Annual Report of
Life Insurance Examinations
Calendar Year 2008

OVERVIEW

This report was prepared according to the provisions of section 626.2415, Florida Statutes, and will be published annually using data from the current contracted testing vendor.

> **626.2415 Annual report of results of life insurance examinations.**--
>
> (1) No later than May 1 of each year, the department or a person designated by the department shall prepare, publicly announce, and publish a report that summarizes statistical information relating to life insurance agent examinations administered during the preceding calendar year.

The demographic information contained in this report was voluntarily submitted by applicants for the life and variable annuity insurance license. The purpose of this report is to aid the Department in improving the quality and fairness of the insurance examinations.

SCOPE OF WORK

This report was developed for the Florida Department of Financial Services. The report summarizes demographic statistical data, voluntarily self reported by the applicants, relating to the life and variable annuity insurance exams administered in 2008 by Pearson VUE. The report also includes summary statistical information relating to each life insurance test form administered from January 1, 2008 to December 31, 2008.

METHODS

The data included in this report are for exams administered from January through December 2008. Forms were published on November 1, 2007 and were administered for the entirety of 2008. A total of 6,239 candidates tested in 2008.

Table 1 includes the following information for all examinees – combined and separately – by race or ethnicity, gender, race or ethnicity within gender, education level, and native language:

1. The total number of examinees.
2. The percentage and number of examinees who passed.
3. The mean scaled score on the examination.
4. Standard deviation of scaled scores on the examination.

Table 2 shows the number of candidates who tested, the correct answer rates, and point-biserial correlations for all candidates. It also shows African American examinees, White examinees, American Indian examinees, Asian examinees, Hispanic examinees, and Other examinees for each separate test form.

CONCLUSIONS

There are differences in pass rates for several of the groups reported in Table 1. Candidates who self-identify as African American, Hispanic, and Other have a pass rate lower than the mean, while the White, American Indian, and Asian candidates have a pass rate higher than the mean. Male candidates have a pass rate slightly higher than the mean, while female candidates have a pass rate slightly lower than the mean. As education level increases, the percent passing the test also increases. Native English speakers showed pass rates above the mean, while native speakers of Spanish or other languages showed pass rates below the mean. There were significantly fewer missing responses regarding native language and education level in 2008 compared with 2007.

Table 1. All Life and Variable Annuity Examinees

		Total	Passing Candidates		Scaled Score	
			%	N	Mean	SD
All Candidates		6239	39.9	2490	65.51	12.43
Race or Ethnicity						
	African American	1652	32.4	536	63.71	12.06
	White	2024	51.7	1046	69.35	11.49
	American Indian	12	58.3	7	67.92	12.43
	Asian	122	41.0	50	66.92	11.60
	Hispanic	1900	34.6	657	63.24	12.74
	Other	349	33.8	118	63.84	12.50
	No Response	180	42.2	76	64.97	12.93
Gender						
	Male	3191	41.4	1322	65.99	12.16
	Female	3004	38.2	1149	64.99	12.72
	No Response	44	43.2	19	66.75	11.35
Race or Ethnicity within Gender						
Male						
	African American	818	32.4	265	63.74	11.78
	White	1103	53.3	588	69.69	11.48
	American Indian	4	75.0	3	70.75	8.34
	Asian	80	33.8	27	65.51	11.50
	Hispanic	957	36.2	346	63.83	12.28
	Other	151	37.7	57	64.59	12.16
	No Response	78	46.2	36	66.79	12.21
Female						
	African American	824	32.6	269	63.66	12.37
	White	921	49.7	458	68.95	11.51
	American Indian	8	50.0	4	66.50	14.35
	Asian	42	54.8	23	69.60	11.43
	Hispanic	926	32.6	302	62.55	13.17
	Other	189	30.2	57	63.17	12.74
	No Response	94	38.3	36	63.27	13.45
No Response						
	African American	10	20.0	2	65.50	8.46
	Hispanic	17	52.9	9	68.12	11.84
	Other	9	44.4	4	65.22	13.78
	No Response	8	50.0	4	67.13	12.31

Education Level						
	Some High School	102	17.6	18	57.85	11.78
	High School Degree	1150	28.3	325	61.98	12.17
	Some College	2994	37.6	1126	65.03	11.98
	College Degree	1275	51.7	659	68.71	12.39
	Graduate Degree	370	54.1	200	69.45	12.40
	No Response	348	46.6	162	67.69	12.80
Native Language						
	English	4003	44.3	1773	67.46	11.35
	Spanish	1323	32.3	427	61.70	13.27
	Other	335	31.6	106	62.00	14.45
	No Response	578	31.8	184	62.80	13.37

Table 2. Life and Variable Annuity Examination Performance by Form

		Test Form					
		1	2	3	4	5	Total
All Candidates	N	1273	1255	1206	1279	1226	6239
	Correct Answer Rate[1]	0.66	0.67	0.65	0.66	0.65	0.66
	Correlation[2]	0.24	0.25	0.25	0.24	0.26	0.25
African American	N	336	325	322	339	330	1652
	Correct Answer Rate[1]	0.64	0.65	0.63	0.64	0.64	0.64
	Correlation[2]	0.21	0.23	0.23	0.23	0.25	0.23
White	N	432	409	386	401	396	2024
	Correct Answer Rate[1]	0.70	0.69	0.69	0.70	0.69	0.69
	Correlation[2]	0.23	0.23	0.25	0.23	0.22	0.23
American Indian	N	3	4	0	3	2	12
	Correct Answer Rate[1]	0.64	0.72		0.60	0.78	0.68
	Correlation[2]	0.15	0.21		0.50	0.18	0.28
Asian	N	21	24	29	28	20	122
	Correct Answer Rate[1]	0.69	0.69	0.64	0.68	0.67	0.67
	Correlation[2]	0.21	0.18	0.26	0.19	0.26	0.22
Hispanic	N	370	387	364	399	380	1900
	Correct Answer Rate[1]	0.63	0.65	0.64	0.63	0.62	0.63
	Correlation[2]	0.24	0.26	0.23	0.25	0.27	0.25
Other	N	72	69	74	68	66	349
	Correct Answer Rate[1]	0.61	0.66	0.65	0.63	0.65	0.64
	Correlation[2]	0.22	0.25	0.25	0.26	0.22	0.24
No Response	N	39	37	31	41	32	180
	Correct Answer Rate[1]	0.64	0.66	0.62	0.69	0.63	0.65
	Correlation[2]	0.29	0.26	0.27	0.22	0.25	0.26

Note: [1] Average percent correct for items on exam; [2] Average point-biserial correlation for items on exam