Social Security, Medicare and Pensions

Course Instructions and Final Examination
# Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Course Objectives</td>
<td>3</td>
</tr>
<tr>
<td>Course Instructions</td>
<td>4</td>
</tr>
<tr>
<td>Final Examination</td>
<td>7</td>
</tr>
</tbody>
</table>
Course Objectives

After completing this course, you will be able to:

- Recognize the basic categories of Social Security benefits that are paid based upon earnings
- Identify a general requirement everyone must meet to receive Social Security benefits
- Ascertain what a PIA is
- Determine what term is used by Social Security to indicate eligible retirement benefits
- Identify the earliest age at which retirement benefits can be claimed
- Pinpoint how many years of an individual's highest earnings are used to determine Social Security retirement benefits
- Ascertain what applies during the 12 months you are approaching full retirement age if you are already receiving retirement benefits
- Recognize the qualifications for a disabled widower to receive disability benefits when there are not enough work credits to qualify
- Select the absolute rule regarding disability
- Recognize an unlikely scenario to qualify for disability benefits
- Identify what cannot be collected at the same time as Social Security disability benefits
- Discern how a Special Needs Trust can help you
- Recognize who qualifies for Social Security Dependents Benefits
- Identify the maximum family benefit percentage
- Discern what may be subject to a reduction in Social Security dependents benefits, called the government pension offset
- Recognize situations which would be eligible for survivors benefits
- Pinpoint the family benefits limit for a surviving spouse and children
- Ascertain the significance of the break-even point when claiming Social Security Benefits
- Determine what method of undoing an early claim involves Social Security recalculating benefits
- Recognize justifiable reasons for claiming early retirement benefits
- Identify a requirement for receiving Supplemental Security Income
- Determine the income limits for qualifying for SSI
- Discern the types of income counted toward the SSI limits
- Recognize assets or resources counted by SSI
- Recognize methods of initiating the filing of Social Security claims for benefits
- Pinpoint the recommended time to sign up for Social Security benefits
- Select the best time to file an application for disability benefits
- Ascertain what the DDS will rely on in determining the nature and extent of a disability
- Identify the most important part of filling out the Request for Reconsideration form
- Choose which procedure applies if your claim for SSI benefits was denied for nonmedical reasons
- Ascertain what should be addressed during initial reconsideration of your benefits claim
- Discern the best chance of reversing Social Security's decision when denying benefits
- Recognize the approved fees lawyers or other representatives can collect during the course of the Social Security appeal process
- Ascertain the minimum years worked in order to qualify for a pension with the federal government as a civilian employee
- Select an accurate statement regarding the CSRS retirement system
- Recognize contribution rules regarding the CSRS worker's TSP account
- Determine what applies to FERS-covered workers
- Identify which office makes decisions about both CSFS and FERS benefit claims
- Select which organization requires at least 90 days of active duty service in order to qualify for veterans benefits
- Ascertain what determines the amount of disability compensation to which a veteran is entitled
- Recognize what the A&A benefit is
- Discern what is considered to be "Priority Group 4" by the VA
- Identify which supplemental insurance policy pays much of what Medicare does not
- Choose what type of plans limit the health care providers a patient can use
- Select what daily skilled nursing care service Medicare covers
- Pinpoint what home health care services are covered by Medicare
- Determine what qualifies a prescription drug payment as a TrOOP
- Pinpoint the name of the gap within which Medicare beneficiaries must personally pay all of the cost of their prescription drugs
- Select what Medicare requires all Part D plans to include
- Discern when an applicant applying for Medicare would be eligible for Part B coverage
- Identify a situation which requires paying the difference between what Medicare pays and the full amount of the doctor's bill
- Ascertain who makes the initial Medicare approval of whether treatment must be as an inpatient
- Choose who will mediate disputes between the patient and the hospital
- Recognize what is vital for successfully appealing a plan's rule or decision
- Recognize a gap in Medicare Part B
- Identify the basic benefit that is included in all standard Medigap policies
- Choose which type of supplemental insurance is partly fee-for-service and partly managed care
- Determine what type of policies base premiums entirely on age
- Recognize what all plans must cover under federal law
- Pinpoint one of the main customer objections to managed care
- Identify what makes some Medicare Advantage HMOs more attractive and more expensive than standard HMO plans
- Recognize disadvantages of Medicare Advantage Fee-for-Service Plans
- Identify what qualifies an enrollee as categorically needy
- Choose the term that is used to define the process of subtracting actual medical bills from income and assets
- Recognize what is considered in deciding your Medicaid eligibility
- Identify expenses which are 100% covered by Medicaid

Course Instructions

To fully benefit from this course, please follow all of the steps below.

