Compliance & Ethics – Knowledge Check

Instructions

Select the best answer for each question.

Question 1

What does compliance mean in health insurance sales?

A. Selling the cheapest plan available
B. Following all laws, regulations, and carrier rules
C. Helping clients qualify by any means necessary
D. Doing what the client prefers regardless of rules

Question 2

Which best describes ethics?

A. Following state insurance laws only
B. Doing what results in the highest commission
C. Doing the right thing, even when no one is watching
D. Letting carriers make all decisions

Question 3

Which action is NEVER acceptable?

A. Explaining deductibles and copays
B. Correcting an application error
C. Guessing income to qualify a client
D. Allowing a client time to decide

Question 4

Why are compliance and ethics important?

A. They only affect the agency, not the agent
B. They help speed up enrollments

C. They protect clients, licenses, and long-term success
D. They are optional if the client agrees

Question 5

Which information must always be accurate on an application?

A. Income and household size
B. Employment status
C. Residency information
D. All of the above

Question 6

What should an agent do if unsure about a rule or eligibility?

A. Submit the application anyway
B. Change information to avoid delays
C. Pause and verify before proceeding
D. Let the client decide

Question 7

Which statement is compliant and ethical?

A. “This plan covers everything.”
B. “You will never get a bill.”
C. “Let’s review what this plan does and does not cover.”
D. “This is the best plan for everyone.”

Question 8

What is an ethical sales practice?

A. Pressuring the client to enroll immediately
B. Educating the client and respecting their decision
C. Avoiding discussion of deductibles
D. Focusing only on commission

Question 9

What type of client information must be protected?

A. Social Security numbers
B. Medical information
C. Income details
D. All of the above

Question 10

Why is documentation important?

A. It increases commission payouts
B. It protects both the client and the agent
C. It is only required for ACA plans
D. It replaces compliance training

Question 11

Which is a common compliance mistake?

A. Explaining plan options clearly
B. Allowing questions
C. Rushing an enrollment
D. Documenting conversations

Question 12

What is the best overall approach to compliance and ethics?

A. Move quickly and fix issues later
B. Let the client decide everything without guidance
C. Put the client first and follow the rules
D. Focus on closing the sale

Answer Key (For Trainer Use)

1. B
2. C

3. C
4. C
5. D
6. C
7. C
8. B
9. D
10. B
11. C
12. C