

INSURANCE EXAMINATION CUT SCORES

The cut score 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.

During 2019 PSI conducted a job analysis of the industry in Michigan, and test development continued throughout the year. Some of the examination content has changed slightly based upon the data collected through the job analysis. Additionally, the cut scores for each examination may have also changed based upon these data. (To obtain revised content outlines visit www.psiexams.com/DIFS, select [Government/State Licensing Agencies](#), then Select Jurisdiction: Michigan; Select Account: MI Insurance. The examination content outlines can be found under Information Links on the right side of the page.)

Subject Matter Experts (SMEs) were asked to review each item 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 exams 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 & Health Counselor	110	82%	5/1/2020
Accident and Health Producer	100	76%	5/1/2020
Casualty Producer/Solicitor	100	74%	5/1/2020
Credit Insurance Producer	40	75%	5/1/2020
Independent Adjuster with Workers' Compensation Authority	100	70%	5/10/2020
Independent Adjuster without Workers' Compensation Authority	100	70%	5/1/2020
Life Counselor	110	80%	5/1/2020
Life Producer	100	72%	5/1/2020
Life, Accident and Health Producer	150	75%	5/1/2020
Life, Variable Life and Annuities Producer	130	73%	5/1/2020
Limited Lines Property and Casualty Producer	50	75%	5/1/2020
Personal Lines Producer	100	75%	5/1/2020
Property and Casualty Counselor	150	80%	5/1/2020
Property and Casualty Producer/Solicitor	150	74%	5/1/2020
Property Producer/Solicitor	100	75%	5/1/2020
Public Adjuster	100	71%	5/1/2020
Surety & Fidelity	50	70%	5/1/2020
Surplus Lines Producer	60	77%	5/1/2020
Title Insurance Producer	60	74%	5/1/2020
Variable Life and Annuities Producer	60	74%	5/1/2020

Please Note: Items have been updated, effective July 2, 2020, to reflect the 2020 changes to Michigan No-Fault Laws.

If there are any questions regarding this information, you may contact Krystal Badyrka of Department of Insurance and Financial Services at badyrkak@michigan.gov, or by phone 877.999.6442.