1. Read each chapter in the text to get a good understanding of the material.

2. Answer the study guide problems which appear at the end of each chapter. After answering the problems, compare your answers with the correct answers to ensure that you understand the material.

3. When you feel that you have a good understanding of the material contained in the chapter, answer the questions on the final examination.

4. When you have completed the final examination, submit your answers for grading. A score of 70% or better is required to pass. Please also complete the course evaluation. Upon passing you will receive a Certificate of Completion stating that you have successfully completed the course and earned the continuing education credit.

Prerequisites and Advance Preparation

No prerequisites or advance preparation are required for this course.

CPE Credit

This course is recommended for 20 CPE credits.

Final Exam Grading

► Online: Our fastest option, with instant results. Simply go to www.cpestore.com and click the link for online grading. Just follow the instructions from there. When you finish entering your answers, you’ll receive instant test results and a Certificate of Completion to print.

► By Mail: Mail your test and course evaluation to us. We grade the tests the day we receive them and mail the results and Certificate of Completion to you the following business day.

► By Fax: Please use this option only if you need fast turnaround (we want to keep this as a free service). Just fax your answer sheet to 1-281-255-4337. If you need us to fax the Certificate of Completion back to you, please provide us with your fax number and write “please fax back” on your answer sheet. If you don’t need the Certificate faxed back, please write “no fax needed” on your answer sheet.
Refunds

The CPE Store guarantees your satisfaction. If, for any reason, you are not completely satisfied with your purchase, return it to us unused within 30 days for a prompt refund, no questions asked. (Sorry, but shipping fees are not refundable.)

Customer Service

The CPE Store holds itself to the highest standards. If we have not met your expectations, something is missing, or you just have a question please contact us at 1-800-910-2755 or customerservice@cpestore.com.

About Our Courses

The CPE Store's courses are developed to satisfy the continuing education requirements of the American Institute of Certified Public Accountants, each state's Board of Accountancy and the National Association of State Boards of Accountancy (NASBA). If your state requires registration of sponsors, our sponsor number will appear on your Certificate of Completion.

Our courses are designed to meet the continuing education requirements of accounting professionals. A great deal of care has been taken to ensure that the course material is both interesting and relevant to the practice of accounting. The information presented is, to the best of our knowledge, current and accurate. However, The CPE Store is not in the business of rendering legal, accounting or other professional advice and as such, the material presented in our courses is intended as an overview. If legal advice or other expert assistance is required, the services of a competent professional should be sought.
A score of 70% or higher is required to pass the exam. If you score less than 70% on your first attempt, we will allow you to take the test a second time.

Chapter 1 – Social Security: The Basics

1. Which of the following is not one of the four basic categories of Social Security benefits that are paid based upon your earnings?
   A. Retirement benefits
   B. Disability benefits
   C. Medicare benefits
   D. Survivor benefits

2. What general requirement must everyone meet to receive Social Security benefits?
   A. The worker on whose earnings record the benefit is to be paid must have worked in “covered employment” for a sufficient number of years
   B. The worker on whose earnings record the benefit is to be paid must be covered by a PARS pension system
   C. The worker on whose earnings record the benefit is to be paid must wait until age 65 to receive benefits
   D. The worker on whose earnings record the benefit is to be paid must be retired to receive benefits

3. Which of the following is not counted in determining the amount of a Social Security benefit?
   A. Employment for charitable, educational, or other nonprofit organizations since 1984
   B. Earnings from household work before 1951
   C. Federal government earnings after January 1, 1984
   D. Active duty military earnings after 1957

4. What is a PIA?
   A. The formula used to determine the amount of benefits for a worker who reached the age of 62 or became disabled on or before December 31, 1978
   B. The amount a worker will receive if he or she claims retirement benefits at full retirement age
   C. The formula used to determine the amount of benefits for a household worker employed after 1951
   D. The formula used to determine the amount of benefits a farm worker will receive

5. For veterans, what is the maximum extra earnings credit per year for active duty from 1978 through 2001?
   A. $100
   B. $300
   C. $1,200
   D. $1,500

Chapter 2 – Social Security Retirement Benefits

6. What term is used by Social Security to indicate that you are eligible for retirement benefits?
   A. Full retirement age
   B. Break-even point
   C. Earnings record
   D. Fully insured

7. What is the earliest age at which retirement benefits can be claimed?
   A. Age 59
   B. Age 62
   C. Age 60
   D. Age 65
8. How many years of an individual's highest earnings are used to determine the Social Security retirement benefits?
   A. 20 years
   B. 25 years
   C. 30 years
   D. 35 years

