

***Healthcare Financial Management - Applied
Concepts and Practical Analyses 1st edition Henson
Test Bank***

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Module I: Healthcare Industry Framework

Chapter 2: Healthcare Sector, Supporting Industries, and System Organization Test Bank Questions

1. In 2021, the United States' health expenditure was approximately:

- *A) \$4.2 trillion
- B) \$2.4 trillion
- C) \$19.7 trillion
- D) \$42 trillion

Rationale: A) The United States' health expenditure in 2021 was approximately 4.2 trillion. B) The United States' health expenditure was not \$2.4 trillion in 2021. C) The United States' health expenditure in 2021 was \$4.2 trillion, representing 19.7% of the gross domestic product. D) The United States' health expenditure in 2021 was not \$42 trillion.

2. Which of the following statements is NOT true about the healthcare sector?

- *A) Banks represent the financial services for the healthcare sector.
- B) Medical equipment helps clinicians and health providers administer proper medical care.
- C) Independent claims processing and billing services assist in submitting claims accurately.
- D) Various types of technology are used to deliver care from a distance.

Rationale: A) Banks represent the financial services sector and provide financial support to the healthcare sector. B) Medical products and medical equipment are included in the healthcare supplier industry and help clinicians and healthcare providers administer proper medical care as needed. C) Independent claims processing and billing services help healthcare providers and facilities submit medical claims accurately and in a timely fashion. D) Telemedicine allows providers to use various types of technology to deliver care from a distance.

3. Which of the following is NOT an example of a primary care physician?

- *A) Dermatologist
- B) Physician assistant
- C) Dentist
- D) Optometrist

Rationale: A) A dermatologist is an example of a specialist that steps in after the patient receives a referral from their primary care physician. B) A physician assistant is an example of a clinician serving as the first point of contact during a medical visit. C) A dentist is an example of a clinician serving as the first point of contact. (D) An optometrist is an example of a clinician serving as the first point of contact.

4. Which of the following statements is true about the services provided by a specialist?

- *A) A patient is seen by a gastroenterologist for frequent bowel movements and sharp pains in the abdomen.
- B) A patient is seen by a nurse practitioner for fever and sore throat.
- C) A patient is seen in the office by an internal medicine physician for heart palpitations.
- D) A 6-month-old boy is seen by a pediatrician for complaints of fever and ear pain.

Rationale: A) A gastroenterologist is a specialist who sees patients for digestive issues after being referred by the patient's primary care physician. B) A licensed nurse practitioner is an example of a clinician serving as the first point of contact during a medical visit and would refer patients who may need care from a specialist. C) An internal medicine physician is an example of a provider who would first see the patient to determine if more care from a specialist is needed. D) A pediatrician is another example of a first point of contact provider who would see patients and refer them to a specialist if needed.

5. Which two facilities would see patients where inpatient stays are NOT needed?

- *A) Urgent care centers and ambulatory surgery centers
- B) Ambulatory surgery centers and imaging centers
- C) Diagnostic centers and urgent care centers
- D) Skilled nursing facilities and imaging centers

Rationale: A) Ambulatory surgery centers and outpatient clinics (including urgent care centers) provide care to patients where inpatient stays are not needed. B) Ambulatory surgery centers perform minor, minimally invasive surgical procedures, leaving patients to recover at home, while imaging centers provide services that use technology to look inside the body. C) Diagnostic centers provide services that use technology to look inside the body, while urgent care centers see patients with nonemergent healthcare concerns that may be treated with standard care. D) Skilled nursing facilities provide medical care to patients discharged from hospitals who cannot care for themselves, such as the elderly or disabled, while imaging centers provide services that use technology to look inside the body.

6. Which of the following is true about primary care providers? (Choose all that apply.)

- *A) The place where primary care providers provide care is a medical office.
- B) Primary care providers are clinical professionals providing specialized diagnosis and treatment.
- C) An orthodontist is an example of a primary care provider.
- *D) Nurse practitioners and physician assistants may practice independently.

Rationale: A) The private practice or medical office is usually the place where primary care providers provide care. B) Specialists are clinical professionals providing specialized diagnosis and treatment. C) An orthodontist is an example of a specialist who would receive referrals from a dentist for more specialized care and treatment. D) Depending on a state's licensure and medical practice laws, nurse practitioners and physician assistants may practice independently, without the supervision of a medical doctor.

