

INSURANCE EXAMINATION CUT SCORES

Each Michigan insurance examination requires the candidate to successfully answer a specific percentage of the test items correctly. The cut score, or percentage of correct answers, for each examination has been established on a criterion-referenced basis. This means that minimal entry-level competence on these exams is based upon a candidate knowing the material necessary for the first day on the job. A minimally competent entry-level individual is one who has just enough knowledge and skill to perform the job and should pose no harm to the public.

Subject Matter Experts (SMEs) were asked to review each item on the examination and to estimate the proportion of minimally competent licensees who would answer the item correctly. These estimates were accumulated statistically to form an estimate of the level at which the cut score should be set. Every item appearing on our examinations was reviewed, approved, and rated by the Michigan SMEs.

The following table shows the number of items on each test and the cut score for each exam. The cut score is based upon the judgments of the experts, incorporating their knowledge and understanding of the industry along with the knowledge needed by a newly licensed individual.

Examination Title	Test Length	Cut Score	Effective date
Accident and Health Counselor	110	82%	10/10/2013
Accident and Health Producer	100	75%	1/1/2013
Casualty Producer/Solicitor	100	73%	1/10/2013
Credit Insurance Producer	40	73%	1/10/2013
Independent Adjuster with Workers' Compensation Authority	100	68%	1/23/2013
Independent Adjuster without Workers' Compensation Authority	100	70%	1/23/2013
Life Counselor	110	80%	1/10/2013
Life Producer	100	72%	1/1/2013
Life, Accident and Health Producer	150	73%	1/1/2013
Life, Variable Life and Annuities Producer	130	74%	1/10/2013
Limited Lines Property and Casualty Producer	50	72%	1/10/2013
Personal Lines Producer	100	78%	1/10/2013
Property and Casualty Counselor	150	81%	1/10/2013
Property and Casualty Producer/Solicitor	150	73%	1/1/2013
Property Producer/Solicitor	100	74%	1/10/2013
Public Adjuster	100	70%	1/23/2013
Surety and Fidelity	50	70%	10/10/2013
Surplus Lines Producer	60	77%	8/1/2013
Title Insurance Producer	60	73%	1/10/2013
Variable Life and Annuities Producer	60	73%	1/1/2013

If there are any questions regarding this information, you may contact Adryne Boynton of the Department of Insurance and Financial Services by email at boyntona1@michigan.gov or by phone at 877-999-6442.