9. Social Security has determined that if you earned a government pension during a portion of your work history, your artificially raised retirement benefits are an unfair windfall to you. And so your benefits have been reduced in some situations. Which of the following may be affected by a 10% to 35% reduction in Social Security payment?
   A. You have less than 30 years in work covered by Social Security
   B. Your only work for an employer not covered by Social Security was before 1957
   C. Your only government pension is based solely on work for the railroad
   D. You were a federal government employee hired on January 1, 1984 or after

10. Which of the following applies during the 12 months while you’re approaching full retirement age if you are already receiving your retirement benefits?
    A. Earned income can include special sources such as bonuses
    B. Earned income can include private pensions
    C. A special higher earnings limit
    D. A special lower earnings limit

Chapter 3 – Social Security Disability Benefits

11. A person can earn up to ________ work credits per year.
    A. Twelve
    B. Nine
    C. Six
    D. Four

12. Which of the following is not a qualification for a disabled widower to receive disability benefits even though you do not have enough work credits to qualify?
    A. If you divorced before your former spouse died, you will be eligible for these benefits only if you were married for two years or more
    B. Your disability must have started no later than seven years after your spouse's death
    C. You must be disabled, as defined by Social Security rules
    D. Your spouse, at death, must have been fully insured

13. What is the only absolute rule regarding disability?
    A. The condition must be medical
    B. Must wait one year following a diagnosis to apply for benefits
    C. Must be able to perform substantial gainful work earning at least $980 per month
    D. Must agree to reimburse Social Security if the disability does not last at least a year

14. Which of the following scenarios is least likely to qualify for disability benefits?
    A. A 58-year-old longshoreman whose doctor told him continuing to do longshore work won’t be possible due to a bad back, a condition that will certainly last longer than a year
    B. A 60-year-old music teacher who is losing her hearing and has also developed phlebitis which requires her to elevate her legs for a while every few hours
    C. A 52-year-old waitress with a mild heart condition which, despite medication, still plagues her with intermittent fatigue and shortness of breath
    D. A 60-year-old blind man earning $1,080 per month

15. Which of the following cannot be collected at the same time as Social Security disability benefits?
    A. Social Security retirement benefits
    B. Private disability payments from an insurance policy
    C. Veterans disability coverage
    D. Workers' compensation benefits
16. How can a Special Needs Trust help you?
   A. Provides payments for injuries suffered during the course of employment
   B. Provides disabled veterans supplemental coverage
   C. Permits you to accept accident compensation without losing your Medicaid eligibility
   D. Qualifies you to receive payments from the SSI program

Chapter 4 – Social Security Dependents Benefits

17. Which of the following qualifies for dependents benefits?
   A. An unmarried 26-year-old child
   B. A 66-year-old ex-spouse who was married to the worker for 8 years
   C. A 58-year-old spouse who is caring for the worker’s 14-year-old child
   D. An unmarried significant other of the worker, when both live in California

18. What determines the amount of dependents benefits available to a retired or disabled worker and his or her dependents?
   A. Total number of people in the immediate family
   B. Length of marriage
   C. Relationship to the worker
   D. Age of the dependents

19. The maximum family benefit is what percent of the retired worker’s benefits?
   A. 50% to 60%
   B. 80% to 90%
   C. 120% to 140%
   D. 150% to 180%

20. Which of the following may be subject to a reduction in Social Security dependents benefits, called the government pension offset?
   A. Federal employees who pay Social Security taxes on their earnings
   B. Federal employees who switched from the CSRS to the FERS before July 1, 1988
   C. Federal employees who switched from the CSRS to the FERS after June 30, 1988 and worked for at least five years under FERS
   D. Employees who receive Social Security dependents or survivors benefits and a retirement pension based on his or her own work record from the CSRS

Chapter 5 – Social Security Survivors Benefits

21. Which of the following is not eligible for survivors benefits?
   A. A widow or widower who remarries before age 60
   B. A divorced surviving spouse age 60 or older, who was married to the worker for at least ten years
   C. A spouse age 50 or older who becomes disabled within seven years of the worker’s death or within seven years after mother’s benefits or father’s benefits end
   D. Unmarried child younger than 18

22. Which of the following is eligible for survivors benefits?
   A. A widow or widower who remarries before age 60
   B. A widow or widower who remarries before age 60 and cares for the former spouse’s children
   C. A widow or widower who remarries after reaching age 60
   D. An unmarried dependent parent who remarries after the worker’s death

23. Which of the following is eligible for 75% of what the deceased worker’s full retirement benefits would have been?
   A. A surviving spouse who waits until the age at which he or she becomes eligible for full benefits to claim benefits
   B. A surviving spouse at age 60
   C. A surviving spouse caring for the worker’s child, if that child is younger than 16 or disabled
   D. A surviving spouse and children together
24. What is the family benefit limit a surviving spouse and children can receive?
   A. 82.5% of what the deceased worker’s retirement benefits would have been
   B. 150% to 180% of what the deceased worker’s retirement benefits would have been
   C. 71.5% of what the deceased worker’s retirement benefits would have been
   D. 75% of what the deceased worker’s retirement benefits would have been

