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CLIENT PRIVACY

1. The reasoning behind the enactment of state and national privacy rules is the assertion that privacy is
 - A. A Fundamental right of the citizenry
 - B. Guaranteed
 - C. The last thing we have
 - D. What everyone wants
2. To "opt-out" means that unless or until the consumer informs someone that he does not want them to _____, they are free to do so.
 - A. Notify him they will collect data
 - B. Sell or share customer data
 - C. Collect personal information
 - D. Obtain financial data
3. The true purpose of the Medical Information Bureau is to protect insurance companies from _____.
 - A. Privacy law suits
 - B. Bad Doctors
 - C. Internet theft of data
 - D. Significant missing information in regards to insurance underwriting
4. Under the Privacy Rule final regulations . . . In addition to patients having access to their own health information (medical records), the patient has the right to know
 - A. His test results
 - B. Who processed his medical information
 - C. Who else has had access to their information
 - D. Why data is being collected
5. Nonpublic personal information is _____ information that a consumer gives to an agent.
 - A. Secret
 - B. Personally identifiable
 - C. Legally binding
 - D. Deeply personal
6. Can an agent or company charge "lower rates" to policyholders who permit their information to be shared?
 - A. No
 - B. Yes
 - C. Maybe
 - D. Yes, with approval of the Insurance Department
7. Territorial privacy concerns the setting of limits on intrusion into
 - A. A person's home
 - B. A specific region of the country
 - C. The workplace or public space
 - D. A person's "personal space"
8. When it comes to the level of privacy online, it can be said that there is
 - A. Virtually no guarantee of absolute privacy
 - B. Complete privacy protection
 - C. Limited privacy protection
 - D. Guaranteed access only
9. Most personal health information is protected by "opt-in standards" which means that
 - A. Information cannot be shared without first obtaining express consent from the client
 - B. Anyone can share the information
 - C. Information is available to share unless the customer withhold permission
 - D. Special privacy databases retain all information until requested
10. Administrative Simplification, under HIPAA, is the adoption of provisions and standards so that information may be _____.
 - A. Restricted
 - B. Shared at will
 - C. Exchanged electronically among health plans and providers
 - D. Stored for marketing groups
11. In the case of protected information of a deceased individual, the _____ may be treated as the individual for purposes of Administrative Simplification rules.
 - A. Deceased
 - B. Spouse
 - C. Child
 - D. Personal representative of the deceased's estate
12. The Privacy Act of 1974 regulates the disclosure of records contained in _____. The Act prohibits disclosure of such records without the written request or consent of the individual.
 - A. Records maintained by a federal agency
 - B. Home office files
 - C. Websites
 - D. Workplace or office files
13. Misrepresentation of your self in order to obtain personal information is a deceptive practices which violates the
 - A. Privacy Act of 1974
 - B. Insurance Information Privacy Act
 - C. Gramm-Bliley Act
 - D. HIPAA
14. A "covered entity", under some privacy regulations, includes any individual or entity that
 - A. Earns a commission
 - B. Receives authorization from the Department of Insurance
 - C. Collects personal client information
 - D. Shares nonpublic information with non-affiliated third parties

