

Alabama Department of Insurance  
 Producer Examination Content Outline  
 Life and Health Examinations

Test §	Description	Pages	Questions on Exam		
			L&H	Life	Health
<b>Part I - General - Life and Health Insurance</b>					
<b>Chpt 1</b>	<b>Purpose of Insurance</b>	1-1 to 1-7	8	8	6
	1.1 Dealing with Risk, Law of Large Numbers	1-1 to 1-4	3	3	2
	1.2 Insurance Company Structures	1-4 to 1-5	2	2	2
	1.3 Domestic, Foreign, Alien, Admitted, Nonadmitted Companies	1-6	3	3	2
<b>Chpt 2</b>	<b>Contract Law</b>	2-1 to 2-7	11	10	7
	2.1 Introduction to the Law of Contracts	2-1 to 2-2	4	4	3
	2.2 Contractual Terms and Concepts	2-3 to 2-6	4	3	2
	2.3 Law of Agency, Powers of Producers	2-6 to 2-7	3	3	2
<b>Chpt 3</b>	<b>Underwriting and the Application</b>	3-1 to 3-10	11	9	8
	3.1 Underwriting	3-1 to 3-3	4	3	2
	3.2 Risk Classification	3-4	2	2	2
	3.3 Premium Calculation, Mortality Risk Factor, Premium Mode	3-4 to 3-5	3	2	2
	3.4 Conditional Receipt, Agent Responsibilities	3-5 to 3-7	1	1	1
	3.5 Insurance Marketing Systems	3-10	1	1	1
	<b>Total Part I - General - Life and Health Insurance</b>	<b>1-1 to 3-10</b>	<b>30</b>	<b>27</b>	<b>21</b>

Alabama Department of Insurance  
 Producer Examination Content Outline  
 Life and Health Examinations

Test §	Description	Pages	Questions on Exam		
			L&H	Life	Health
<b>Part II - Life Insurance</b>					
<b>Chpt 4</b>	<b>Traditional Life Policies</b>	4-1 to 4-12	11	18	0
	4.1 Term Life	4-1 to 4-3	5	8	
	4.2 Whole Life	4-3 to 4-7	5	9	
	4.3 Joint Life & Survivorship Life, Modified Life, Graded Premium Life	4-8 to 4-12	1	1	
<b>Chpt 5</b>	<b>Flexible Feature Life Policies</b>	5-1 to 5-8	3	5	0
	5.1 Adjustable Life and Universal Life	5-1 to 5-3	2	3	
	5.2 Variable Life, Variable Universal Life, Equity Indexed Life	5-4 to 5-8	1	2	
<b>Chpt 6</b>	<b>Policy Provisions</b>	6-1 to 6-8	15	22	0
	6.1 Entire Contract and Policyowner Rights Clauses	6-1 to 6-2	2	2	
	6.2 Beneficiaries	6-2 to 6-4	3	7	
	6.3 Incontestable, Misstatement of Age, Suicide, Free Look Clauses	6-4 to 6-5	2	2	
	6.4 Grace Period, Reinstatement, Automatic Premium Loan	6-5 to 6-6	4	5	
	6.5 Assignment and Exclusions	6-6 to 6-7	3	5	
	6.6 Accelerated (Living) Benefit Options & Viatical Settlements	6-7 to 6-8	1	1	
<b>Chpt 7</b>	<b>Policy Options</b>	7-1 to 7-4	10	13	0
	7.1 Dividend Options	7-1 to 7-2	3	4	
	7.2 Nonforfeiture Options	7-2	4	5	
	7.3 Settlement Options	7-3 to 7-4	3	4	
<b>Chpt 8</b>	<b>Policy Riders</b>	8-1 to 8-4	5	8	0
	8.1 Waiver of Premium, Disability Income, and Payor Riders	8-1 to 8-2	3	6	
	8.2 Accidental Death & Guaranteed Insurability Riders	8-2	1	1	
	8.3 Term Riders, Other Insureds Rider, Cost of Living Rider	8-3	1	1	
<b>Chpt 9</b>	<b>Annuities and Retirement Plans</b>	9-1 to 9-10	5	6	0
	9.1 Annuity Basics	9-1 to 9-6	4	5	
	9.2 Fundamentals of Retirement Plans	9-6 to 9-9	1	1	
<b>Chpt 10</b>	<b>Business and Group Life</b>	10-1 to 10-6	4	6	0
	10.1 Business uses for Life Insurance	10-1 to 10-2	1	1	
	10.2 Group Life Insurance Characteristics	10-2 to 10-5	3	5	
<b>Chpt 11</b>	<b>Social Security</b>	11-1 to 11-3	2	2	0
	11.1 Purpose and Funding	11-1 to 11-2	1	1	
	11.2 Types of OASDI Benefits	11-2 to 11-3	1	1	
	<b>Total - Part II - Life Insurance</b>	<b>4-1 to 11-3</b>	<b>55</b>	<b>80</b>	<b>0</b>

