuals on the basis of their participation in an approved clinical trial

Correct Answer: C

Topic - 1: Final Assessment
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Question:

Passage of the Affordable Care Act incorporated which of the following health insurance market reforms?

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. Expansion of the Children's Health Insurance Program to cover young adults up to age 20
B. Establishment of rating variation standards that permit premium rates in the individual and small group markets to vary based only on age, number of covered family members, geographic location, and tobacco use
C. Requirement for health plans that cover children to make coverage available to children up to age 21
D. Expansion of Medicaid to cover all individuals under age 65

Correct Answer: B

Topic - 1: Final Assessment
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Question:

The Affordable Care Act extends dependent coverage of children up to age 26. Which of the following would disqualify a young adult from being eligible to join or remain on a parent's plan under this provision?

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. The young adult is married.
B. The young adult is not financially dependent on the parent.
C. The plan selected by the parent does not offer dependent coverage of children.
D. The young adult is eligible to enroll in his or her own employer's plan.

Correct Answer: C

Topic - 1: Final Assessment
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Question:

Under the Affordable Care Act, guaranteed issue means that:

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. Health insurance issuers are protected from health insurance fraud and lawsuits.
B. Health insurance issuers are required to offer a comprehensive sample (at least 75%) of individual market and group market plans offered in the state to any applicant that applies for coverage.
C. Health insurance issuers receive a monthly payment of individuals' health care premiums.
D. Health insurance issuers must accept any individual and employer who applies for an individual market or group market plan, subject to certain exceptions.

Correct Answer: D

Topic - 1: Final Assessment
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Question:

True or False: Guaranteed renewability refers to the fact that health insurance issuers are required to renew or continue in force coverage at the option of the policyholder.

Directions:

Select the best answer and then select Check Your Answer.

Options:

A. True
B. False

Correct Answer: A

Topic - 1: Final Assessment
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Question:

Which statement best describes Medical Loss Ratio (MLR)?

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. MLR is a basic financial measurement that shows how much of the premium dollars a health insurance issuer spends on health care expenses or quality improvement activities, as opposed to profits or administrative costs.
B. MLR is a basic financial measurement referenced in the Affordable Care Act to encourage employers to provide more health insurance choices for their employees.
C. MLR is a basic financial measurement referenced in the Affordable Care Act to encourage health insurance issuers to provide value to individuals over 65.
D. MLR is a basic financial measurement referenced in the Affordable Care Act to encourage health insurance issuers to provide adult dental coverage.

Correct Answer: A

Topic - 1: Final Assessment
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Question:

In general, a health insurance issuer that does not spend at least 80% of its premium dollars on medical claims or quality improvement activities must provide:

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. Proof of qualification status
B. Proof of license
C. Reviews of health plan details for each insured individual or policyholder
D. Rebates to individuals and employers

Correct Answer: D

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Question:

Which of the following best describes the Mental Health Parity and Addiction Equity Act of 2008?

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. Requires group health plans and health insurance issuers to offer supplemental insurance to consumers who need mental health or substance use disorder benefits
B. Generally prevents group health plans and health insurance issuers that provide mental health or substance use disorder benefits from imposing less favorable financial requirements and treatment limitations on those benefits than they do on medical/surgical benefits
C. Requires qualified health plans in the Marketplace to include mental health and substance abuse disorder providers in their provider networks
D. Defines a standardized option for mental health or substance use disorder benefits that must be included in the standard benefit package of a consumer's qualified health plan

Correct Answer: B

Topic - 1: Final Assessment
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Question:

Which of the following is NOT a category of essential health benefits?

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. Ambulatory patient services
B. Emergency services, hospitalizations, and prescription drugs
C. Laboratory services
D. Adult dental and vision services

Correct Answer: D

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Question:

Under the Affordable Care Act, which of the following reform coverage provisions are health insurance issuers required to provide?

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. Comprehensive coverage that includes a number of health benefit areas that the qualified individual selects
B. Comprehensive coverage that includes vision benefits
C. A package of benefits known as essential health benefits
D. Comprehensive coverage that includes dental benefits

Correct Answer: C

Topic - 1: Final Assessment
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Question:

Actuarial value is defined as:

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. The average portion of the cost of providing essential health benefits estimated to be paid by the health insurance plan for a standard population, expressed in percentages
B. The average value of oral care benefits in a health insurance plan
C. The average risk of employees enrolled in a health insurance plan
D. The average risk of individuals under 65 enrolled in a health insurance plan

Correct Answer: A

Topic - 1: Final Assessment
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Question:

What percentage of health care costs is a Gold plan required to cover?