Chapter 6 – When to Claim Social Security Benefits, and Which One to Claim

25. What is the significance of the break-even point?
   A. If you claim benefits early but live past your break-even point, you will wind up collecting less in total lifetime benefits than if you had waited to claim them at full retirement age
   B. If you claim benefits early but live past your break-even point, you will wind up collecting more in total lifetime benefits than if you had waited to claim them at full retirement age
   C. The longer you live past the break-even point, the more you gain by having claimed early benefits
   D. Your break-even point determines your monthly Social Security payment

26. What method of undoing an early claim involves Social Security recalculating your benefits with a reduction based only on those months you actually collected early benefits?
   A. Withdrawing a claim
   B. Suspending a claim
   C. Earnings offset rule
   D. Claiming early benefits based on a shorter life expectancy

27. Which of the following is the least justifiable reason for claiming early retirement benefits?
   A. You have an immediate financial need
   B. You switch jobs
   C. You are earning only a slight amount over the yearly limit
   D. You will be earning a substantial amount over the yearly limit

28. Dependents benefits payable to a minor child last until the child reaches what age?
   A. 16
   B. 18
   C. 21
   D. 25

Chapter 7 – Supplemental Security Income

29. What is a requirement for receiving SSI cash?
   A. Your assets must be worth less than $2,000, or $3,000 for a couple
   B. You must not be self-employed
   C. Your income must be irregular
   D. You must require food stamps, energy assistance, or housing assistance

30. Which of the following accurately reflects the income limits for qualifying for SSI?
   A. All income is counted when deciding whether an individual qualifies for SSI
   B. When income is over the allowable maximum for federal SSI payments, an individual will not qualify for the state’s supplemental payment
   C. If income is over the allowable maximum for federal SSI payments, it is still possible to qualify for supplemental payment in certain states
   D. Individual states do not set their own income limits

31. What type of income is counted toward the SSI limits?
   A. Money you receive from investments
   B. The first $20 per month you receive from any source
   C. All earned income over $65 a month
   D. Tax refunds

32. What type of income is not counted toward the SSI limits?
   A. The first $65 per month of your earned income – wages or self-employment
   B. Money you receive from pensions
   C. Money you receive from royalties
   D. Social Security benefits
33. What assets or resources are counted by SSI?
   A. Wedding and engagement rings, regardless of value
   B. Investments of any kind
   C. Life insurance policies with a total face value of $1,500 or less per person
   D. Term life insurance policies with no cash surrender value

34. What will reduce your basic SSI payment by one-third?
   A. Earning more than $65 per month in self-employment income
   B. Having unearned income of more than $20 a month
   C. Living in a friend’s home and receiving support in the form of food or clothing from them
   D. Owning property exceeding the $2,000 limit

Chapter 8 – Applying for Benefits

35. Which of the following is not a method for initiating the filing of Social Security claims for benefits?
   A. By phone
   B. By mail
   C. Through the Internet
   D. At the local Social Security office

36. What is the recommended time to sign up for Social Security benefits?
   A. On actual birthday upon which eligible for benefits
   B. One month before the birthday upon which eligible for benefits
   C. Three months before the birthday upon which eligible for benefits
   D. Six months before the birthday upon which eligible for benefits

37. When is the best time to file an application for disability benefits?
   A. As soon as the medical condition forces you off work and doctors expect the disability will prevent you from working for a year or more
   B. As soon as the six-month period of disability has elapsed
   C. As soon as you gather all necessary documentation and supporting materials
   D. The first full month after the date your disability began

38. What will the DDS rely almost exclusively on in determining the nature and extent of a disability?
   A. Diagnosis of a physical therapist
   B. Diagnosis of a specialist
   C. Diagnosis of a medical doctor
   D. Results of a consultative examination

39. What method of receiving payment are all new beneficiaries expected to use?
   A. Direct deposit
   B. Checks through the mail
   C. Substitute payee
   D. In-person pick-up

Chapter 9 – Appealing a Social Security Decision

40. What is the most important part of filling out the Request for Reconsideration form?
   A. The Social Security claim number
   B. Stating briefly and simply why you think you were unfairly denied your benefits
   C. Attaching a completed “Disability Report – Appeal”
   D. Submitting all supporting material by the 65th day after the written decision