Alabama Department of Insurance  
 Producer Examination Content Outline  
 Life and Health Examinations

Test §	Description	Pages	Questions on Exam		
			L&H	Life	Health
<b>Part III - Health Insurance</b>					
<b>Chpt 12</b>	<b>Health Foundations</b>	12-1 to 12-12	10	0	12
	12.1 Health Insurance in General	12-1 to 12-3	3		3
	12.2 Health Insurance Providers	12-3 to 12-5	3		4
	12.3 Managed Care, High Deductible Plans, Flexible Spending Account	12-6 to 12-7	1		2
	12.4 Common Provisions	12-8 to 12-10	3		3
<b>Chpt 13</b>	<b>Medical Expense</b>	13-1 to 13-7	7	0	9
	13.1 Major Medical Policies	13-1 to 13-3	3		3
	13.2 Comprehensive Major Medical Claims	13-4 to 13-5	2		3
	13.3 Medical Expense Policy Provisions	13-6	2		3
<b>Chpt 14</b>	<b>Disability Income Policies</b>	14-1 to 14-11	6	0	10
	14.1 Disability Income Features	14-1 to 14-4	3		5
	14.2 Unique Provisions, Business Uses, Riders, Income Replacement	14-5 to 14-11	3		5
<b>Chpt 15</b>	<b>Uniform Individual Health Policy Provisions Law</b>	15-1 to 15-5	7	0	11
	15.1 Required Provisions	15-1 to 15-3	4		6
	15.2 Optional Provisions	15-3 to 15-4	3		5
<b>Chpt 16</b>	<b>Group Health</b>	16-1 to 16-7	5	0	7
	16.1 Group Health Generally, Provisions, Guidelines	16-1 to 16-3	2		3
	16.2 Coordination of Benefits, Portability, COBRA, HIPAA	16-3 to 16-6	3		4
<b>Chpt 17</b>	<b>Medicare and Medicaid</b>	17-1 to 17-4	3	0	4
	17.1 Medicare	17-1 to 17-3	2		3
	17.2 Medicaid	17-3 to 17-4	1		1
<b>Chpt 18</b>	<b>Limited Health Insurance Policies</b>	18-1 to 18-16	7	0	10
	18.1 Medicare Supplement Policies	18-1 to 18-5	2		3
	18.2 Long Term Care Policies	18-5 to 18-9	2		3
	18.3 Accidental Death & Dismemberment, Dread Disease, Critical Illness	18-10 to 18-11	1		2
	18.4 Miscellaneous Limited Benefit Policies	18-14 to 18-16	2		2
	<b>Total - Part III - Health Insurance</b>	<b>12-1 to 18-16</b>	<b>45</b>	<b>0</b>	<b>63</b>

Alabama Department of Insurance  
 Producer Examination Content Outline  
 Life and Health Examinations

Test §	Description	Pages	Questions on Exam		
			L&H	Life	Health

**Part IV - Alabama Insurance Law**

Topic 1	All Licensing Candidates	1 to 15	8	9	9
19.1	Overview, Insurance Commissioner, Insurer Licensing	1 to 4	2	2	2
19.2	Obtaining a Producer License	4 to 7	1	2	2
19.3	Maintaining a Producer License	8 to 9	2	2	2
19.4	Continuing Education	9 to 11	1	1	1
19.5	Producer Appointment and Termination	11 to 12	1	1	1
19.6	Prohibited Actions	12 to 15	1	1	1

Topic 2	Life Insurance Candidates	19 to 46	7	9	0
20.1	Approval of Policies, Required Policy Provisions	19 to 22	1	1	
20.2	Life Insurance and Annuity Advertisements	23 to 30	1	2	
20.3	Life Insurance Solicitations, Disclosures, Illustrations	31 to 36	1	1	
20.4	Life and Annuity Replacement	37 to 43	1	1	
20.5	Annuity Suitability and Disclosures	43 to 45	1	1	
20.6	Minors and Insurance	45	1	1	
20.7	Alabama Life and Disability Insurance Guaranty Association	45 to 46	1	2	

Topic 3	Accident and Health (Disability) Insurance Candidates	50 to 61	5	0	7
21.1	Individual A & H Policies, Certain Required Coverages	50 to 53	1		1
21.2	HMOs; Alabama Health Ins. Plan	53 to 55	1		2
21.3	General Accident and Health Plan Provisions	55	1		1
21.4	Medicare Supplement Insurance	56 to 57	1		1
21.5	Long Term Care Insurance	57 to 61	1		2
<b>Total - Part IV - Alabama Insurance Law</b>		<b>1 to 61</b>	<b>20</b>	<b>18</b>	<b>16</b>

<b>Total</b>		<b>150</b>	<b>125</b>	<b>100</b>
Total Questions on Exam		150	125	100
Maximum Time allowed to complete exam in minutes		180	150	120
Minimum Correct for Passing Score		105	87	70

L&H = Combined Life & Health Exam  
 Life = Life Only Exam  
 Health = Health Only Exam