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. 60% actuarial value (health insurance plan pays approximately 60% of the average cost of essential health benefits for an average person)
B. 70% actuarial value (health insurance plan pays approximately 70% of the average cost of essential health benefits for an average person)
C. 80% actuarial value (health insurance plan pays approximately 80% of the average cost of essential health benefits for an average person)
D. 90% actuarial value (health insurance plan pays approximately 90% of the average cost of essential health benefits for an average person)

Correct Answer: C

Topic - 1: Final Assessment
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Question:

True or False: Individuals under age 30 before the plan year begins and individuals who qualify for a hardship or affordability exemption may purchase a catastrophic plan.

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. True
B. False

Correct Answer: A

Topic - 1: Final Assessment
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Question:

True or False: The Affordable Care Act requires qualified non-grandfathered health plans to provide certain recommended preventive health services without cost-sharing or deductible requirements.

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. True
B. False

Correct Answer: A

Topic - 1: Final Assessment
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Question:

In which of the following ways does the Affordable Care Act limit cost sharing for enrolled individuals?

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. Deductibles and copayments can only be applied to preventive services.
B. Deductibles for small group plans cannot exceed $2,000 for self-only coverage or $4,000 for any other coverage (adjusted annually), except to the extent that a higher deductible is necessary to create a reasonable Bronze or Silver plan.
C. Annual cost-sharing limits cannot exceed the specified amount. For 2021, the limits are $8,550 for an individual and $17,100 for families enrolled in individual or group market plans.
D. For Gold plans only, no annual or lifetime dollar limits are allowed on essential health benefits.

Correct Answer: C

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Question:

Which of the following is NOT required by all non-grandfathered health plans?

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. Include annual dollar limits on essential health benefits
B. Eliminate lifetime dollar limits on essential health benefits
C. Cover certain preventive services without requiring cost sharing
D. Cap annual out-of-pocket spending for individual market plans

Correct Answer: A

Topic - 1: Final Assessment
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Question:

Health insurance issuers are NOT allowed to charge an older adult:

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. More than three times the rate of a 21-year old
B. More than five times the rate of a 21-year old
C. More than seven times the rate of a 21-year old
D. More than 10 times the rate of a 21-year old

Correct Answer: A

Topic - 1: Final Assessment
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Question:

What is the allowable maximum surcharge for an individual who uses tobacco?

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. 1.5 times the non-tobacco user's rate
B. 3 times the non-tobacco user's rate
C. 5 times the non-tobacco user's rate
D. Not applicable, because health insurance issuers are not allowed to add an additional surcharge for tobacco usage

Correct Answer: A

Topic - 1: Final Assessment
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Question:

Which of the following statements is true regarding family premiums?

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. Family premiums are based on the premiums for each family member, including each family member's age and tobacco use (subject to state law).
B. Family premiums are based on family member health status for each family member.
C. The total family premium includes premiums for up to five dependent children under age 21.
D. The total family premium includes premiums for up to five dependent children under age 28.

Correct Answer: A

Topic - 1: Final Assessment
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Question:

A Marketplace can best be defined as:

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. A mechanism for individuals to buy qualified health plans
B. A mechanism for allowing small businesses to purchase health care products
C. A mechanism for organizing health insurance options to help consumers shop for coverage
D. A mechanism for individuals to find health care providers

Correct Answer: C

Topic - 1: Final Assessment
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Question:

Which of the following is NOT a core function of the Marketplace?

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. Determining the eligibility of individuals and enrolling individuals in qualified health plans
B. Certifying qualified health plans to participate
C. Facilitating eligibility determinations for enrollment in Medicaid and the Children's Health Insurance Program
D. Enrolling consumers in Medicare Advantage plans

Correct Answer: D

Topic - 1: Final Assessment
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Question:

Which of the following is a characteristic of a qualified health plan?

