

Test Bank for Fordney's Medical Insurance and Billing 17th Smith

TEST BANK SAMPLE PREVIEW

PUBLISHER

EVOLVE

COPYRIGHT

2026

RESOURCE TYPE

Test Bank

ISBN

9780443110450

Test Bank - Chapter 01

Q: The primary goal of an insurance billing specialist is:

- A. to manage the health care organization's billing office
- B. to ensure the cash flow of a health care organization through revenue cycle management (Correct)**
- C. to send bills to patients for services they receive
- D. to post payments received from patients and insurance carriers

Q: Facility billing includes charging for medical services provided by:

- A. physicians
- B. laboratory services
- C. ambulance services
- D. ambulatory surgical centers (Correct)**

Q: A claims assistance professional

- A. works for the consumer. (Correct)**
- B. works for the health care organization.
- C. works for an insurance company.
- D. works for the federal government.

Q: What is "cash flow" in a medical practice?

- A. The actual money available to a medical practice (Correct)**
- B. The amount of money received by a medical practice in 1 day
- C. The amount of money received by a medical practice in 1 month
- D. The amount of outstanding money on the accounts receivable

Q: Which level of education is generally required for one who seeks employment as an insurance coder?

- A. College diploma
- B. High school diploma
- C. Completion of an accredited program for coding certification (Correct)**
- D. No specific level of education is required

Q: The amount of money an insurance billing specialist earns is dependent on which of the following factors?

- A. Knowledge
- B. Experience
- C. Size of employing institution
- D. All are correct (Correct)**

Q: A self-employed medical insurance biller who does independent contracting is responsible for

- A. advertising.
- B. billing.
- C. accounting.

D. All are correct. (Correct)

Q: Medical etiquette refers to

A. consideration for others. (Correct)

B. moral principles or practices.

C. laws.

D. the Oath of Hippocrates.

Q: The process of shortening words and using abbreviations that do not follow standard grammar, spelling and punctuation when writing electronic mail communications is referred to as:

A. emoticons

B. abbreviations

C. text speak (Correct)

D. short text

Q: Professional ethics include

A. state laws.

B. federal laws.

C. standards of conduct. (Correct)

D. civil torts.

Q: The earliest written code of ethical principles for the medical profession is the

A. Oath of Hippocrates.

B. Socratic oath.

C. Code of Hammurabi. (Correct)

D. Medicolegal oath.

Q: What is the name of the modern code of ethics that the American Medical Association (AMA) adopted in 1980?

A. The Modern Standards of Conduct Code

B. The Principles of Medical Ethics (Correct)

C. The Oath of Hippocrates

D. The *American Medical Association Code of Ethics*

Q: Reporting incorrect information to government-funded programs is

A. unethical.

B. illegal. (Correct)

C. abuse.

D. fraud.

Q: The doctrine stating that physicians are legally responsible for both their own conduct and that of their employees is known as

A. *respondeat superior*.

B. let the master answer.

C. vicarious liability.

D. All are correct. (Correct)

Q: What is the independent contractor's liability if they operate their own medical insurance billing company?

A. None. The professional liability insurance of the company they contract with will cover them.

B. The independent contractor is liable and should purchase errors and omissions insurance. (Correct)

Q: ___ is the total income produced by a health care organization.
(Fill in the blank)

Answer: Revenue

Q: An individual health care provider's patient charts which includes notes and information collected by them is referred to as the: ___
(Fill in the blank)

Answer: Medical record

Q: Information collected from clinicians in all health care organizations who are involved in a patient's care which is made available to all authorized clinicians to access when providing patient care is the: ___
(Fill in the blank)

Answer: Health record

Q: Charging for services done in hospitals, acute care hospitals, skilled nursing or long-term care facilities, rehabilitation centers, or ambulatory surgical centers is known as ___ billing.
(Fill in the blank)

Answer: facility

Q: Charging for services performed by physicians, nurse practitioners, licensed clinical social workers and physical therapists is known as ___ billing.
(Fill in the blank)