41. What procedure applies if your claim for SSI benefits was denied for nonmedical reasons?
   A. Informal conference
   B. Formal conference
   C. Case review
   D. Administrative hearing
42. Which of the following should be addressed during a meeting with the Social Security representative who is reviewing your file during the initial reconsideration of your benefits claim?
   A. Explain your whole medical history to support your benefits claim
   B. Guide the representative through each document in your file
   C. Focus on addressing whatever reason Social Security gave to justify its decision
   D. Use this meeting to announce your plans to pursue legal actions against Social Security

43. Which of the following is your best chance of reversing Social Security's decision?
   A. Case review
   B. Informal conference
   C. Administrative hearing
   D. National Appeals Council

44. If your appeal has been denied after an administrative hearing, your next step is to file a written appeal with the Social Security Administration Appeals Council. You must file this within how many days from the date on the written notice of the administrative law judge's decision?
   A. 20 days
   B. 30 days
   C. 45 days
   D. 65 days

45. Which of the following seeks funding from outside sources in order to serve low-income people?
   A. Senior centers
   B. Legal services organizations
   C. Private practice law offices
   D. Disability rights groups

46. Social Security rules say that a lawyer or other representative can collect a maximum fee of what amount?
   A. 25% of your past-due benefits, or $6,000 – whichever is less
   B. Out-of-pocket expenses incurred during your appeal
   C. 35% of your past-due benefits, or $10,000 – whichever is less
   D. 30% of your past-due benefits, or $8,000 – whichever is less

47. Which of the following would not be considered an approved out-of-pocket expense a lawyer could incur during the course of the Social Security appeal process?
   A. Cost of photocopying
   B. Cost of postage
   C. Cost of purchasing a fax machine
   D. Cost of making phone calls

Chapter 10 – Federal Civil Service Retirement Benefits

48. You may qualify for a pension, referred to as a retirement annuity, if you have worked at least _______ years for the federal government as a civilian employee.
   A. Two
   B. Five
   C. Seven
   D. Ten

49. Which of the following applies to the CSRS retirement system?
   A. With 30 years of service, a covered worker can retire with a pension at age 55
   B. With 30 years of service, a covered worker can retire with a pension at his or her minimum retirement age (MRA)
   C. Covered workers who have accumulated enough years of service can take early retirement with lower benefits
   D. A full retirement pension is reduced by 10% to provide an annuity for the surviving spouse

50. What is figured by taking 1% of the high-three average and multiplying it by the number of years of service?
   A. MRA
   B. Deferred annuity payments
   C. Full CSRS benefits
   D. Full FERS benefits
51. Which of the following is true regarding a CSRS worker’s TSP account?
   A. The government automatically contributes an amount equal to 1% of an employee’s pay
   B. It is funded solely by the worker
   C. The worker may contribute up to 10% of his or her pretax wages
   D. The government matches dollar for dollar the first 3% of wages that an employee contributes

52. Which of the following applies to FERS-covered workers?
   A. Disability amounts are 40% of the high-three average pay
   B. Disability amounts are a portion of the regular pension you would have received if you had worked until age 60
   C. In the first year after disability, the disabled worker receives 60% of the high-three average pay, reduced by any Social Security disability benefits
   D. Disability amounts are determined by multiplying the high-three average salary by a certain percentage based on years worked

53. Which office makes decisions about both CSFS and FERS benefit claims?
   A. Social Security Office
   B. Disability Determination Services (DDS)
   C. Federal Employee Health Benefits Program (FEHB)
   D. Federal Office of Personnel Management (OPM)

Chapter 11 – Veterans Benefits

54. Which of the following requires at least 90 days of active duty service to qualify for veterans benefits?
   A. Commissioned Officer Corps of the Public Health Service
   B. National Oceanic and Atmospheric Administration
   C. Pensions for financially needy veterans
   D. Women’s Air Service Pilots

55. What determines the amount of disability compensation to which a veteran is entitled?
   A. Seriousness of the disability
   B. Length of service
   C. Whether the disability resulted from active duty or training
   D. Length of time between the initial injury and confirmed disability

56. What is the A&A benefit?
   A. A special program providing a small cash benefit to financially needy wartime veterans who are 100% disabled from non-service connected causes
   B. A special additional program assisting survivors who are eligible for DIC benefits and are either living in a nursing facility or are housebound
   C. A special benefit paid to the surviving spouse of an armed forces member who died while either in service or from a service-connected disability after discharge
   D. A system of medical coverage for veterans

57. Which of the following is considered to be “Priority Group 4” by the VA?
   A. Veterans who are receiving aid and attendance or household benefits
   B. Gulf War veterans receiving care solely for Gulf War-related disorders not amounting to compensable disabilities
   C. Veterans with service-connected disabilities rated 50% or more disabling
   D. Veterans with service-connected disabilities rated 30% or 40% disabling