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. Covers, at a minimum, a comprehensive package of benefits, known as essential health benefits
B. May not be licensed
C. Covers only the benefits the health insurer chooses to include
D. Must offer a Bronze, Silver, Gold, and Platinum plan in the Marketplace

Correct Answer: A

Topic - 1: Final Assessment
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Question:

For qualified health plan certification, a plan that uses a provider network must have an adequate provider network available to its enrollees. This network must include all of the following EXCEPT:

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. Mental and substance abuse providers
B. Adult dental and vision care providers
C. A sufficient number and type of providers to ensure access to all services without unreasonable delay
D. A sufficient number and geographic distribution of essential community providers, where available, to ensure reasonable and timely access to a broad range of such providers for low-income and medically underserved populations in the qualified health plan's service area

Correct Answer: B

Topic - 1: Final Assessment
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Question:

True or False: Consumer Operated and Oriented Plans are private, nonprofit, member-run health insurers.

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. True
B. False

Correct Answer: A

Topic - 1: Final Assessment
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Question:

True or False: Adult dental coverage is an essential health benefit and, therefore, must be included in the package of benefits offered by a health plan in the individual or small group market, or through the Marketplace.

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. True
B. False

Correct Answer: B

Topic - 1: Final Assessment
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Question:

A 60-year-old military veteran seeking health insurance coverage:

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. Should apply for coverage through the Marketplace
B. Will likely be eligible for Medicare due to minor injuries suffered while on active duty
C. Should first apply directly to the Veterans Health Administration (VHA) to determine eligibility for VHA benefits
D. Will likely be eligible for Medicaid due to service time

Correct Answer: C

Topic - 1: Final Assessment
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Question:

True or False: The Department of Defense TRICARE program, most Medicaid coverage, and Medicare are all federal health care programs that offer coverage that constitutes minimum essential coverage for those eligible.

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. True
B. False

Correct Answer: A

Topic - 1: Final Assessment
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Question:

True or False: Consumers who are members of federally recognized Indian tribes or shareholders in Alaska Native Claims Settlement Act corporations can enroll in qualified health plans or change plan selections through the Marketplace throughout the year, not just during the yearly Open Enrollment period.

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. True
B. False

Correct Answer: A

Topic - 1: Final Assessment
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Question:

Which of the following is NOT a role of agents, brokers, and web-brokers within the Marketplace?

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. Assisting consumers in selecting and enrolling in a qualified health plan
B. Assisting consumers in the Individual Marketplace in applying for the premium tax credit
C. Assisting employers in applying for the premium tax credit
D. Assisting consumers in the Individual Marketplace in applying for cost-sharing reductions for eligible plans

Correct Answer: C

Topic - 1: Final Assessment
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Question:

The purpose of the Department of Health & Human Services' standards of conduct for agents, brokers, and web-brokers that participate in the Marketplace is:

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. To align agent and broker requirements to the Medicare Marketing Guidelines
B. To assist consumers, small businesses, and small business employees in identifying agents, brokers, and web-brokers who can assist them throughout the Individual Marketplace or Small Business Health Options Program (SHOP) application and enrollment process
C. To identify which agents, brokers, and web-brokers can be integrated with the Marketplace website using secure redirect and application programming interface mechanisms
D. To protect against conduct that is harmful to consumers or prevents the efficient operation of the Marketplace

Correct Answer: D

Topic - 1: Final Assessment
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Question:

Which of the following is NOT one of the standards of conduct for agents and brokers who participate in the Marketplace?

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. Provide the Marketplace with correct information
B. Establish an exclusive referral relationship with Navigators and other Marketplace assisters in their service area
C. Refrain from marketing or conduct that is misleading (including by having a direct enrollment website that the Department of Health & Human Services determines could mislead a consumer into believing he or she is visiting HealthCare.gov), coercive, or discriminating based on race, color, national origin, disability, age, sex, gender identity, or sexual orientation
D. Obtain the consent of the individual, employer, or employee prior to conducting an online person search, assisting with or facilitating enrollment through the Marketplace, assisting the individual in applying for financial assistance, and making updates to a consumer's eligibility application or subsequent plan selection and enrollment

Correct Answer: B

Topic - 1: Final Assessment
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Question:

Navigators in the Marketplace are funded through:

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. A percentage of compensation in connection with the enrollment of individuals in qualified health plans offered through the Marketplace
B. Fees from issuers when a Navigator helps a consumer enroll in a qualified health plan provided by the issuer
C. Federal grants
D. Navigators are volunteers and do not receive compensation or funding

Correct Answer: C

Topic - 1: Final Assessment
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Question:

Which of the following groups can serve as Navigators?

