Long Term Care
Exam Study Guide

This document contains all the questions that will included in the final exam, in the order that they will be asked. When you have studied the course materials, reviewed the questions in this document, and feel that you are ready to take the exam, return to the login page to take the online final exam.

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Long Term Care Final Exam

1. Long-term care in the past referred primarily to the care given in:
   a. Hospitals
   b. Hospices
   c. Nursing homes
   d. Homes

2. A Home Health Aide may do all of the following, except:
   a. Monitor a patient’s medical condition
   b. Provide medical treatment
   c. Assist with tasks such as cleaning, laundry, cooking, and other household chores
   d. Provide personal care, such as bathing and dressing

3. In the United States, the 65 and over population has grown steadily since:
   a. 1900
   b. 1958
   c. 1970
   d. 1989

4. Under a reverse annuity mortgage, some of the funds from a reverse mortgage are used to pay the premium on an annuity. For a specified period of time, the borrower receives cash from the reverse mortgage portion of the loan. After this period, the annuity payments begin and will continue:
   a. For 5 years
   b. For 10 years
   c. For 25 years
   d. As long as the borrower lives

5. When withdrawals are made from a life policy which is not a modified endowment contract, the taxation rules applied depend on when the distribution is made. If a distribution is made _____ years or more from the policy issue or the policy was issued prior to 1985, the distribution is taxed under “cost-recovery” rules.
   a. 10
   b. 15
   c. 21
   d. 28
6. The VA hospice care program is a coordinated program of care for patients and their families:
   a. Immediately after a traumatic injury
   b. In the rehabilitation period after a traumatic injury
   c. In the last stages of incurable diseases
   d. Suffering from minor injuries and sicknesses

7. Medicare Part A covers which of the following services?
   a. Items not medically necessary
   b. Laboratory tests
   c. Personal convenience items, such as a telephone or a television
   d. Private duty nurses

8. What type of custodial care does Medicare cover?
   a. All types of custodial care
   b. Only custodial care given within a skilled nursing facility
   c. Only custodial care given within an adult day care of skilled nursing facility
   d. No type of custodial care

9. If a managed care plan contracts with Medicare, it must have at least one _____ open enrollment period each year.
   a. 10-day
   b. 14-day
   c. 30-day
   d. 45-day

10. According to IRC Chapter 7, Subchapter XVIII, Section 1395, a Medicare supplemental policy may not be issued or renewed in any State unless the policy can be expected for periods after the effective date of these provisions to return to policyholders in the form of aggregate benefits provided under the policy, at least _________ of the aggregate amount of premiums collected in the case of group policies.
    a. 50%
    b. 65%
    c. 75%
    d. 90%
11. One state determined Medicaid eligibility group is children under age ____ who meet income and resources requirements for the State’s Aid to Families with Dependent Children (AFDC), but who otherwise are not eligible for AFDC.
   a. 6
   b. 10
   c. 13
   d. 21

12. Which of the following is not normally excluded from long-term care coverage today?
   a. Nursing care covered by workers compensation insurance
   b. Services performed by a member of the covered person’s immediate family
   c. Experimental treatments, supplies or services
   d. Treatment for Alzheimer’s and other organic cognitive disabilities

13. Which of the following is not one of the methods used to determine rates of a long-term care policy?
   a. The judgment method
   b. The functional method
   c. The manual method
   d. The merit method

14. How many long-term care policies are indemnity policies?
   a. All policies
   b. Most policies
   c. Some policies
   d. Few policies

15. Long-term care policies today cover _____ of care related to community care benefits.
   a. Only a skilled level
   b. Only an intermediate level
   c. Only an intermediate or custodial level
   d. Skilled, intermediate and custodial levels

16. Currently, many long-term care policies require that the care be authorized by a:
   a. Primary physician
   b. Case manager
   c. Government agency
   d. Home health care agency
17. Most long-term care policies offer inflation adjustment provisions with _____ maximum period.
   a. A
   b. A short
   c. A long
   d. No

18. Many insurance companies have a maximum age of ______ for offering long-term care policies.
   a. 71
   b. 79
   c. 84
   d. 90

19. State regulations may require that an insurer allow the insured of a long-term care policy to designate another party to receive a lapse notice. The reason behind this requirement is that long-term care policies are:
   a. Typically sold to and are for the benefit of older individuals
   b. The most common type of insurance available
   c. The type of insurance that is most susceptible to non-payment of premium
   d. The most lucrative type of insurance sold in the United States today

20. It is usually advised that those considering a long-term care policy should compare _______ policies prior to purchase.
   a. 2 or 3
   b. At least 5
   c. 7 or 8
   d. 10