Chapter 12 – Medicare

58. What supplemental insurance policy pays much of what Medicare does not?
   A. Fee-for-service
   B. Medigap
   C. Medicaid
   D. Medicare Part D
59. What type of plans limit the health care providers a patient can use?
   A. Medigap
   B. Medicare Advantage
   C. Traditional Medicare
   D. Basic Medicare

60. Which of the following is called hospital insurance?
   A. Medicare Part D
   B. Medicare Part B
   C. Medicare Part A
   D. Medicare Advantage

61. What daily skilled nursing care service does Medicare cover?
   A. Personal convenience items such as television, radio, or telephone
   B. Private duty nurses
   C. All meals, including special, medically required diets
   D. A private room regardless of medical necessity

62. What home health care service is not covered by Medicare?
   A. Full-time nursing care
   B. Part-time skilled nursing care
   C. Physical therapy
   D. Speech therapy

63. What primarily determines how much Medicare Part A will pay?
   A. Whether or not the care is doctor-prescribed
   B. How many days of inpatient care you have during a spell of illness
   C. Whether or not the care is reasonable and necessary
   D. Whether or not you require hospice care

64. How many days does Medicare Part A hospital insurance cover in a lifetime for inpatient care in a specialty psychiatric hospital?
   A. 160 days
   B. 175 days
   C. 190 days
   D. 200 days

65. What is the “limiting charge” that a doctor or other medical provider can bill a Medicare patient?
   A. 8.00% more than the approved charge for a treatment or service
   B. 9.25% more than the approved charge for a treatment or service
   C. 10.00% more than the approved charge for a treatment or service
   D. 15.00% more than approved charge for a treatment or service

66. Which of the following qualifies a prescription drug payment as a TrOOP?
   A. A drug prescribed to low-income beneficiaries in Categories One, Two, or Three
   B. A drug prescribed to low-income beneficiaries in Category Four
   C. A prescription drug paid for by the beneficiary, a relative, a charity, church, or service organization but not by another insurance plan
   D. A drug prescribed by a physician that is not covered by the specific plan’s formulary

67. Which of the following can be defined as “a list of the drugs your plan covers?”
   A. Formulary
   B. First dollar
   C. FPG
   D. LIS

68. What is the gap within which Medicare beneficiaries must personally pay all of the cost of their prescription drugs known as?
   A. Out-of-pocket cost
   B. Fee-for-service
   C. Medigap
   D. Doughnut hole
69. What does Medicare require all Part D plans to include?
   A. An affiliation with SHIP
   B. A local Area Agency on Aging office
   C. A formulary with at least two drugs in each therapeutic class
   D. Catastrophic coverage

70. What treatment structure requires a patient try a less expensive drug before Medicare will cover a different drug in the same class?
   A. Step therapy
   B. Tiered copayments
   C. Prior authorization
   D. Out-of-network pharmacy

Chapter 13 – Medicare Procedures: Enrollment, Claims, and Appeals

71. When applying for Medicare, when would an applicant be eligible for Part B coverage if he/she waited to enroll more than three months after his/her 65th birthday?
   A. Part B coverage would start the date the applicant enrolled
   B. Enrollment and coverage for Part B would begin the following January 15th
   C. Enrollment and coverage for Part B would begin on the applicant's 66th birthday
   D. Enrollment will begin the following January 1st and coverage would begin after July 1st

72. Which of the following will result in the highest premium?
   A. Collecting Medicare Part B benefits younger than age 65 and in conjunction with Railroad Retirement
   B. Collecting Medicare Part B when 65 years old
   C. Waiting to enroll in Medicare Part B during one of the general enrollment periods instead of when turning 65
   D. Enrolling in Medicare Part B during an initial period of seven months, which begins three months before the month you turn 65

73. Which of the following requires paying the difference between what Medicare pays and the full amount of the doctor's bill, up to 15% more than the Medicare-approved amount?
   A. Health care provider does not accept assignment of the Medicare-approved charges
   B. You belong to an HMO
   C. Health care provider accepts assignment of Medicare-approved charges
   D. Medicare Part A covered part of the amount due

74. Which of the following makes the initial Medicare approval of whether treatment must be as an inpatient?
   A. Medicare Part A representative
   B. URC
   C. Ombudsman
   D. PRO

75. Which of the following will help mediate disputes between the patient and the hospital?
   A. Billing office
   B. Ombudsman
   C. Medicare representative
   D. Social Security Appeals Council