7. Which of the following is NOT true about addressing the cost of healthcare? (Choose all that apply.)

- *A) The underlying causes of illnesses
- B) The healthcare product research and development
- C) The service availability and location
- *D) The quality of patient interactions with healthcare providers

Rationale: A) The first aim of the Triple Aim is to improve population health and address the underlying causes of illnesses. B) There are many contributing factors to the cost of care, such as healthcare product research and development. C) There are many contributing factors to the cost of care, such as service availability and location. D) The second aim, improve patient experience, focuses on the quality of patient interactions with healthcare providers.

8. Which of the following is NOT an environmental factor that impacts healthcare?

- *A) Management of chronic illnesses
- B) Employment status
- C) Income
- D) Household dynamics

Rationale: A) The management of chronic illnesses is included in population health. B) Employment status is an environmental factor that impacts healthcare. C) Income is an environmental factor that impacts healthcare. D) Neighborhood and household dynamics are environmental factors that impact healthcare.

9. Which of the following is NOT a secondary level of care? (Choose all that apply.)

- *A) A patient seen for sore throat and fever
- *B) A patient diagnosed with low back pain and referred for physical therapy
- C) A patient seen in the emergency room and admitted to the ICU for heart issues
- *D) A patient discharged from a hospital and admitted to a skilled nursing facility for rehabilitation

Rationale: A) Primary care physicians are usually the patient's first encounter or interaction for healthcare services in an office or nonemergent setting; the primary care provider assesses the patient's condition and determines if additional services may be needed. B) The patient was referred to physical therapy, a tertiary level of care that focuses on one specific area or type of care. C) This scenario describes emergent care for a serious health condition requiring hospitalization, which is the definition of secondary care. D) This scenario describes tertiary level of care where care is specifically focused on rehabilitation.

10. Which of the following is an example of a center of excellence? (Choose all that apply.)

- *A) An assisted living facility with memory care services
- *B) A bariatric surgery center
- C) A primary care medical office
- D) A long-term care facility

Rationale: A) An assisted living facility with memory care services would be an example of a center of excellence. B) A bariatric surgery center would be another example of a center of excellence. C) A primary care medical office serves as the gatekeepers for entry into the healthcare system. D) A long-term care facility without focused services, such as memory care, is not an example of a center of excellence.

11. The ownership of healthcare organizations that perform the same services within the healthcare system is:

- *A) Horizontal integration
- B) Vertical integration
- C) Tertiary care
- D) Secondary care

Rationale: A) Horizontal integration is the ownership of healthcare organizations that perform the same services within the healthcare system. B) Vertical integration is the ownership of organizations that perform various functions at various levels within the healthcare delivery system. C) Tertiary care is a level of care that is provided by the specialists of the sector,

whose focus is one specific area or type of care. D) Secondary care is the level of care provided for more serious health conditions requiring hospitalization or minor surgery.

12. Which of the following is an example of a support service in the healthcare system?

- *A) Medical transport service
- B) Laboratory center
- C) Ambulatory surgery center
- D) Primary care physician

Rationale: A) Medical transport service is a support service that provides critical service to those in emergency situations as well as those who may be immobile. B) A laboratory center is a healthcare facility that assists with further diagnosis and treatment at the request of the physician. C) An ambulatory surgery center is a facility that performs minor, minimally invasive surgical procedures. D) A primary care physician is often the first point of contact of the patient and is the gatekeeper for entry into the healthcare system.

13. Which of the following statements is NOT true about healthcare suppliers?

- *A) Durable medical equipment companies assist with further diagnosis and treatment.
- B) Instrumentation and machinery used in the diagnosis and treatment of patients are supplied by medical device and technology companies.
- C) Durable medical equipment requires an official provider's order for distribution.
- D) Durable medical equipment includes certain medical supplies and such items as hospitals and wheelchairs used in a patient's home.

Rationale: A) Durable medical equipment is most associated with home healthcare services, as it often aids with care and treatment outside of a standard medical facility. B) Medical device and technology companies are healthcare suppliers that supply instrumentation and machinery used in the diagnosis, treatment, and monitoring of patient illness and injury. C) It is true that durable medical equipment still requires an official provider's order for distribution. D) Durable medical equipment includes items such as prosthetics, portable oxygen, and hospital beds.