21. Beginning with policies issued in 1997, premiums paid for qualified long-term care policies qualify as deductible medical care, under the unreimbursed medical expense rules, up to certain limits. The deductible amount is limited, based on:
   a. Sex
   b. Age
   c. Nationality
   d. Disability
22. According to the Internal Revenue Code Section 7702B(c), a “licensed health care practitioner” could be:
   a. A physician, only
   b. A registered professional nurse, only
   c. A physician or a registered professional nurse, only
   d. A physician, a registered professional nurse, or a licensed social worker

23. Between qualified and non-qualified long-term care policies, which type of policy may cover shorter stays?
   a. The qualified policy
   b. The non-qualified policy
   c. The non-qualified policy, but only in common-law states
   d. Both types of policies cover the same length of stays

24. Long-term care policies available before the mid-80’s did not cover:
   a. Home care, only
   b. Adult day care, only
   c. Adult day care of other community based care services, only
   d. Home care, adult day care adult day care, or other community based care services

25. Inflation adjustment provisions were a part of _____long-term care policies available before the mid-80’s.
   a. All
   b. Many
   c. Few
   d. No

26. When did long-term care policies begin offering spousal discounts and special spousal provisions?
   a. In the early 1970’s
   b. In the late 1980’s
   c. In the mid 1990’s
   d. In the early 2000s

27. Today, ________________ long-term care policies cover home health care.
   a. few
   b. no
   c. many
   d. none of the above
28. A physical therapist is a licensed professional who:
   a. provides treatment through methods such as exercises, heat and cold therapies, and electric sound wave treatments to those with physical impairments.
   b. provides therapy to persons who have trouble breathing or other respiratory impairment.
   c. works with patients who cannot speak clearly, or who may have speech challenges such as stuttering.
   d. assists with tasks such as cleaning, laundry, cooking, and so on.

29. The ________________ is the length of time required by a long-term care policy after the insured receives covered long-term care services before benefits will be paid.
   a. benefit period
   b. elimination period
   c. lapse period
   d. none of the above

30. A common exclusion to long-term care policy coverage is care due to:
   a. self-inflicted injuries
   b. alcoholism
   c. drug abuse
   d. all of the above are common exclusions to long-term care policies

31. All of the following are common factors in long-term care insurance underwriting, except:
   a. the number of children in the applicant’s family
   b. age of the applicant
   c. sex of the applicant
   d. medical history of the applicant

32. Under the Medicaid transfer of asset rules, eligibility for nursing home coverage can be:
   a. delayed.
   b. denied.
   c. more expensive for the participant.
   d. none of the above

33. Medicare was created with the intent to:
   a. cover all long-term care needs.
   b. supplement participants’ health insurance plans.
   c. replace private health insurance.
   d. none of the above
34. In order for Medicare to cover any home health care expenses:
   a. the patient must be confined to his or her own home.
   b. the home health care must be determined by a doctor, and the
docor must set up a plan for the patient to receive care at home.
c. the home health agency providing the care must participate in
   Medicare.
d. all of the above

35. One of the following statements applies to an insurance policy which has
   been purchased by a viatical company as a viatical settlement and the
   others apply to accelerated death benefits. Which statement applies to
   policies which are the object of a viatical settlement?
   a. Ownership of the policy is transferred to the company.
b. Ownership of the policy remains as is.
c. The policy beneficiary receives any remaining benefits.
d. The policy owner is responsible for paying any remaining premium
   on the policy.

36. All of the following types of long-term care benefits may be available to
   veterans, except:
   a. inpatient care
   b. outpatient care
c. over age care
d. institutional care

37. Financial professionals suggest that a net worth of at least
   $____________ is needed in order to have a sufficient amount to pay for
   long-term care from personal resources.
   a. 1,000,000
   b. 100,000
c. 10,000
d. none of the above

38. Cash from a reverse mortgage can be used for:
   a. long-term care only
   b. health related expenses only
   c. nursing home care only
d. any purpose
39. All of the following statements regarding accelerated death benefit riders or provisions are true except:
   a. Accelerated death benefit riders or provisions pay a portion or all of the death benefit during the insured’s lifetime if conditions of the rider are met.
   b. Some life policies are marketed with an accelerated death benefit rider as part of the policy, not as an optional rider.
   c. Accelerated death benefit riders include some features of a long-term care policy.
   d. Accelerated death benefit riders never cover intermediate care costs.

40. A factor to consider when evaluating a long-term care policy is:
   a. the insurance company’s financial ratings.
   b. policy nursing facility benefits.
   c. policy benefit period and amount.
   d. all of the above are factors to consider