Answer: professional

Q: Individuals who are employed by an insurance carrier and whose role is to analyze and process incoming claims, checking them for validity and determining if the services were reasonable and necessary are referred to as ___.
(Fill in the blank)

Answer: claims examiners

Q: Individuals who work for consumers and help patients organize, file and negotiate health insurance claims. ___
(Fill in the blank)

Answer: Claims assistance professionals

Q: Patients who do not have any medical insurance and are liable for the entire bill are referred to as ___ patients.
(Fill in the blank)

Answer: self-pay

Q: Transmitting, receiving, storing, and forwarding of text, voice messages, attachments, or images by computer from one person to another is referred to as ___ mail.
(Fill in the blank)

Answer: electronic

Q: Standards of conduct by which an insurance billing specialist determines the propriety of his or her behavior in a relationship are known as medical _____.
(Fill in the blank)

Answer: ethics

Q: The Greek physician known as the Father of Medicine devised the _____.
(Fill in the blank)

Answer: Oath of Hippocrates

Q: Most health care professionals have a well-defined _____ which easily draws a boundary on things which the professional can do and things they are not supposed to do.
(Fill in the blank)

Answer: scope of practice

Q: *Respondeat superior*, which literally means "let the master answer," is also known as _____ liability.
(Fill in the blank)

Answer: vicarious

Q: _____ insurance should be purchased by independent contractors to protect them in the loss of money that may be caused by their preparation or submission of an insurance claim.
(Fill in the blank)

Answer: Errors and omission

Q: Insurance billing specialists should confirm with their health care employer, as to whether the organization's _____ insurance will protect them if they are brought to litigation by the state or federal government.
(Fill in the blank)

Answer: Professional liability or malpractice

Q: Over the years, medical billing has become extraordinarily complex.

- A. True (Correct)**
- B. False

Q: The health care industry is one of the most heavily regulated industries in the United States.

- A. True (Correct)**
- B. False

Q: The insurance billing specialist is required to understand the function of the billing department; however, other departments are typically not their concern.

- A. True

B. False (Correct)

Q: Documenting pertinent clinical notes in the patient's medical record is often performed by the insurance billing specialist.

A. True

B. False (Correct)

Q: Generally, a high school diploma is not required for an insurance billing specialist.

A. True

B. False (Correct)

Q: According to the US Bureau of Labor Statistics employment in the field of medical billing is expected to increase after the next 10 years due to the aging population.

A. True

B. False (Correct)

Q: Working in a physician's office as an insurance billing specialist carries greater responsibilities than operating a self-owned insurance billing business.

A. True

B. False (Correct)

Q: Knowledge of medicolegal rules and regulations of various insurance programs is essential for the insurance billing specialist to avoid filing claims that may be considered fraudulent or abusive.

A. True (Correct)

B. False

Q: Expertise in the legalities of collection on accounts is essential for the insurance billing specialist to avoid lawsuits related to medical collection of accounts receivable.

A. True (Correct)

B. False

Q: In most health care organizations, the insurance billing specialist does not have to be attentive to apparel or grooming as they are not involved in providing direct patient care.

A. True

B. False (Correct)

Q: E-mails are a cost-effective method of sending messages and cannot be brought into legal proceedings.

A. True

B. False (Correct)

Q: The Centers for Medicare and Medicaid Services, formerly known as the Health Care Financing Administration, adopted the Principles of Medical Ethics in 1980.

A. True

B. False (Correct)

Q: At certain times medical office staff members are allowed to make critical remarks about a physician to a patient.

A. True

B. False (Correct)

Q: It is illegal to report incorrect information to government-funded programs such as Medicare, Medicaid, and TRICARE.

A. True (Correct)

B. False

Q: Physicians are legally responsible for any actions of their employees performed within the context of their employment; therefore, an employee cannot be sued or brought to trial.

A. True

B. False (Correct)

Q: In some states, giving an insured client advice on purchase or discontinuance of insurance policies is construed as being an insurance agent.

A. True (Correct)

B. False

Q: The best way for an insurance specialist to keep up to date in the profession is to read health care industry association publications, attend seminars on billing and coding, and participate in e-mail listserv discussions.

A. True (Correct)

B. False