14. The nonmedical factors that impact a person's health and wellness outcomes are called:

- *A) Social determinants of health
- B) Horizontal integration
- C) Level of care
- D) Triple Aim

Rationale: A) Social determinants of health include the nonmedical factors that impact a person's health and wellness outcomes. B) Horizontal integration is the ownership of healthcare organizations that perform the same services within the healthcare system. C) Level of care represents the grouping of providers and facilities organized by their typical occurrence in the healthcare process. D) Triple Aim is a concept that frames healthcare organizations' efforts in providing the best healthcare possible.

15. Which of the following statements is true about the second aim?

- *A) The second aim includes communication and sharing of information during the visit.
- B) The second aim addresses environmental factors such as employment status.
- C) The second aim is the only aim that influences the healthcare sector and its approach to service delivery.

D) The second aim includes contributing factors such as material resource expenses.
Rationale: A) The second aim, to improve patient experience, focuses on the quality of patient interactions with healthcare providers, including communication and information shared during the visit. B) The first aim focuses on improving population health and addresses environmental factors such as employment status. C) All three of the Triple Aim focal points influence the healthcare sector and how it approaches healthcare service delivery. D) The third aim addresses the cost of healthcare with contributing factors such as material resource expenses.

16. Which of the following statements is true about the first aim?

- *A) The first aim includes implementing strategies for prevention.
- B) The first aim focuses on patient interactions with primary care providers.
- C) The first aim addresses customer interactions with insurance companies.
- D) The first aim focuses only on the patient.

Rationale: A) The first aim focuses on improving population health and includes strategies for prevention, early detection, and mitigation. B) The second aim focuses on the improvement of patient experience, which includes the quality of patient interactions with healthcare providers. C) The second aim focuses on the overall patient experience, which includes customer service and interactions with the provider, supporting services, and insurance companies. D) The patient is the focus of the healthcare sector, with all three aims directly impacting the patient and the care received.

17. Which of the following is NOT true about a vertically integrated system? (Choose all that apply.)

- *A) The vertically integrated system is designed to improve cost efficiency.
- B) The vertically integrated system is organized to perform various functions at various levels within the healthcare delivery system.
- C) The vertically integrated system is designed to reduce wait times and delays.
- *D) The vertically integrated system is organized to perform the same services within the healthcare system.

Rationale: A) The vertically integrated system is not designed to improve cost efficiency. B) It is true that the vertically integrated system is organized to perform various functions at various levels within the healthcare delivery system. C) The vertically integrated system has the potential to improve and reduce wait times and delays. D) The vertically integrated system is not organized to perform the same services within the healthcare system.

18. A larger nursing home chain buying smaller community-based nursing homes is an example of:

- *A) Horizontal integration
- B) Primary care provider
- C) Vertical integration
- D) Supplier

Rationale: A) A larger nursing home chain buying smaller community-based nursing homes is an example of a horizontal integration. B) Primary care providers are often the patient's first point of contact. C) A larger hospital buying community-based primary care physician practices, specialist practices, imaging facilities, and local suppliers is an example of a vertical integration. D) A supplier provides healthcare goods that cover a wide range of materials utilized in the delivery of healthcare.

19. Which of the following is NOT a main domain of social determinants of health?

*A) Improve patient experience

B) Economic stability

C) Physical environment

D) Education

Rationale: A) The second aim of the Triple Aim is to improve patient experience. B) Economic stability is a main domain of social determinants of health. C) Physical environment is a main domain of social determinants of health. D) Education is a main domain of social determinants of health.

20. Which facility can improve hospital emergency room wait times and utilization of resources in the emergency departments?

*A) Outpatient clinics

B) Ambulatory surgery centers

C) Laboratory centers

D) Skilled nursing facilities

Rationale: A) The availability of outpatient clinics in a community can improve hospital emergency room wait times and utilization of resources in the emergency departments. B) Ambulatory surgery centers perform minor, minimally invasive surgical procedures, leaving patients to recover at home. C) Laboratory and diagnostic centers perform services at the request of the primary care physician and assist with further diagnosis and treatment. D) Skilled nursing facilities provide medical care to patients discharged from hospitals who cannot care for themselves, such as the elderly or disabled.