

8. Who is the largest third-party payer in the nation?
 a. Blue Cross Blue Shield c. Cigna
 b. Aetna d. the government
 ANS: D PTS: 1 DIF: 1 TOP: THEORY
9. A major change took place in Medicare in ____ with the enactment of the Omnibus Budget Reconciliation Act.
 a. 1989 c. 1997
 b. 1992 d. 2000
 ANS: A PTS: 1 DIF: 1 TOP: THEORY
10. The physician fee schedule is updated each April 15 and is composed of:
 a. the relative value units for each service
 b. a geographic adjustment factor to adjust for regional variations in the cost of operating a health care facility
 c. a national conversion factor
 d. all of the above
 e. none of the above
 ANS: D PTS: 1 DIF: 3 TOP: THEORY
11. If a surgeon performs more than one procedure on the same patient on the same day, and discounts were made on all subsequent procedures, Medicare would pay what percentages for the first, second, third, fourth, and fifth procedures?
 a. 100%, 100%, 100%, 100%, 100% c. 100%, 50%, 50%, 25%, 25%
 b. 100%, 50%, 50%, 50%, 25% d. 100%, 50%, 50%, 50%, 50%
 ANS: D PTS: 1 DIF: 2 TOP: THEORY
12. Medicare sets the payment level for assistant surgeons at a percentage of the fee schedule amount for the ____ surgical service.
 a. global c. partial
 b. united d. subsequent
 ANS: A PTS: 1 DIF: 2 TOP: THEORY
13. What edition of the *Federal Register* would hospital facilities be especially interested in?
 a. October c. January
 b. November or December d. July
 ANS: A PTS: 1 DIF: 2 TOP: THEORY
14. What edition of the *Federal Register* would outpatient facilities be especially interested in?
 a. October c. January
 b. November or December d. July
 ANS: B PTS: 1 DIF: 2 TOP: THEORY
15. What are the three items that the Medicare beneficiaries are responsible for paying before Medicare will begin to pay for services?
 a. personal care items
 b. deductibles, drug costs, personal care items
 c. premiums
 d. deductibles, premiums, and coinsurance
 ANS: D PTS: 1 DIF: 3 TOP: THEORY
16. Medicare funds are collected by:
 a. U.S. Food and Drug Administration c. National Centers for Health Statistics
 b. Social Security Administration d. Department of the Treasury
 ANS: B PTS: 1 DIF: 3 TOP: THEORY
17. CMS handles the daily operation of the Medicare program through the use of ____ ____ ____, formerly Fiscal Intermediaries.
 a. Medical Adjustment Contractor c. Medicare Administrative Contractors
 b. Medicare Administrative Cooperative d. Medical Administrative Contractors
 ANS: C PTS: 1 DIF: 1 TOP: THEORY
18. Which of the following is NOT a stated goal of the Physician Payment Reform?
 a. decrease Medicare expenditures
 b. assure quality health care at a reasonable cost
 c. limit provider liabilities
 d. redistribute physician payment more equitably
 ANS: C PTS: 1 DIF: 1 TOP: THEORY
19. If a QIO provider renders a covered service that costs \$100 and bills Medicare for the service and Medicare allowed \$58, the provider would bill this amount to the patient.
 a. \$42 c. \$100
 b. \$58 d. \$0
 ANS: D PTS: 1 DIF: 1 TOP: THEORY

20. The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 established these new benefits available under the Medicare program.
- | | |
|-----------|-----------|
| a. Part A | c. Part C |
| b. Part B | d. Part D |
- ANS: D PTS: 1 DIF: 1 TOP: THEORY
21. This program is also known as Medicare Advantage.
- | | |
|-----------|-----------|
| a. Part A | c. Part C |
| b. Part B | d. Part D |
- ANS: C PTS: 1 DIF: 1 TOP: THEORY
22. ____ are activities involving the transfer of health care information and ____ means the movement of electronic data between two entities and the technology that supports the transfer.
- | | |
|-------------------------------|-------------------------------|
| a. Transmissions, transaction | c. Interchanges, transmission |
| b. Transactions, transmission | d. Transmissions, interchange |
- ANS: B PTS: 1 DIF: 1 TOP: THEORY