76. Which of the following is a group of doctors paid by Medicare to review the medical necessity and appropriateness of inpatient care?
   A. SHIP
   B. SHIBA
   C. URC
   D. PRO
77. If the Medicare intermediary denies the claim for payment of part of your inpatient bill, how many days do you have from the date you receive the denial notice to submit a request for reconsideration?
   A. 15 days
   B. 30 days
   C. 60 days
   D. 90 days

78. What is vital for successfully appealing a plan’s rule or decision?
   A. The support of a local SHIP or HICAP office
   B. Proving eligibility for a low-income subsidy
   C. The doctor presenting a convincing argument that the drug in question is “medically necessary”
   D. A redetermination hearing

79. What requires the amount in controversy to be at least $140?
   A. Reconsideration by an IRE
   B. An administrative hearing with an ALJ
   C. An appeal to the MAC
   D. An appeal to federal court

80. Which of the following may only switch Part D plans once a year during an open enrollment period?
   A. Dual eligibles
   B. Beneficiaries living in a long-term care nursing facility
   C. Low-income subsidy beneficiaries
   D. Enrollees with a history of appealing a plan’s decisions

Chapter 14 – Medigap Insurance

81. Which of the following is a gap in Medicare Part B?
   A. All foreign travel medical expenses
   B. A stay in a skilled nursing facility exceeding 50 days
   C. 30% of the approved cost of durable medical equipment for home health care
   D. 20% of the total charges for outpatient hospital services

82. What basic benefit is included in all standard medigap policies?
   A. 365 days hospital coverage after Medicare coverage ends
   B. Long-term care
   C. Medicare Part D
   D. Dental coverage

83. What type of supplemental insurance is partly fee-for-service and partly managed care?
   A. Medigap Plan E
   B. Medigap Plan F
   C. Medicare SELECT
   D. Medicare Plan C

84. Which Part B Medigap policy covers payment of 100% of what a doctor actually charges you above the Medicare-approved amount?
   A. Medigap Plan E
   B. Medigap Plan K
   C. Medigap Plan F
   D. Medigap Plan I

85. Which of the following compensates for offering partial coverage by providing a cap on an insured person’s out-of-pocket expenses?
   A. Medigap Plan H
   B. Medigap Plan K
   C. Medigap Plan J
   D. Medigap Plan I
86. Which of the following bases premiums entirely on age?
   A. Medicare SELECT policies
   B. Level premium policies
   C. Attained age policies
   D. Issue age policies

Chapter 15 – Medicare Part C: Medicare Advantage Plans

87. What must all plans cover under federal law?
   A. A network of hospitals and doctors
   B. Medicare Part D
   C. Access to specialists
   D. Emergency services nationwide

88. What is one of the main customer objections to managed care?
   A. Fee-for-service restriction
   B. Limited appeal rights
   C. Lack of prescription coverage
   D. Being required to visit your primary care physician to obtain specialist referrals

89. A few Medicare Advantage HMOs have a significant wrinkle that makes them more attractive, and more expensive, than standard HMO plans. These plans offer what?
   A. Higher reimbursement rates
   B. Lower out-of-pocket fees
   C. Point-of-service plan
   D. Expedited referral system

90. Which of the following is a group of medical providers that skips the insurance company middleman and contracts directly with patients?
   A. PSO
   B. PPO
   C. HMO
   D. SHIP

91. Which of the following is not a disadvantage of Medicare Advantage Fee-for-Service Plans?
   A. Strict rules for providers
   B. Extra costs
   C. Lack of predictable care
   D. Offers many additional services

92. Which of the following applies to a managed care plans?
   A. All Medicare-approved doctors are covered
   B. All Medicare-approved specialists are covered
   C. A copayment is required for most services
   D. Dental is not covered

93. In which of the following situations would an applicant have an unqualified right to join any Medicare Advantage plan?
   A. Within the first month of enrolling in both Part A and Part B of Medicare
   B. Within the first three months of enrolling in both Part A and Part B of Medicare
   C. Within the first six months of enrolling in both Part A and Part B of Medicare
   D. Any time after enrolling in both Part A and Part B of Medicare

94. What is the required number of days for giving a written notice for leaving a Medicare Advantage plan?
   A. 15 days
   B. 30 days
   C. 45 days
   D. 90 days
Chapter 16 – Medicaid and State Supplements to Medicare

95. What qualifies an enrollee as categorically needy?
   A. Income and assets must be at or below certain dollar amounts
   B. Individual earnings must be between $800 and $1,200 per month
   C. Individual cash and other assets can’t be more than $4,000
   D. You don’t own your own home

96. What term is used to define the process of subtracting actual medical bills from income and assets?
   A. Break-even point
   B. Medically needy
   C. Spending down
   D. Copayment

97. What is not considered in deciding your Medicaid eligibility?
   A. Income and assets of the enrollee
   B. Income and assets of the enrollee’s spouse
   C. Income and assets of an ex-spouse who helps support the enrollee
   D. Income and assets of the enrollee’s children