CLIENT PRIVACY

15. A beneficiary of a life insurance policy is considered a _____ and as such is entitled to a privacy notice and opportunity to opt-out regarding the sharing of protected information
- Consumer
 - Nuisance
 - Customer
 - Third party
16. "Information privacy" is the establishment of rules governing the collection and handling of
- Internet information
 - Web data
 - Personal data such as credit and medical records
 - Phone solicitors
17. Which of the following are controversies concerning the "opt-in" client privacy rule
- Opt-in does not enhance consumer privacy
 - Opt-in reduces consumer privacy
 - Opt-in imposes significant costs
 - All of the above
18. When one is surfing the web, many web sites deposit data about his visit called "cookies" on his hard drive. When he returns to the same site the cookies data will reveal
- That he has been there before
 - His personal code
 - The address of his office
 - His social security number
19. A consumer who is give "opt-out choices" is entitled to a "reasonable" time to respond before his personal data can be disclosed. Usually _____ days is considered reasonable.
- 10 days
 - 15 days
 - 30 days
 - 90 days
20. Disputed information by consumers, under the Fair Credit Reporting Act, must be reinvestigated free of charge within _____ days.
- 20 days
 - 30 days
 - 45 days
 - 60 days
21. Which of the following are entities covered by HIPAA's Privacy Rule
- Health plans
 - Health care clearinghouses
 - Health care providers conducting financial and administrative transactions electronically
 - All of the above
22. A health care provider that has an "indirect treatment relationship" with an individual _____ obtain consent before disclosing protected health information.
- Must
 - Does not need to
 - Might have to
 - Cannot
23. The Freedom of Information Act allows public disclosure of information in the possession of the federal government to any person. However, personnel and medical records may be withheld if the disclosure would constitute _____.
- Search and seizure
 - Incrimination under the 5th
 - Invasion of privacy
 - A violation trust
24. "Consent" under HIPAA's Privacy Rule is permission to _____ all protected health information for treatment, payment and health care operations.
- Disclose
 - Use
 - Use and disclose
 - Destroy
25. An "authorization" is a more customized document giving covered entities permission to use or disclose protected health information for _____, generally OTHER THAN treatment, payment or health care operations.
- Specific purposes
 - Non-specific purposes
 - Marketing purposes
 - Surgeries
26. A parent has authority to make health care decisions about a minor child because he is considered to be a _____ under HIPAA's Privacy Rule.
- Executor
 - Administrator
 - Personal Representative
 - Legal guardian
27. Research Rules, under HIPAA's Privacy Rule, place restrictions on the use or disclosure for research purposes of protected health information that has not been
- Cleared
 - Reviewed by a medical board
 - De-identified
 - Board certified

CLIENT PRIVACY

28. Financial Solvency Examinations of insurers by state insurance departments ensure that the company has sufficient assets to
- A. Meet privacy rules
 - B. Pay claims
 - C. Cover its debt
 - D. Make customers happy
29. "Consumers", under privacy rules, are individuals who are _____.
- A. Communicating by phone
 - B. Calling back for a third time
 - C. Seeking to obtain a product or service from an insurance company
 - D. Policyholders
30. "Customers", under privacy rules, are consumers with whom you or your insurer have _____.
- A. An on-going relationship
 - B. Obtained financial, investment or economic advisory services for a fee
 - C. Policyholders
 - D. All of the above
31. An insurance agency must disclose its privacy policy (required distribution) _____.
- A. When a customer relationship is established
 - B. Once a year after a customer relationship is established
 - C. When a purchased policy is delivered
 - D. All of the above
32. Do agents who NEVER intend to share a client's personal financial information still need a privacy notice?
- A. Yes
 - B. No
 - C. Maybe
 - D. Not as long as your company provides responsible and proper notices
33. Are HMO's required to send initial and opt-out privacy notices to subscribers and dependents?
- A. No
 - B. Always
 - C. For individual coverage, yes. For groups who do not share nonpublic personal information, no.
 - D. Never
34. Insurance risk appraisal helps an insurance company determine the appropriate cost to cover one's _____.
- A. Claims
 - B. Risk profile
 - C. Negative actions
 - D. Business blunders
35. "Safeguard" notices, under Gramm-Leech-Bliley, are the policies financial institutions are required to develop to _____.
- A. Prevent fraudulent access to confidential financial information
 - B. Report data theft
 - C. Track personal financial information
 - D. Approve consumer disputes quicker
36. The Electronic Communications Privacy Act makes it unlawful for anyone to read or disclose the contents of _____ meant for another person.
- A. An electronic communication
 - B. Private letters
 - C. Website cookies
 - D. Chat room conversations using a password
37. Encryption is a method of scrambling e-mail messages. The privacy advantage of encryption is that anything encrypted is _____.
- A. Free of charge
 - B. Anonymous
 - C. Virtually inaccessible to anyone other than the designated recipient
 - D. Available for viewing only once
38. An investigative consumer report or inspection report includes information on a consumer's character, reputation, personal characteristics or mode of living obtained through _____.
- A. Internet cookies
 - B. Third party affiliates
 - C. Personal interviews with neighbors, friend or associates
 - D. Insurance applications
39. The importance of medical records is that they can influence decisions about an individual's access to credit, employment and insurance. Many believe that the efficacy or success of health care / patient relationships depend on the patient believing information recorded by his physician will _____.
- A. Not be disclosed
 - B. Be shared properly
 - C. Be handled properly
 - D. Not be shared without consent
40. The "minimum necessary" standard rule states that the covered entity make reasonable efforts to _____ the protected health information to the "minimum necessary" to accomplish the intended purpose for using, disclosing or requesting information.
- A. Maximize
 - B. Limit
 - C. Sell
 - D. Retain