COMPLETION

1. CMS _____
- ANS: Centers for Medicare and Medicaid Services
- PTS: 1 DIF: 3 TOP: THEORY
2. QIO _____
- ANS: Quality Improvement Organizations
- PTS: 1 DIF: 3 TOP: THEORY
3. RBRVS _____
- ANS: Resource Based Relative Value Scale
- PTS: 1 DIF: 3 TOP: THEORY
4. OBRA _____
- ANS: Omnibus Budget Reconciliation Act
- PTS: 1 DIF: 3 TOP: THEORY
5. MAAC _____
- ANS: Maximum Actual Allowable Charge
- PTS: 1 DIF: 3 TOP: THEORY
6. RVU _____
- ANS: Relative Value Unit
- PTS: 1 DIF: 3 TOP: THEORY
7. OIG _____
- ANS: Office of the Inspector General
- PTS: 1 DIF: 3 TOP: THEORY
8. DHHS _____
- ANS: Department of Health and Human Services
- PTS: 1 DIF: 3 TOP: THEORY
9. In the role as a medical coder, it is your responsibility to ensure that you code _____ and _____ to optimize reimbursement for services provided. (Separate your answers with a comma and a space.)
- ANS:
accurately, completely
completely, accurately
- PTS: 1 DIF: 3 TOP: THEORY

10. The _____ program was developed by Congress to monitor the necessity of hospital admissions and review the treatment costs and medical records of hospitals.

ANS:

qio
Qio
QIO

PTS: 1 DIF: 3 TOP: THEORY

11. The _____ is a national dollar amount that is applied to all services paid on the basis of the MFS.

ANS: conversion factor

PTS: 1 DIF: 3 TOP: THEORY

12. The amount determined by multiplying the RVU weight by the geographic index and the conversion factor is called the _____ amount.

ANS: fee schedule

PTS: 1 DIF: 3 TOP: THEORY

13. For endoscopic procedures, Medicare allows the full value of the highest valued endoscopy, plus the difference between the next highest endoscopy and the _____ endoscopy.

ANS: highest

PTS: 1 DIF: 3 TOP: THEORY

14. The provider or facility is _____ when the payment goes directly to the patient.

ANS:

nonparticipating
Nonparticipating

PTS: 1 DIF: 1 TOP: THEORY

15. The conversion factor (CF) is a national dollar amount that is applied to all services paid on the basis of the _____.

ANS:

MFS
mfs
Medicare Fee Schedule
Medicare fee schedule

PTS: 1 DIF: 1 TOP: THEORY

16. Under the RBRVS, the unit value is termed _____ Value Unit.

ANS:

Relative
relative

PTS: 1 DIF: 1 TOP: THEORY

SHORT ANSWER

1. List the three goals of the Physician Payment Reform.

ANS:

(in any order) decrease Medicare expenditures, redistribute physician payments more equitably, assure quality health care at a reasonable cost

PTS: 1 DIF: 5 TOP: THEORY

2. List the three components of the relative value unit.

ANS:

(in any order) work, overhead, malpractice

PTS: 1 DIF: 5 TOP: THEORY

3. List the three types of persons eligible for Medicare.

ANS:

(in any order) 65 and over, those with some disabilities, those with permanent kidney failure requiring dialysis or transplant

PTS: 1 DIF: 4 TOP: THEORY

MATCHING

Match the Medicare part(s) with the coverage.

- a. Part A
- b. Part D
- c. Part B

- 1. Hospice care
- 2. Prescription drug
- 3. Physician visits
- 4. Automatic coverage when age 65

1. ANS: A	PTS: 1	DIF: 1	TOP: THEORY
2. ANS: B	PTS: 1	DIF: 1	TOP: THEORY
3. ANS: C	PTS: 1	DIF: 1	TOP: THEORY
4. ANS: A	PTS: 1	DIF: 1	TOP: THEORY