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. Licensed agents and brokers who are selling qualified health plans through the Marketplace
B. Volunteers of various community organizations that have no affiliation with the Marketplace
C. Health insurance and stop loss insurance issuers
D. Grantees that meet certain requirements to assist consumers in applying for and enrolling in health coverage through the Marketplace

Correct Answer: D

Topic - 1: Final Assessment
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Question:

Which of the following is true about agent and broker compensation in the Marketplace?

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. A qualified health plan issuer receives fees from an agent or broker.
B. Agents and brokers are compensated in accordance with their agreements with qualified health plan issuers and any state-specific requirements.
C. The Marketplace sets compensation levels for agents and brokers.
D. Agents and brokers receive lower compensation for assisting consumers with enrollment in qualified health plans through the Marketplace as compared to similar plans offered outside the Marketplace.

Correct Answer: B

Topic - 1: Final Assessment
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Question:

True or False: An agent's or broker's National Producer Number (NPN) must be entered on a Marketplace application in order to record it on the Marketplace enrollment transaction health insurance issuers use to issue compensation for assisting a consumer with that application.

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. True
B. False

Correct Answer: A

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Question:

Which of the following is NOT something that qualified health plan issuers and web-brokers operating in the Marketplace must verify for each of their affiliated agents and brokers?

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. The affiliated agent or broker complies with all applicable standards of conduct, laws, and regulations.
B. The affiliated agent or broker is trained to recognize and address the challenges that some consumers with low health insurance literacy face in understanding basic information about health coverage and health care services.
C. The affiliated agent or broker adheres to the federal privacy and security standards.
D. The affiliated agent or broker has completed the applicable Federally-facilitated Marketplace registration requirements for the applicable plan year.

Correct Answer: B

Topic - 1: Final Assessment
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Question:

Which of the following entities has NO role in overseeing agents, brokers, and web-brokers who participate in the Marketplace?

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. Qualified health plan issuers
B. State Departments of Insurance
C. The Centers for Medicare & Medicaid Services
D. Navigators

Correct Answer: D

Topic - 1: Final Assessment
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Question:

Which of the following is NOT a reason that the Department of Health & Human Services (HHS) may terminate an agent's, broker's, or web-broker's Marketplace Agreement(s) with the Centers for Medicare & Medicaid Services (CMS)?

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. HHS determines that a specific finding of noncompliance is sufficiently severe.
B. The agent, broker, or web-broker violates any term of the Agreement(s) with the Centers for Medicare & Medicaid Services.

C. The agent, broker, or web-broker does not successfully complete the Small Business Health Options Program (SHOP) course and exam.
D. HHS determines that an agent or broker has not complied with applicable state standards.

Correct Answer: C

Topic - 1: Final Assessment
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Question:

Which statement best describes the operational meaning of the termination or suspension of an agent's, broker's, or web-broker's Marketplace Agreement(s) with the Centers for Medicare & Medicaid Services (CMS)?

Directions:

Select the **best answer** and then select **Check Your Answer**.

Options:

A. It means the agent, broker, or web-broker can continue to assist consumers with eligibility determinations and enrollments through the Marketplace, but cannot be compensated for that assistance.
B. It means the agent, broker, or web-broker must retake the Federally-facilitated Marketplace agent and broker training and sign a new Agreement with CMS before continuing to assist consumers with eligibility determinations and enrollments through the Marketplace.
C. It means the agent, broker, or web-broker is no longer registered with the Marketplace, is not permitted to assist with or facilitate enrollments through the Marketplace, and is not permitted to assist individuals with applying for financial assistance for Marketplace coverage.
D. It means the agent, broker, or web-broker must pay a civil money penalty prior to being reinstated to assist consumers with enrollments through the Marketplace.

Correct Answer: C

Topic - 1: Final Assessment
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Congratulations! You have completed the assessment for the Affordable Care Act and Marketplace Basics course!

To exit this assessment and return to the learning management system for further training, select the Exit button in the upper right corner.