CLIENT PRIVACY

41. Revocation of consent: An individual may revoke a consent to use or disclose protected information _____. The revocation must be in writing.
- A. At any time
 - B. Within 30 days
 - C. Within 60 days
 - D. Within 90 days
42. The Family Educational Rights and Privacy Act provides parents of students and students with privacy protection for records maintained by
- A. Affiliated third parties
 - B. Non-affiliated third parties
 - C. Federal agencies
 - D. State agencies
43. Pharmacists, under Final HIPAA Privacy Rule Guidelines, do NOT have to obtain consent under the Privacy Rule in order to provide over-the-counter medicine advice to someone as long as
- A. The patient is really sick
 - B. The pharmacist is discrete
 - C. He does not keep records and/or disclose protected health information
 - D. He limits the conversation to generic drugs
44. Business associates, under privacy rules, are allowed to receive protected health information from providers as long as
- A. Assurances are provided that information will only be used for the purpose for which they are engaged
 - B. They safeguard the information from misuse
 - C. They help the covered entity comply with duties of disclosure and access
 - D. All of the above
45. The NAIC Model Insurance Information and Privacy Protection Act establishes standards for the _____ of information gathered in connection with insurance transactions.
- A. Destruction
 - B. Monitoring
 - C. Collection, use and disclosure
 - D. Format
46. A Privacy Policy Statement is a disclosure form handed to clients or posted on a website that describe an agent's _____.
- A. Intention to share or not to share any nonpublic information about his clients with a non-affiliated third party.
 - B. Privacy database format
 - C. Security history
 - D. Method of selling private insurance
47. Privacy disclosures, opt-out and health authorizations can be sent together or separately, and they can be sent with other customer mailings. No matter how sent, however, they must
- A. Identify the companies and policies to which they apply
 - B. Be accurate
 - C. Be clear and conspicuous so the customer can read and understand them
 - D. All of the above
48. Good Advice on protecting cyberspace privacy includes
- A. Create passwords with non-sensical combinations of upper and lower letters
 - B. Change passwords frequently
 - C. Never leave a computer "logged-in" or unattended.
 - D. All of the above is good advice
49. Financial institutions, under the Gramm-Leach-Bliley Act, include institutions engaged in financial activities of bank hold companies, including insurance. Title V of the Act says that a financial institutions, including agents has the continuing obligation to
- A. Insurance the security and confidentiality of customer records and information
 - B. Protect against anticipated threats or hazards to the security or integrity of such records
 - C. Protect against unauthorized access to or use of such records or information which could result in substantial harm to the customer
 - D. All of the above
50. "Summary health information" of individuals in a group health or HMO may be disclosed when the sponsor is obtaining premium bids from health plans. Summary health information is defined as
- A. Individually identifiable health information
 - B. Claims history, claims experienced, type of claims experienced by individuals
 - C. Information without names, addresses, phone numbers, social security numbers, etc.
 - D. All of tHe above



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