98. Which of the following is not 100% covered by Medicaid?
   A. Inpatient hospital care
   B. Outpatient hospital care
   C. Home health care
   D. Chiropractic care

99. Which of the following is not required for Medicaid coverage?
   A. Medical service received must be prescribed by a doctor
   B. Provider must be participating in Medicaid
   C. Dual eligibility
   D. Treatment must be medically necessary

100. Which of the following is eligible for the Qualified Medicare Beneficiary program?
    A. An enrollee with income slightly above the Federal Poverty Guidelines
    B. An enrollee with income 20% above the Federal Poverty Guidelines
    C. An enrollee with income 50% above the Federal Poverty Guidelines
    D. An enrollee with a counted monthly income under $2,000

Thank you for taking our course.
We hope you enjoyed it.
Social Security, Medicare and Pensions
Course Number: FP133321
Qualifies for 20 hours of CPE credit

Name as it should appear on your Certificate:

___________________________________________________

License State(s): ___________________________________

License Number: __________________________________

Date Course Completed: ___________________________

* Answer each question A, B, C, or D, as appropriate.
* Be sure you are answering questions from the Final Examination, not from the Study Guide
* For instant online grading, go to www.cpestore.com and click the link for Online Services

1. __  21. __  41. __  61. __  81. __
2. __  22. __  42. __  62. __  82. __
3. __  23. __  43. __  63. __  83. __
4. __  24. __  44. __  64. __  84. __
5. __  25. __  45. __  65. __  85. __
6. __  26. __  46. __  66. __  86. __
7. __  27. __  47. __  67. __  87. __
8. __  28. __  48. __  68. __  88. __
9. __  29. __  49. __  69. __  89. __
10. __  30. __  50. __  70. __  90. __
11. __  31. __  51. __  71. __  91. __
12. __  32. __  52. __  72. __  92. __
13. __  33. __  53. __  73. __  93. __
14. __  34. __  54. __  74. __  94. __
15. __  35. __  55. __  75. __  95. __
16. __  36. __  56. __  76. __  96. __
17. __  37. __  57. __  77. __  97. __
18. __  38. __  58. __  78. __  98. __
19. __  39. __  59. __  79. __  99. __
20. __  40. __  60. __  80. __  100. __

If you are mailing or faxing your test to us for grading, please fill in Member ID __________ and Validation number ___________________.

Where should we send your results?

___________________________________________________

___________________________________________________

___________________________________________________

___________________________________________________

Page 1 of 1
Course Evaluation
Course # ________________
Your Name ______________________

About the Course

Were the stated learning objectives met?
1 - Not at all  2 - Marginally  3 - Somewhat  4 - Mostly  5 - Absolutely

If applicable, were prerequisite requirements appropriate and sufficient?
1 - Not at all  2 - Marginally  3 - Somewhat  4 - Mostly  5 - Absolutely  N/A

Was the text well-written, accurate and easy to understand?
1 - Not at all  2 - Marginally  3 - Somewhat  4 - Mostly  5 - Absolutely

Was the final exam well-written, accurate and easy to understand?
1 - Not at all  2 - Marginally  3 - Somewhat  4 - Mostly  5 - Absolutely

Were course materials relevant and did they contribute to the achievement of the learning objectives?
1 - Not at all  2 - Marginally  3 - Somewhat  4 - Mostly  5 - Absolutely

Was the time allotted to the learning activity appropriate?
1 - Not at all  2 - Marginally  3 - Somewhat  4 - Mostly  5 - Absolutely

If applicable, were the individual instructors effective?
1 - Not at all  2 - Marginally  3 - Somewhat  4 - Mostly  5 - Absolutely  N/A

About the Service

Were you satisfied with the ordering process?
1 - Not at all  2 - Marginally  3 - Somewhat  4 - Mostly  5 - Absolutely

Were your course materials in good condition when they arrived?
1 - Not at all  2 - Marginally  3 - Somewhat  4 - Mostly  5 - Absolutely

Did you receive your materials in a timely manner?
1 - Not at all  2 - Marginally  3 - Somewhat  4 - Mostly  5 - Absolutely

About You

What is your preferred method for completing your CPE?
1 - Textbook  2 - PDF materials downloaded from the internet  3 - Online courses  4 - Live seminars

Would you like us to notify you by email of our weekly specials and new courses?
1 - No  2 - Yes, my email address is _____________________________________  3 - Already receiving

Comments Please

Are there any particular topics you would like to see covered in a CPE course or any additional services you would like to see us provide?

Please provide any additional feedback, either positive or negative, regarding our products or our service: